
**SAN JOAQUIN
LOCAL AGENCY FORMATION COMMISSION**

LAFCo

509 W. WEBER AVENUE SUITE 420 STOCKTON, CA 95203

AGENDA

Thursday, December 8, 2022 9:00 A. M.

BOARD OF SUPERVISORS CHAMBERS
44 NORTH SAN JOAQUIN STREET, 6TH FLOOR
STOCKTON, CALIFORNIA

* * * *

Call to Order
Announce Date and Time of Meeting for the Record
Roll Call
Pledge of Allegiance

Recognition of Commissioners Mike Morowit and Chuck Winn

CONSENT ITEMS

1. MEETING MINUTES OF NOVEMBER 10, 2022
(Action by All Members)
Approve Summary Minutes of the regular meeting.

2. OUT-OF-AGENCY SERVICE REQUEST
(Action by Regular Members)
Request from the City of Stockton to provide out-of-agency sewer water supply outside the City boundary under Government Code §56133 to 2900 E. Harding Way, 250 W. Downing Avenue, 2000 Sanguinetti Lane, and 141 N. Olive Avenue in Stockton, CA.

3. DISCUSSION AND POSSIBLE ACTION REGARDING MEETINGS OF THE SAN JOAQUIN LOCAL AGENCY FORMATION COMMISSION UNDER AB 361 USING TELECONFERENCE DURING A PROCLAIMED STATE OF EMERGENCY
(Action by All Members)
Consider Resolution to conduct meetings of the San Joaquin Local Agency Formation Commission using teleconferencing pursuant to Government Code 54953 as amended by Assembly Bill 361 for the period December 8, 2022 to January 7, 2023.

PUBLIC HEARING

4. MILLER ANNEXATION TO SOUTH SAN JOAQUIN IRRIGATION DISTRICT (L AFC 20-22)
(Action by Regular Members)
Request to annex approximately 40.18 acres to South San Joaquin Irrigation District.

5. G & E TE VELDE ANNEXATION TO SOUTH SAN JOAQUIN IRRIGATION DISTRICT (L AFC 21-22)
(Action by Regular Members)
Request to annex approximately 448.52 acres to South San Joaquin Irrigation District.

ACTION ITEMS

6. RESULTS OF PROTEST HEARING FOR LUMINA REORGANIZATION TO THE CITY OF MANTECA (L AFC 19-22)
(Action by Regular Members)
Report from the Executive Officer on the results from the protest hearing held on November 22, 2022.

PUBLIC COMMENTS

7. Persons wishing to address the Commission on matters not otherwise on the agenda.

EXECUTIVE OFFICER COMMENTS

8. Comments from the Executive Officer

COMMISSIONER COMMENTS

9. Comments, Reports, or Questions from the LAFCO Commissioners

CLOSED SESSION

10. Open Session Disclosure Regarding Closed Session Items pursuant to Government Code Section 54957.7

11. CLOSED SESSION
 - A. Conference with Legal Counsel-Existing Litigation pursuant to Government Code Section 54956.9(a)
Name of Case: Tracy Rural County Fire Protection District with the City of Tracy as named Real Party of Interest v. San Joaquin LAFCo (San Joaquin County Superior Court Case No. 2019-9687)

12. Open Session Report on Closed Session pursuant to Government Code
Section 54957.1

ADJOURNMENT

LAFCo

44 N. SAN JOAQUIN STREET SUITE 374 STOCKTON, CA 95202

**SUMMARY MINUTES OF SPECIAL MEETING
November 10, 2022**

VIDEO CONFERENCE

Chairman Breitenbucher called the meeting to order at 9:01 a.m.

MEMBERS PRESENT Commissioners, Johnson, Lincoln, Villapudua, Winn and
Chairman Breitenbucher.

MEMBERS ABSENT: None

ALTERNATE MEMBERS Commissioners Diallo, Morowit and Patti. Commissioner
PRESENT: Patti arrived at 9:04 a.m.

ALTERNATE MEMBERS None
ABSENT:

OTHERS PRESENT: J.D. Hightower, Executive Officer; Rod Attebery, Legal
Counsel; and Mitzi Stites, Commission Clerk

CONSENT ITEMS

A motion was made by Commissioner Johnson and seconded by Commissioner Lincoln, to approve the Consent Calendar.

The motion for approval of the Summary Minutes of October 13, 2021 meeting was passed by a unanimous vote of the Commission.

The motion for approval for the out-of-agency service request to property located at 928 E. Taft Avenue and 936 E. Taft Avenue in Stockton was passed by a unanimous vote of the regular voting members of the Commission.

The motion for approval authorizing the San Joaquin Local Agency Formation Commission to conduct meetings using teleconferencing pursuant to Government Code 45953 as amended by

AB 361 for the period of November 10, 2022 to December 10, 2022, was passed by a unanimous vote of the regular voting members of the Commission.

PUBLIC COMMENTS

Alicia Valenzuela was inquiring on how to receive access to records for a public notification.

Rod Attebery, Legal Counsel, stated that she could send her request to San Joaquin LAFCo or call Mr. JD Hightower, Executive Officer, directly for the request.

EXECUTIVE OFFICER COMMENTS

No comments were made.

COMMISSIONER COMMENTS

No comments were made.

CLOSED SESSION

Open Session Disclosure Regarding Closed Session Items pursuant to Government Code Section 54957.7

CLOSED SESSION

Conference with Legal Counsel-Existing Litigation pursuant to Government Code Section 54956.9(a)

Name of Case: Tracy Rural County Fire Protection District with the City of Tracy as named Real Party of Interest v. San Joaquin LAFCo (San Joaquin County Superior Court Case No. 2019-9687)

Open Session Report on Closed Session pursuant to Government Code Section 54957.1

At 9:08 a.m. Rod Attebery, Legal Counsel, stated that the Commission would be going into closed session to discuss the item that is on the agenda.

At 9:49 a.m., Commissioners returned from Closed Session and there was no reportable action.

The meeting adjourned at 9:50 a.m.

EXECUTIVE OFFICER'S REPORT

December 8, 2022

TO: LAFCo Commissioners

FROM: Jeffery Hightower, Executive Officer

SUBJECT: **CITY OF STOCKTON OUT-OF-AGENCY SERVICE REQUEST**

Recommendation

It is recommended that the Commission approve the requests from the City of Stockton to provide out-of-agency sewer service under the Government Code §56133 to the properties located at 2900 E. Harding Way, and 250 W. Downing Avenue, 2000 Sanguinetti Lane, and 141 N. Olive Avenue in Stockton.

Background

Government Code Section §56133 states that the Commission may authorize a city or special district to provide new or extended services outside its jurisdictional boundaries but within its sphere of influence in anticipation of a later change of organization and that prior to providing new or extended service, the city or district must first receive approval from LAFCo. The Commission adopted a policy that conditions their approval for out-of-agency service requiring the recordation of an agreement with the landowner consenting to annexation of their property when annexation becomes feasible.

The City of Stockton submitted requests for approval to extend sanitary sewer services to two existing commercial properties and two single family residence outside the city limits but within the City's sphere of influence. A vicinity map is attached showing the location of the out-of-agency requests. Connections to City sewer lines are available to the property and the property owner has paid the appropriate connection fees to the City. The requests for out-of-agency services is in compliance with the Government Code §56133 and Commission policies. Staff recommends approval of the attached Resolution 1500 approving out-of-agency services.

Attachment: Resolution No. 1500
Vicinity Map

Resolution No. 1500

**BEFORE THE SAN JOAQUIN LOCAL AGENCY FORMATION COMMISSION
APPROVING AN OUT-OF-AGENCY SANITARY SEWER SERVICE FROM THE
CITY OF STOCKTON TO 5312 HOBART AVENUE, 2900 E. HARDING WAY AND
250 W. DOWNING AVENUE, 2000 SANGUINETTI LANE, AND 141 N. OLIVE
AVENUE IN STOCKTON**

WHEREAS, the above-reference requests have been filed with the Executive Officer of the San Joaquin Local Agency Formation Commission pursuant to §56133 of the California Government Code.

NOW THEREFORE, the San Joaquin Local Agency Formation Commission DOES HEREBY RESOLVE, DETERMINE, AND ORDER as follows:

Section 1. Said out-of-agency service request is hereby approved.

Section 2. The proposal is found to be Categorically Exempt from CEQA.

Section 3. The proposal is subject to the following conditions:

- a. Prior to connection to the city sewer or water, the City of Stockton shall record a covenant and agreement with the property owners to annex to the City of Stockton in a form acceptable to the Executive Officer.
- b. This approval and conditions apply to current and future property owners.

PASSED AND ADOPTED this 8th day of December 2022, by the following roll call votes:

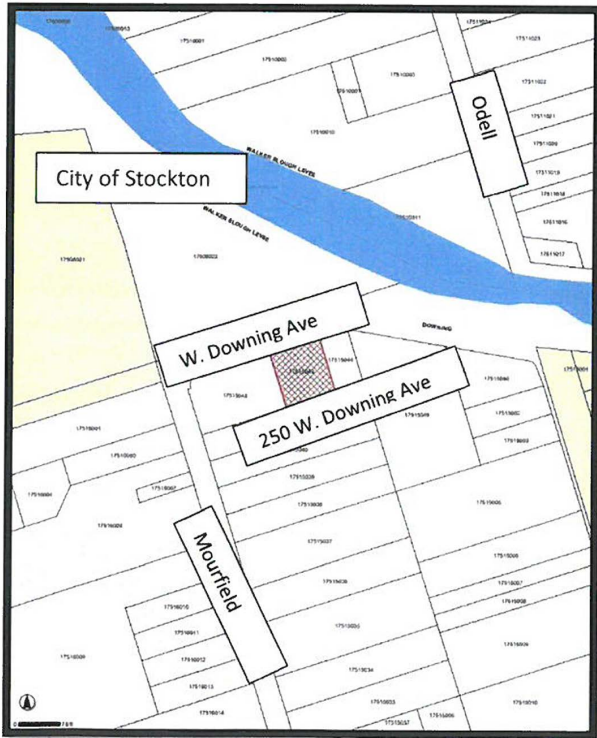
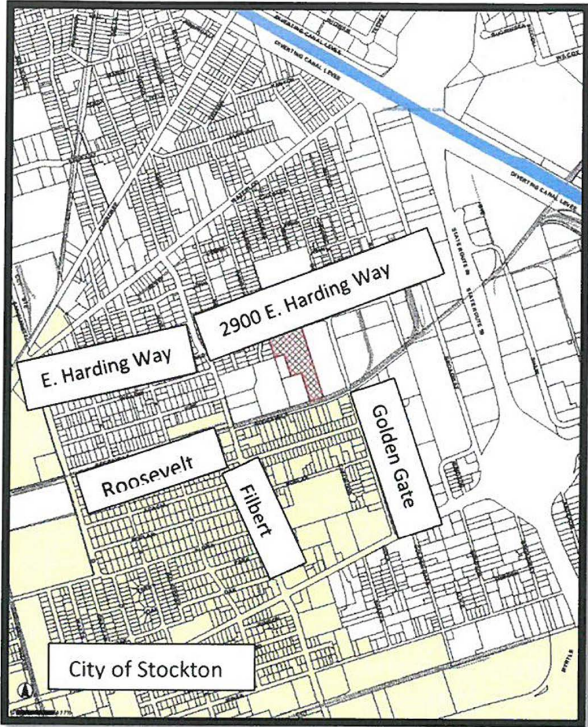
AYES:

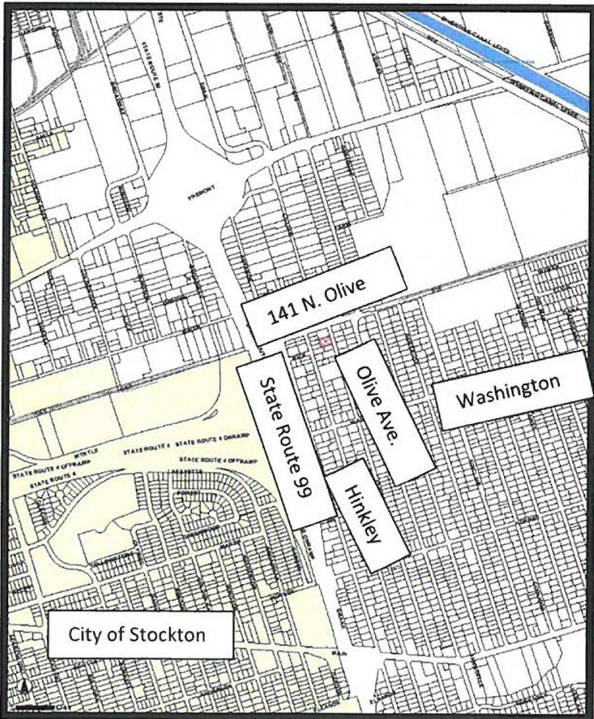
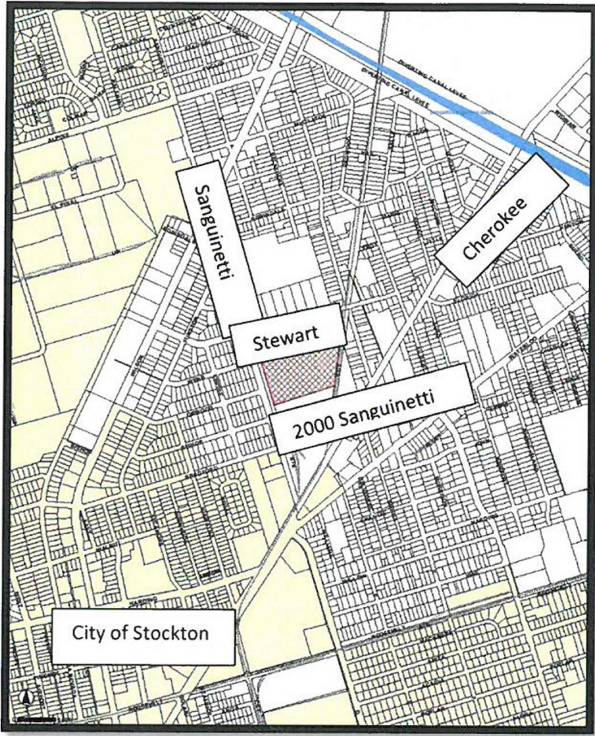
NOES:

ABSENT:

DAVID BREITENBUCHER, Chairman
San Joaquin Local Agency
Formation Commission

Res. No. 1500
12-8-22





LAFCo

44 NORTH SAN JOAQUIN STREET, SUITE 374 STOCKTON, CA 95202

EXECUTIVE OFFICER'S REPORT

DATE: December 8, 2022

FROM: Rod Attebery, General Counsel

SUBJECT: **Discussion and Possible Action Regarding Meetings of the San Joaquin Agency Formation Commission Under AB 361 Using Teleconference During a Proclaimed State of Emergency**

Recommendation

It is recommended that the Commission approve the attached LAFCo resolution 1498 authorizing Commission to conduct meeting of the San Joaquin Local Agency Formation Commission using teleconferencing pursuant to Government Code 45942 as amended by AB 361 for the period of December 8, 2022 to January 7, 2023.

Background

On September 16, 2021, Governor Gavin Newsom signed Assembly Bill 361 ("AB 361") into law, amending the Ralph M. Brown Act (Gov. Code, § 54950 *et seq.*) (the "Brown Act"). AB 361 codified certain modified requirements for teleconference meetings held by public agencies, similar to those previously authorized and extended by executive order during the COVID-19 State of Emergency.

AB 361 was introduced to provide a longer-term solution for teleconference meetings during states of emergency, effective until January 1, 2024. AB 361 amends Section 54953 of the Government Code to allow the legislative body of a local agency to meet remotely without complying with the normal teleconference rules for agenda posting, physical location access, or quorum rules. To do so, one of three scenarios must exist, all of which require that the Governor has proclaimed a State of Emergency pursuant to Government Code section 8625:

- A. State or local officials have imposed or recommended measures to promote social distancing;
- B. The agency is holding a meeting for the purpose of determining whether meeting in person would present imminent risks to the health or safety of attendees; or
- C. The agency is holding a meeting and has determined that meeting in person would present imminent risks to the health or safety of attendees.

(Gov. Code, § 54953(e)(1).)

An agency and any committee that is required to comply with the Brown Act, that holds a meeting under either of the three scenarios must continue to post its agenda in the time required by the Brown Act, and ensure that the public is able to address the agency or committee directly through teleconference means. (*Id.* at subd. (e)(2). If a disruption prevents the agency or committee from broadcasting the meeting or receiving public comments in real time, the agency or committee cannot take further action until those functions are restored; any actions taken during such a disruption are subject to legal challenge. (*Id.*)

Assuming the State of Emergency remains in effect, if the San Joaquin Local Agency Formation Commission (“LAFCo” or the “Commission”) or LAFCo committees wish to continue meeting under the modified rules, then the Commission, and each committee that wants to continue to meet using teleconference must each individually adopt an initial resolution within 30 days of the first teleconference meeting, and then must adopt an extension resolution at least every 30 days thereafter. (*Id.* at subd. (e)(3).) The resolutions must contain findings stating that the Commission or committee has reconsidered the circumstances of the State of Emergency and either (1) the State of Emergency continues to directly impact the ability of the members to meet safely in person; or (2) State or local officials continue to impose or recommend measures to promote social distancing. (*Id.*)

Where consecutive regular meetings fall outside the 30-day time frame, the Commission or committee should hold a special “AB 361” remote meeting within the 30-day window simply to reauthorize the AB 361 exceptions. Without the AB 361 exceptions, the Commission or committee will be required to return to normal in-person meetings or provide public access at each remote location under the traditional teleconference rules, as of October 1, 2021. Therefore, if the AB 361 authorization lapses and the Commission or a committee wishes to hold a teleconference meeting, it will be required to post agendas and provide public access at each remote location, identify those locations in the agenda, and maintain a quorum of the Commission within agency boundaries. If a meeting is not held in conformity with AB 361, commissioners may not teleconference from their residences or other locations, which are not open and accessible to the public.

FISCAL IMPACT:

None.

Attachment: Resolution 1501

Resolution No. 1501

**BEFORE THE SAN JOAQUIN LOCAL AGENCY FORMATION COMMISSION
AUTHORIZING COMMISSION TO CONDUCT MEETINGS OF THE SAN JOAQUIN
LOCAL AGENCY FORMATION COMMISSION USING TELECONFERENCING
PURSUANT TO GOVERNMENT CODE 54953 AS AMENDED BY AB 361 FOR THE
PERIOD DECEMBER 10, 2022 TO JANUARY 7, 2023**

WHEREAS, the San Joaquin Local Agency Formation Commission (“LAFCo”) is committed to preserving and nurturing public access and participation in meetings of the Commission; and

WHEREAS, all meetings of LAFCo’s legislative bodies are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend, participate, and watch LAFCo’s legislative bodies conduct their business; and

WHEREAS, the Brown Act, Government Code section 54953(e), as amended by AB 361 (2021), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing, or, the legislative body meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, on March 4, 2020, the Governor proclaimed a State of Emergency to exist in California as a result of the threat of COVID-19; and

WHEREAS, Cal-OSHA adopted emergency regulations (Section 3205) imposing requirements on California employers, including measures to promote social distancing; and

WHEREAS, an Order of the San Joaquin County Public Health Officer acknowledges that close contact to other persons increases the risk of transmission of COVID-19; and

WHEREAS, currently the dominant strain of COVID-19 in the country, is more transmissible than prior variants of the virus, may cause more severe illness, and that even fully vaccinated individuals can spread the virus to others resulting in rapid and alarming rates of COVID-19 cases and hospitalizations, therefore, meeting in person would present imminent risks to the health or safety of attendees.

NOW, THEREFORE, BE IT RESOLVED, that the San Joaquin Local Agency Formation Commission approves

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Finding of Imminent Risk to Health or Safety of Attendees. LAFCo does hereby find that the current dominant strain of COVID-19 in the country, is more transmissible than prior variants of the virus, may cause more severe illness, and that even fully vaccinated individuals can spread the virus to others resulting in rapid and alarming rates of COVID-19 cases and hospitalizations has caused, and will continue to cause, conditions of peril to the safety of persons, thereby presenting an imminent risk to health and/or safety to LAFCo's employees and attendees of the Commission's public meetings; and

Section 3. Teleconference Meetings. LAFCo does hereby determine as a result of the State of Emergency proclaimed by the Governor, and the recommended measures to promote social distancing made by State and local officials that the Commission may conduct their meetings without compliance with paragraph (3) of subdivision (b) of Government Code section 54953, as authorized by subdivision (e)(1)(A) and (B) of section 54953, and shall comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of section 54953; and

Section 4. Direction to Staff. The Executive Officer and LAFCo staff are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

Section 5. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption.

PASSED AND APPROVED this 8th day of December 2022, by the following roll call vote:

AYES:

NOES:

ABSENT:

DAVID BREITENBUCHER, Chairman
San Joaquin Local Agency
Formation Commission

EXECUTIVE OFFICER'S REPORT

**PROJECT: MILLER ANNEXATION TO SOUTH SAN JOAQUIN
IRRIGATION DISTRICT (L AFC 20-22)**

PROPOSAL: Annexation of 40.18 acres to South San Joaquin Irrigation District

APPLICANT: South San Joaquin Irrigation District (SSJID)

LOCATION: Between the northern boundary of SSJID and Lone Tree Creek
(Exhibit A: Vicinity Map)

PURPOSE: To continue the provision of irrigation water (Exhibit B: Justification
of Proposal)

PROCESS: Proposed annexation area is uninhabited and has consent of the
landowner

RECOMMENDATION

It is recommended that the Commission approve Resolution No. 1502 approving the Miller Annexation to SSJID.

BACKGROUND

SSJID was formed in 1909 to collect, store, and distribute irrigation water and provide agricultural drainage to southern San Joaquin County. The district's service territory covers approximately 72,000 acres (112 square miles) and includes the incorporated cities of Manteca, Ripon and Escalon. SSJID owns and operates an irrigation water distribution system consisting of 120 miles of open ditches and 320 miles of underground pipelines for water delivery. The District shares senior water rights to the Stanislaus River with Oakdale Irrigation District that provide a stable supply of water for irrigation, hydroelectric generation and drinking water.

In 2005 the District completed construction of a water treatment plant and began to provide domestic drinking water to the Cities of Tracy, Manteca and Lathrop. The District currently does not provide retail electric service, and in the event that the District does provide such service, the property would not be eligible for retail electric unless annexed into the District's SOI for electric service.

In 2019 the Commission approved an amendment to the District's Sphere of Influence for SSJID as it received several annexation requests from property owners outside the 10-year planning boundary who wish to annex into SSJID. The amended SOI placed the Miller property within the district's 10-year planning horizon for water. The landowner currently receives irrigation water when available under an agreement with SSJID. Annexation of the property to SSJID would

provide the landowner the same rights of certain existing landowners within the District and to the rights of the cities under contract with the District to receive drinking water. There are no District drainage facilities available or planned for the future in the area and the Miller property will not be eligible for drainage service.

ENVIRONMENTAL

As the Lead Agency, SSJID determined that the project is categorically exempt from further CEQA review pursuant to Sections 15301 (Existing Facilities) and 15319 (Annexation of Existing Facilities). As a responsible agency, LAFCo concurs with SSJID that the project is categorically exempt from further CEQA review.

REVIEW FACTORS

Government Code Section 56668.3 (annexation to special districts) states that if a proposed change of organization consists of an annexation to a special district, the Commission shall consider the following factors:

- (1) *Whether the proposed annexation will be for the interest of landowners or present or future inhabitants within the district and within the territory proposed to be annexed to the district.*

SSJID has provided irrigation services by agreement to the Miller property since 2017. Annexation will not affect the existing service and will not require installation any additional structures on the District's irrigation system. An extension of a private facility from the District's lateral located on an adjacent parcel also owned by the applicant immediate south of the Miller property is currently in place for the delivery of water. Annexation of the parcel does not impact the provision of water to inhabitants within the SSJID as they will continue to receive services at their present levels. The District maintains that it has sufficient water supply to continue service to the property in perpetuity. Annexation will provide a more reliable water source to the land currently in agriculture and provide access to surface water reducing the need to rely on groundwater.

- (2) *Any factors which may be considered by the Commission as provided in §56668 (annexation to a city). The following factors from §56668 which are appropriate for this annexation include:*

Effect of the proposal on maintaining the physical and economic integrity of agricultural lands as defined by Section 56016

Agricultural lands are defined as lands that are currently used for the purpose of producing an agricultural commodity for commercial purposes. The proposed annexation site is designated as A/G in the County General Plan. The land use designation for the proposed annexation property is agriculture and there will be no change to the land use after annexation.

Definiteness and certainty of the boundaries

The proposed annexation site is one whole tax assessor parcel and is consistent with Commission policy.

The ability of the District to provide the services which are the subject of the application to the area, including the sufficiency of revenues for those services following the proposed boundary change. (Exhibit C: SSJID and its History of Providing Public Services)

Irrigation Water

The Miller property is served with District irrigation water through the extension of a private pipeline facility constructed by the Landowner from the District's Lateral Bf across Landowner's other real property located to the immediate south. Landowner has also installed a flow meter and SCADA equipment, enabling the District to measure water to the property as required.

An annexation agreement between the District and Landowner provides that the landowner will be classified as a "Tier 2" property which will be second in priority for water service after "Tier 1" properties consisting of contractual water-supply obligations to the cities of Manteca, Escalon, Ripon, Lathrop, and Tracy in the event of a drought-induced limitation of the District's water supply. However, due to ongoing conservation efforts, technology improvements, and changes to land use, the District's current water supply is sufficient to not only meet the demands of all of its landowners but has historically had a margin of surplus water. The Landowner will be required to pay annexation fees and the District's water charges.

SSJID requests that LAFCo condition the annexation on the terms and conditions of the Annexation Agreement between the District and the Landowner. (Exhibit D: Annexation Agreement and Covenant Running with the Land).

Drainage

The property will not receive drainage service from SSJID. There are no drainage facilities located within the vicinity nor does the District plan on providing service to that area.

Financial Ability to Provide Service

The District does not need to install any facilities to serve the property. The Landowner has paid the costs to extend existing private facilities for service without financing from the District. The Landowner will pay the District's charges for irrigation water and is subject to the same rules as is provided to existing customers.

(3) The comments of any affected local agency or other public agency. (Exhibit E: Referral Comments)

County Public Works: No comment.

(4) Any information or comments from the landowner, voters, or residents of the affected territory.

LAFCo has not received any objections to the annexation.

(5) Any other matters the Commission deems material

None.

DISCUSSION

The Miller property is currently being served by SSJID. Existing District irrigation facilities serve the site through an adjacent property owned by the same property owner and will continue to do so after annexation. The Landowner has paid the costs to extend existing private facilities for service without further financing from the District. Annexation of the parcel does not impact the provision of water to inhabitants within the SSJID as they will continue to receive services at their present levels. The District maintains that it has sufficient water supply to continue service to the property in perpetuity. Annexation of the property to SSJID would provide the landowner the same rights as existing landowners within the District, provide a more reliable water source, and provide access to surface water reducing the need to rely on groundwater.

Attachments: LAFCO Resolution No. 1502

Exhibit A: Vicinity Map

Exhibit B: Justification of Proposal

Exhibit C: SSJID and its History of Providing Public Services

Exhibit D: Annexation Agreement and Covenant Running with the Land

Exhibit E: Referral Comments

**Miller Annexation to South San
Joaquin Irrigation District**

and

**G & E Te Velde Annexation to
South San Joaquin Irrigation
District**

Public Hearing

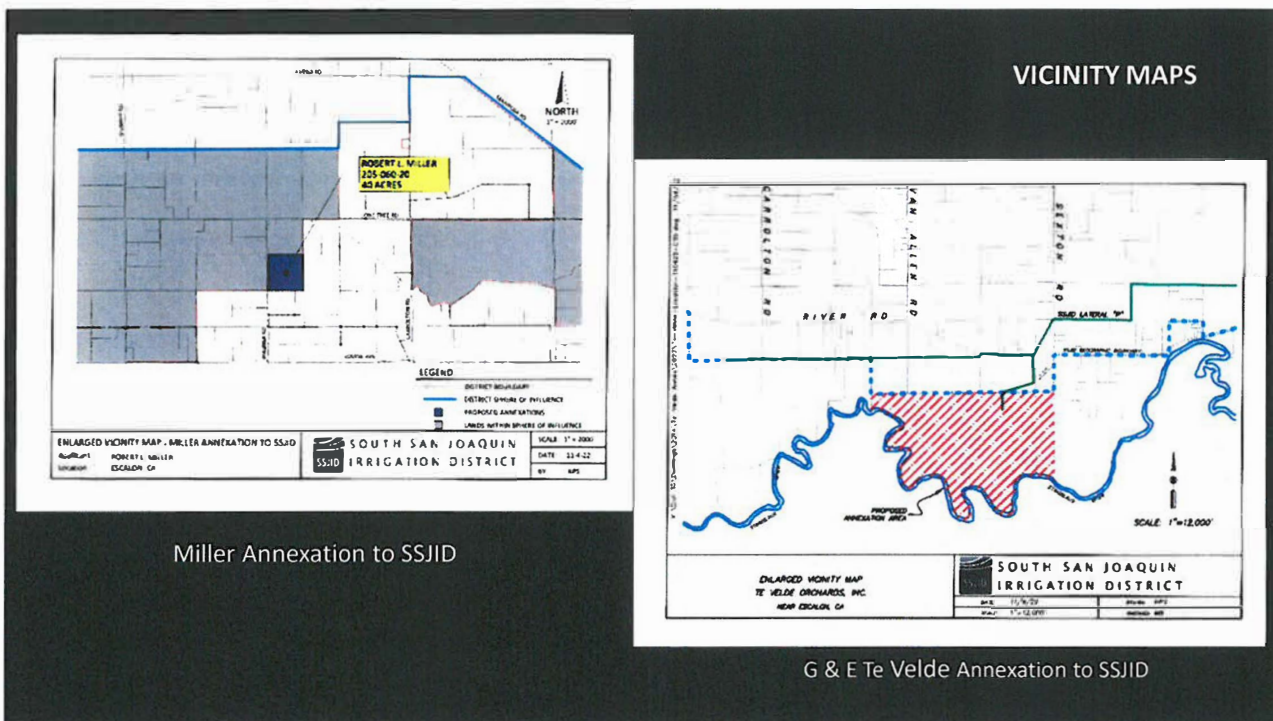
December 8, 2022

San Joaquin Local Agency
Formation Commission

PROPOSAL

SSJID submitted two annexation requests:

- Miller property consisting of 40.18 acres
- Te Velde properties consisting of 448.52 acres
- Annexation would allow SSJID to continue to provide irrigation water to the Landowners
- Projects are uninhabited and has owner consent
- The Miller annexation site is located between the northern boundary of SSJID and Lone Tree Creek
- The Te Velde site is located between the southern boundary of SSJID and the Stanislaus River



Background

- SSJID was formed in 1909 to collect, store, and distribute irrigation water and provide agricultural drainage
- Service area covers 72,000 acres and includes the Cities of Manteca, Ripon, and Escalon
- SSJID owns and operates an irrigation water distribution system consisting of 120 miles of open ditches and 320 miles of underground pipelines for water deliver
- SSJID shares senior water rights to the Stanislaus River with Oakdale Irrigation District
- SSJID also provides domestic water and is authorized to provide retail electric service

Background

- The Landowners currently receive irrigation water from SSJID when available
- Annexation to SSJID would provide the Landowners the same rights to irrigation water as existing landowners within the District
- There are no drainage facilities available to the properties and there are no plans to provide this service
- The Te Velde annexation site is within the District's Sphere of Influence for retail electric service and is eligible for the service
- The Miller property is not within the District's Sphere of Influence for retail electrical service and will not be provided the service

Environmental

- As the Lead Agency, SSJID determined that the project is categorically exempt from further CEQA review pursuant to Sections 15301 (Existing Facilities) and 15319 (Annexation of Existing Facilities).
- As a responsible agency, LAFCo concurs with SSJID that the project is categorically exempt from further CEQA review.

REVIEW FACTORS (§56668.3)

Whether proposed annexation will be for the interest of landowners or present or future inhabitants within the district

- SSJID has provided irrigation water to the Miller property since 2017 and the TeVelde properties since 2014
- Landowners have constructed private pipeline facilities to receive water from the District's Laterals
- Annexation does not impact the provision of water to inhabitants within SSJID
- Water will continue to be provided at existing levels
- Annexation will provide a more reliable water source and access to surface water reducing the need to rely on groundwater

REVIEW FACTORS (§56668.3)

Effect of the proposal on maintaining the physical and economic integrity of agricultural lands

- Lands are agricultural use and there will be no change to land use after annexation

Definiteness and certainty of the boundary

- Annexation sites are whole tax assessor parcels consistent with Commission policy

REVIEW FACTORS (§56668.3)

Ability of the District to provide the services and sufficiency of revenues

Irrigation Water:

- Landowners currently receive water from SSJID through the extension of private pipeline facilities constructed by the Landowners. No new facilities need to be installed.
- Under an Annexation Agreement the Landowners will receive "Tier 2" water
 - Tier 1 properties consist of the District's contractual water-supply obligations including the cities of Manteca, Escalon, Ripon, Lathrop, and Tracy
- Landowners will pay annexation fees and water charges
- SSJID requests that LAFCo condition the annexation approvals on the terms and conditions delineated with each Landowner in the Annexation Agreement and Covenant Running with the Land

Discussion

- The properties are being served by SSJID
- Facilities to serve the property are currently in place and have been paid by the Landowners
- Annexation will not impact existing inhabitants within the District
- The District has a sufficient water supply to continue service
- Annexation will provide the Landowners the same rights as others in the District
- Annexation will provide a more reliable water source for the Landowners and reduce the need to rely on groundwater

Recommendation

It is recommended that the Commission:

- Approve Resolution No. 1502 approving the Miller Annexation to South San Joaquin Irrigation District
- Approve Resolution No. 1503 approving the G & E Te Velde Annexation to South San Joaquin Irrigation District
- Condition the annexation on the terms and conditions of xxxxxAnnexation Agreement between the District and the Landowner

RESOLUTION NO. 1502

**BEFORE THE SAN JOAQUIN LOCAL AGENCY FORMATION COMMISSION
APPROVING THE MILLER ANNEXATION TO SOUTH
SAN JOAQUIN IRRIGATION DISTRICT (L AFC 20-22)**

WHEREAS, the above entitled proposal was initiated by resolution by South San Joaquin Irrigation District and on October 24, 2022 the Executive Officer certified the application filed for processing in accordance with the Local Government Reorganization Act of 2000; and

WHEREAS, the Commission held a public hearing on the proposed annexation on December 8, 2022 in the Board of Supervisors Chambers, 44 North San Joaquin Street, 6th Floor, Stockton, CS pursuant to a Notice of Hearing which was published, posted, and mailed in accordance with State law; and

WHEREAS, at said hearing the Commission heard and received evidence, both oral and written regarding the proposal and all persons were given an opportunity to be heard; and

WHEREAS, the California Environmental Quality Act Guidelines, Section 15319, Annexations of Existing Facilities and Lots for Exempt Facilities, exempts from further review annexations to a special district of areas containing existing public or private structures developed to the density allowed by the current zoning; and

WHEREAS, South San Joaquin Irrigation District found the project to be exempt pursuant to Section 15319 of the CEQA Guidelines; and

WHEREAS the subject territory is uninhabited and has 100% owner consent;

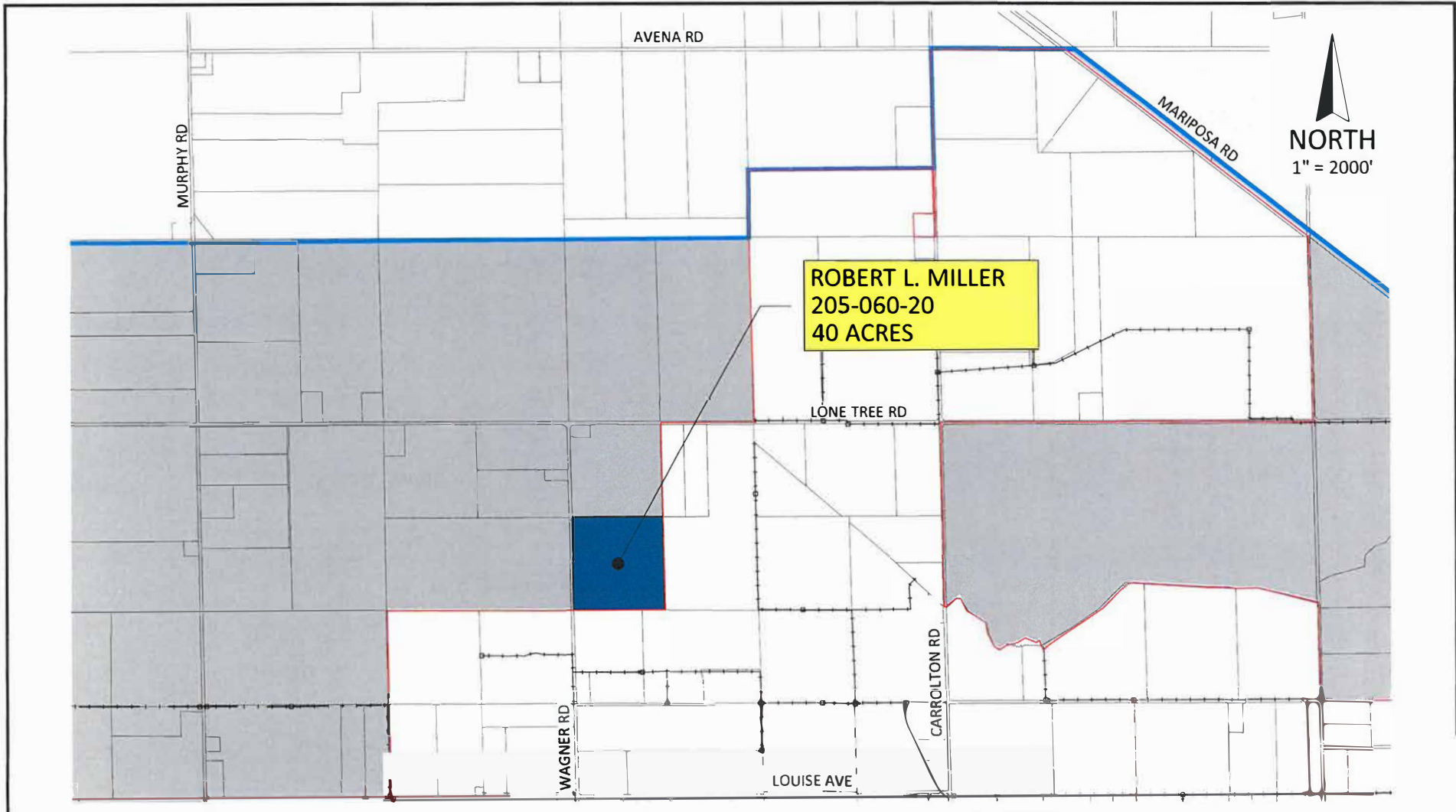
WHEREAS, the Commission has, in evaluating the proposal considered the report submitted by the Executive Officer, the factors set forth in Section 56668.3 of the California Government Code and testimony and evidence presented at the public hearing held on December 8, 2022.

NOW, THEREFORE, the San Joaquin Local Agency Formation Commission DOES HEREBY RESOLVE, DETERMINE, AND ORDER as follows:

Section 1. Certifies that, as a Responsible Agency, the Commission has independently reviewed and considered SSJID's determination that the project is exempt from CEQA.

Section 2. Finds that the proposal is uninhabited and has 100% owner consent.

Section 3. Approves the proposal as submitted to annex 40.18 acres to South San Joaquin Irrigation District subject to a final boundary description as approved by the County Surveyor, attached hereto as Exhibit A.



LEGEND

- DISTRICT BOUNDARY
- DISTRICT SPHERE OF INFLUENCE
- PROPOSED ANNEXATIONS
- LANDS WITHIN SPHERE OF INFLUENCE

ENLARGED VICINITY MAP - MILLER ANNEXATION TO SSJID

Applicant: ROBERT L. MILLER
 Location: ESCALON, CA



**SOUTH SAN JOAQUIN
 IRRIGATION DISTRICT**

SCALE: 1" = 2000'
 DATE: 11-4-22
 BY: KPS

EXHIBIT A

San Joaquin Local Agency Formation Commission

509 West Weber Avenue Stockton, CA 95203
209-468-3198 FAX 209-468-3199

JUSTIFICATION OF PROPOSAL

Please complete the following information to process an application under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000: (Indicate N/A if Not Applicable)

SHORT TITLE OF THE PROPOSAL: South San Joaquin Irrigation District Proposal to Annex APN 205-060-20.

TYPE OF PROPOSAL

- | | | |
|---|--|--|
| <input type="checkbox"/> City Incorporation | <input type="checkbox"/> Sphere of Influence Amendment | <input type="checkbox"/> District Formation |
| <input type="checkbox"/> Consolidation | <input type="checkbox"/> Sphere of Influence Update | <input checked="" type="checkbox"/> Annexation |
| <input type="checkbox"/> Detachment | <input type="checkbox"/> Addition of Services | <input type="checkbox"/> District Dissolution |
| <input type="checkbox"/> Reorganization (involving an Annexation and Detachment(s)) | | |

AGENCY CHANGES RESULTING FROM THIS PROPOSAL

Agency or Agencies gaining territory: South San Joaquin Irrigation District

Agency or Agencies losing territory: Not Applicable

NOTIFICATION

Please indicate the names, addresses and telephone numbers of all Applicants, Applicant's Agents, and all affected Agencies who are to receive the hearing notice and the Executive Officer's Report:

<u>Name</u>	<u>Mailing Address</u>	<u>Telephone</u>
<u>South San Joaquin Irrigation District</u>	<u>P.O. Box 747, Ripon, CA 95366</u>	<u>(209)249-4600</u>
<u>Attn: Peter M. Rietkerk, General Manager</u>		<u>(209)249-4645</u>

(Attach a separate sheet if necessary.)

PROJECT INFORMATION

Please provide project-related information for the following questions:

- 1. Do the proposed boundaries create an island of non-agency territory? Yes No
- 2. Do the proposed boundaries split lines of assessment or ownership? Yes No
- 3. Does the proposal involve public rights-of-way or easements? Yes No
- 4. Does the proposal involve public land or land assessed by the State? Yes No
- 5. Does any part of the proposal involve land under a Williamson Act Contract or Farmland Security Zone? Yes No
- 6. Does any part of the proposal involve land with a Wildlife/Habitat Easement or Agricultural Land Conservation Easement? Yes No

7. List the affected Assessor Parcel Numbers, Owners of record and Parcel Sizes:

<u>APN</u>	<u>Owner</u>	<u>Acreage</u>
205-060-20	Robert L. Miller	40

(Attach a separate sheet if necessary)

- 8. Physical Location of Proposal: 15766 Wagner Road, Escalon, CA 95320
(Street or Road, distance from and name of Cross Street, quadrant of City)
- 9. Has an application been filed for an underlying project (such as Development Plan, Conditional Use Permit, or Tentative Subdivision Map)? Yes No
If Yes, please attach a Project Site Plan or Tentative Subdivision Map.
If No, please provide an estimate of when development will occur: Not applicable
- 10. List those public services or facilities which will be provided to the affected territory as a result of the proposed action:

South San Joaquin Irrigation District (SSJID or District) will continue to provide irrigation service to the subject property.
- 11. Indicate which of these services or facilities will require main line extensions or facility upgrades in order to serve the affected territory:

The subject property presently receives irrigation services through existing District irrigation facilities. No new facilities, extensions, or upgrades will be necessary as a result of annexation.
- 12. Provide any other justification that will assist the Commission in reviewing the merits of this request. (Attach a separate sheet if necessary) Please see "Attachment 1—Justification"

INDEMNIFICATION AGREEMENT

As part of this application, applicant and real property in interest, if different, agreed to defend, indemnify, hold harmless, and release the San Joaquin Local Agency Formation Commission, its agents, officers, attorneys, and employees from any claim, action, or proceeding brought against any of the above, the purpose of which is to attack, set aside, void, or annul the approval of this application or adoption of the environmental document which accompanies it. This indemnification obligation shall include, but not be limited to, damages, costs, expenses, attorney's fees, or expert witness fees that may be asserted by any person or entity, including the applicant, arising out of or in connection with the approval of this application, whether or not there is concurrent passive or active negligence on the part of the San Joaquin Local Agency Formation Commission, its agents, officers, attorneys, or employees.

Executed at MANTECA, California, on September 14, 2021.

APPLICANT

Signature:

Peter M. Rietkerk

Title:

GENERAL MANAGER

REAL PARTY IN INTEREST

(If different from Applicant)

Signature: _____

Title: _____

SUBMITTALS

In order for this application to be processed, the following information needs to be provided:

1. Two copies of this Justification of Proposal, completed and signed with original signatures;
2. Five prints of a full-scale proposal map showing the affected territory and its relationship to the affected jurisdiction (Refer to Guide for Preparation);
3. Five copies of an 8.5" x 11" or 11" x 17" reduction of the proposal map;
4. Three copies of a metes and bounds description of the affected territory;
5. One certified copy of the City Council and/or Special District Board Resolution of Application, or a petition making application to LAFCo (as appropriate);
6. Written permission from each affected property owner (or signature form);
7. One copy of the project environmental document (One Compact Disc if more than 25 pages);
8. One copy of the project Notice of Determination;
9. Three 8.5" x 11" copies of the Vicinity Map (if not included on the proposal map);
10. One copy of the plan for providing services along with a schematic diagram of water, sewer and storm drainage systems (refer to Government Code Section 56653);
11. One copy of the Pre-Zoning map or description (as required by Section 56375);
12. One copy of the Statement of Open Space (Ag) Land Conversion (refer to Section 56377);
13. One Copy of the Statement of Timely Availability of Water Supplies (refer to Section 56668(k));
14. One copy of the Statement of Fair Share Housing Needs (if residential land uses are included in the proposal) (refer to Section 56668(l));
15. One copy of the project design (site plan, development plan, or subdivision map);
16. One copy of the Residential Entitlement matrix form (if residential land uses are included in the proposal); and
17. Filing and processing fees in accordance with the LAFCo Fee Schedule and the State Board of Equalization Fee Schedule.

Additional information may be required during staff review of the proposal.

CERTIFICATION

The undersigned hereby certifies that all LAFCo filing requirements will be met and that the statements made in this application are complete and accurate to the best of my knowledge.

Peter M. Rietkerk

Peter M. Rietkerk, General Manager
South San Joaquin Irrigation District

Date:

9/14/2021

Daytime Telephone: (209)249-4645

Written Geographic Description(s) of the Project Area(s)

Descriptions of the territory that are filed with the Board's Tax Area Services Section (TASS) are used to establish geodetic position and are not intended to establish property ownership in a court of law.² Subdivision maps, tract maps, recorded survey maps, survey monuments, and deeds are not on file with the Board. Boundary descriptions that merely cite recorded documents or refer to assessor's parcel numbers will not be accepted. Any supporting documents may be used as reference only and cannot be used as a substitution. Written geographic descriptions shall conform to the following specifications:

1. Every written geographic description (a document separate from the maps) must stand on its own without the necessity of reference to any extraneous document; a description that relies solely on the use of secondary references will not be accepted. The TASS cartographic staff must be able to plot the boundaries from the written description alone.
2. The written description shall be of the project area only. If a complete description of the special district is filed, the project area shall be clearly identified in a separate document.
3. The geographic description shall:
 - a. State the township and range, section number(s) or rancho(s)
 - b. Have a **point of beginning** (POB) referenced to a known major geographic position (e.g., section corners, intersection of street centerlines, or the intersection of street centerline and an existing district boundary at the time of filing). A description will be rejected if the POB refers only to a tract map, a subdivision map or a recorded survey map. It is preferable that the POB be the point of departure from an existing district boundary (when applicable).
 - c. Be expressed as a specific parcel description in sectionalized land (e.g., "The SW 1/4 of Section 22, T1N, R1W") or by bearings and distances. When the description is by bearings and distances, **all courses shall be numbered and listed individually** in a consistent clockwise direction. The description shall not be written in a narrative format. All courses required to close the traverse of the project area must be stated. All curves must be described by direction of concavity. Delta, arc length, chord, and radius shall be listed, including radial bearings for all points of non-tangency.

Following are examples of unacceptable and acceptable descriptions:

Unacceptable (*This description refers only to extraneous documents and does not stand alone.*)

"From the point of beginning, northerly to the southwest corner of that certain property recorded in Book 12, Page 15 of Recorded Deeds, thence easterly to the southeast corner of that certain property recorded in Book 12, Page 16 of Recorded Deeds...."

Acceptable (*This is the same description with the courses numbered and the bearings and distances added.*)

"From the point of beginning:

Course 1. North 1° 18'56" West a distance of 150' to the southwest corner of that certain property recorded in Book 12, Page 15 of Recorded Deeds, thence,

Course 2. North 85° 7'56" West a distance of 75' to the southeast corner of that certain property recorded in Book 12, Page 16 of Recorded Deeds, thence...."

² The Board's Tax Area Service Section is not involved in issues relating to property ownership.

4. The written description shall state the acreage for each separate single area (see Definitions and Special Fee Provisions for the definition of a single area) and a combined total acreage of the project area.

Example: "Area A containing 2.50 acres, Area B containing 1.75 acres: Total computed acreage containing 4.25 acres more or less."

5. All information stated on the description must match with the map(s), such as the name of the short title, the point of beginning, the course numbers, all the bearings and distances, and the acreage(s).

Map(s)

It is strongly recommended that all maps submitted to the Board be filed in electronic/digital form. Digital information will not be shared without the permission of the applicant.

Maps submitted as part of the jurisdictional boundary change filing shall conform to the following specifications:

Map Documents:

1. All maps shall be professionally and accurately drawn or copied. Rough sketches or pictorial drawings will not be accepted. Assessor's parcel maps will not be accepted as a substitute for the project map.
2. Original or copies of the same size project map must be submitted. Reduced maps are not acceptable and will be rejected.
3. A vicinity map shall be included. The vicinity map shall show the location of the project area in relationship to a larger geographic area that includes major streets and highways or other physical features.
4. Any portion of an existing district boundary in close proximity to the project area shall be shown and identified.
5. Every map must clearly show all existing streets, roads and highways with their current names that are within and adjacent to the project area. Additionally, every map shall indicate each township and range, section lines and numbers, or ranchos that are in proximity of the project area.
6. Every map shall bear a scale and a north arrow. The **point of beginning** shall be clearly shown and match the written geographic description.
7. The boundaries of the project area shall be distinctively delineated on each map without masking any essential geographic or political features. The boundaries of the project area must be the most predominant line on the map. Boundary lines that are delineated by a line that exceeds 1.5 millimeter in width shall be rejected. The use of graphic tape or broad tip marking pens to delineate the boundary is not acceptable.
8. All dimensions needed to plot the boundaries must be given on the map of the project area. Each map shall have **numbered courses matching the written geographic description**. Index tables may be utilized.
9. All parcels within the project area that touch the new boundary shall be clearly labeled with the assessor's parcel number. Interior parcels that do not touch the boundary need not be identified on the map.

10. If the project area has an interior island(s) of exclusion or the boundary has a peninsula of exclusion (or inclusion), that area(s) should be shown in an enlarged drawing. This drawing should be of sufficient size and scale to allow TASS to plot the boundary without difficulty.
11. When it is necessary to use more than one map sheet to show the boundaries of the project area, the sheet size should be uniform. A small key map giving the relationship of the several sheets shall be furnished. Match lines between adjoining sheets must be used. While the geography on adjoining sheets may overlap, the project boundaries must stop at the match lines. TASS has standardized the D size (24" x 36") map sheet, but will accept larger or smaller map sizes depending on the size and complexity of the individual single area(s).

Justification

I. INTRODUCTION

South San Joaquin Irrigation District (“SSJID” or “District”) seeks authorization from LAFCo to annex 40 acres of land described as San Joaquin County Assessor’s parcel number 205-060-20 shown in the maps enclosed as Attachment 2 and more particularly described in Attachment 3 (“Subject Property”). The parcel is owned by Robert L. Miller (“Landowner”). The District and the landowner have entered into an annexation agreement, a copy of which is attached as Attachment 5. The Subject Property is located adjacent to the District’s northerly boundary. The District’s Lateral Bf irrigation facility is the closest District facility to the Subject Property, but is not adjacent to the Subject Property. Landowner has extended a private facility from the District’s Lateral Bf across Landowner’s adjacent real property in order to receive service for the Subject Property. As there are no District drainage facilities available or planned for the future by the District, the Subject Property will not be eligible for drainage service. Upon annexation, the Subject Property would remain to be subject to the rights of certain existing landowners within the District and to the rights of the cities under contract with the District to receive drinking water, as described below. The Subject Property is not within an area of the District’s Sphere of Influence (SOI) for the provision of retail electric service. The District does not currently provide retail electric service, and in the event the District does provide such service in the future, the Subject Property would not be eligible for such service until such time the District’s SOI was amended accordingly and the District were authorized to provide said service.

II. SSJID’S PLAN TO PROVIDE SERVICE UPON ANNEXATION

SSJID currently provides service to the Subject Property. Annexation will not affect the existing service, and will not require installation of any additional structures on the District’s irrigation system. The Subject Property is located between the North boundary of the District and Lone Tree Creek. The District’s Lateral Bf irrigation facility is the closest District facility to the Subject Property, but is not adjacent to the Subject Property. The Subject Property is served with District irrigation water through the extension of a private pipeline facility constructed by Landowner from the District’s Lateral Bf across Landowner’s other real property located to the immediate south of the Subject Property. If Landowner flood irrigates the Subject Property through the private pipeline, irrigation runs for the Subject Property and Landowner’s other real property irrigated through the pipeline will be limited to such time as District reasonably determines will not adversely impact water deliveries to District’s existing customers. The Subject Property has been approved for a structure permit for pressurized irrigation service by sprinkler or drip system which requires smaller volumes of water.

There are no District drainage facilities currently available, and there are no plans by the District to extend drainage facilities to serve the Subject Property.

The Landowner will be required to pay an annexation fee of \$2,411.85 per acre, for a total of \$96,474.00 for the Subject Property, plus the District’s third-party charges for the annexation and District’s water charges, as a condition to the annexation.

III. SSJID AND ITS HISTORY OF PROVIDING PUBLIC SERVICES

For over a century, SSJID has reliably provided irrigation water within its approximately 72,000 acres. During this time, it has played an integral role in the development and growth of San Joaquin County. SSJID is among a very few special districts within San Joaquin County and throughout California that acquired water rights and developed its own diversion works, dams, storage reservoirs and hydroelectric generating projects. It owns senior water rights to the Stanislaus River, most of which are co-owned with Oakdale Irrigation District (“OID”), dating back as far as 1853. A description of its management and its history in water and generation is described below.

A. Management and Operations

1. Board of Directors

SSJID operates under the direction of a Board of Directors elected by voters in the local communities served by SSJID. The members of SSJID’s board are long term residents of the San Joaquin valley and are involved in their communities. This structure – a locally elected Board of Directors, who live and work in the community and are directly accountable to local voters – encourages local participation and increases local control over policy decisions that concern the vital public services provided by SSJID. The result is greater accountability to the people most affected by the decisions made by the SSJID board – SSJID’s customers.

2. Irrigation Facilities

SSJID’s water distribution begins at Woodward Reservoir which releases water into the District’s Main Distribution Canal (MDC). The MDC is an 18.3 mile long, predominately earthen channel through which SSJID’s irrigation water is supplied. About 6.3 miles of this canal are outside of the District boundaries and 12 miles are within the District. Automated turnout facilities regulate the flow of water from the MDC to a network of irrigation laterals. The laterals are either concrete lined open channels or buried pipelines and transport water to individual parcels of land. There are about 38 miles of open channel and about 312 miles of pipeline for a total delivery network of 350 miles.

The Subject Property is located between the North boundary of the District and Lone Tree Creek. The District’s Lateral Bf irrigation facility is the closest District facility to the Subject Property, but is not adjacent to the Subject Property and there are no District structures to deliver water to the Subject Property. The District’s Lateral Bf runs along the south boundary of an adjacent parcel of property identified by San Joaquin County Assessor’s Parcel Number 205-060-30, located to the immediate south of the Subject Property. Landowner constructed an extension of a private facility from the District’s Lateral Bf over Landowner’s adjacent real property to deliver District water to the Subject Property. Landowner has also installed a flow meter and SCADA equipment, enabling the District to measure water to the Subject Property, as required. No additional District facilities are required to continue to serve the Subject Property as a result of annexation. There are no District drainage facilities available nor will they be extended by District to serve the Subject Property.

3. Water Operations

The District's irrigation system is separated into 6 geographical divisions. Each division is staffed on a 12 hour day shift from 5 am to 5 pm and a 12-hour night shift. The day and night shift personnel are responsible for contacting water customers and scheduling deliveries on a 10 day rotation. Water is generally made available from March 15 to October 15, but varies year to year depending on conditions.

4. Staff

SSJID currently has 98 full-time employees. These employees handle operations and maintenance, construction, billing and collection for irrigation and water utility services and wholesale power sales.

B. District Water Supply

SSJID was formed as a special district on May 24, 1909, to develop infrastructure to provide agriculture customers with irrigation water service, at competitive rates. SSJID's service territory covers approximately 72,000 acres (112 square miles) and includes the incorporated cities of Escalon, Manteca, and Ripon, as well as portions of the unincorporated lands of San Joaquin County. It shares senior water rights to the Stanislaus River with OID that provide a stable supply of water for irrigation, hydroelectric generation and drinking water. These water rights form the basis of an agreement with the United States Department of the Interior's Bureau of Reclamation, by which SSJID and OID share the first 600,000 acre-feet of inflow to New Melones Reservoir. SSJID maintains a water delivery system that extends from Goodwin Dam, through a system of open canals, tunnels and pipelines to Woodward Reservoir. Water is diverted from Woodward for irrigation through an extensive system of canals and pipelines to approximately 3,600 accounts. Water is also diverted from Woodward to SSJID's Nick C. DeGroot Water Treatment Plant for treatment and distribution to the residences and businesses in the cities of Manteca, Lathrop and Tracy. SSJID will be providing drinking water to Escalon in the future and is working with the City of Ripon to extend water service to Ripon.

1. District Ability to Serve Subject Property

The District has provided irrigation services to the Subject Property since 2017. The District has sufficient water supply to continue to serve the Subject Property in perpetuity. The agreement for annexation between the District and Landowner of the Subject Property ("Annexation Agreement", attached hereto as Attachment 5) acknowledges that the Subject Property will be classified as a "Tier 2" property, a class of properties annexed to the district after the year 2000 and which will be second in priority for water service after "Tier 1" properties and the contractual water-supply obligations to the cities of Manteca, Escalon, Ripon, Lathrop, and Tracy, in the event of a drought-induced limitation of the District's water supply. The District enacted the tiered system November 14, 2000, by Resolution No. 00-21-0, and to date, has not imposed any reductions in service to any Tier 2 properties, including the drought period 2011—2017. Due to ongoing conservation efforts, improvements in technology, and changes to land use within the District, the District's current water supply is sufficient to not only meet the demands of all of its

current landowners, but has historically had a margin of surplus water available for sale to entities outside the District. For these reasons, the District can meet the service needs of the Subject Property at the level to which it will be entitled under the Annexation Agreement.

C. Water Charges

The District currently imposes a fixed charge of \$24 per acre per annum for irrigation water and a volumetric charge of \$3 an acre foot for the first 48 inches of water and \$10 per acre foot for water in excess of that quantity. The Subject Property is not located within the area served by the District's pressurized water system and will not receive pressurized water service.

IV. SSJID'S APPLICATION MEETS THE REQUIREMENTS FOR CONSIDERATION AND APPROVAL BY LAFCO

A. Introduction – Applicable Statutory Provisions

SSJID is seeking LAFCo authorization to annex the Subject Property. Government Code section 56650 provides that a proposal for change of organization, such as annexation, may be initiated by resolution of application. Government Code Sections 56652, 56653, 56654 and 56700 set forth requirements for an application for annexation.

B. Government Code section 56652 requirements

Section 56652 states that the application shall be in the form that LAFCo prescribes and shall contain the following elements:

(1) A Resolution of Application.

The Resolution of Application is included as Attachment 1.

(2) A statement of the nature of the proposal.

By this application, the District seeks to annex the Subject Property, subject to the terms and conditions set forth in the Annexation Agreement, a copy of which is attached as Attachment 5.

(3) A map and description, of the boundaries of the property to be annexed.

A map showing the Subject Property is attached as Attachment 2 and a legal description of the Subject Property is attached as Attachment 3.

(4) Any data and information as may be required by any regulation of the commission. None.

(5) Any additional data and information requested by the executive officer. None.

(6) The names of the officers or persons to be furnished with copies of the report by

the executive officer and who are to be given mailed notice of the hearing.

Notice is to be given to the District's General Manager at the following address:

Peter M. Rietkerk, General Manager
South San Joaquin Irrigation District
11011 E. Highway 120
Manteca, CA 95336

C. Government Code section 55653 requirements

Section 56653 provides that an application for annexation is to contain a plan for providing services to contain the following information and any additional information that LAFCo may require:

(1) An enumeration and description of the services to be extended to the affected territory.

SSJID proposes to annex the Subject Property and provide irrigation service. There are no District drainage facilities available nor will they be extended by District to serve the Subject Property.

(2) The level and range of those services.

The District will provide irrigation service on the same procedures and subject to the same rules as is provided to existing customers. A copy of the District's irrigation rules is attached as Attachment 6. Irrigation deliveries are scheduled on a 10 day rotation. Irrigation water is generally made available from March 15 to October 15 with the actual starting and ending dates determined by the District's Board of Directors each year.

The Subject Property would be on equal footing with respect to irrigation water as landowners whose property is within the District prior to the completion of the annexation of Landowner's real property, except in years when the District's water supply is insufficient to meet all demands and subject to the limitations of the District's water rights. In years of insufficient water supply, the Subject Property is subject to reduction in any year by decision of the District's Board of Directors in order for District to provide irrigation service to those landowners whose real property was within the District on November 14, 2000, and to satisfy the District's contractual obligations to the cities of Manteca, Escalon, Ripon, Lathrop and Tracy as of the date of the Agreement.

(3) An indication of when those services can feasibly be extended to the affected territory.

The District does not need to install any facilities to serve the Subject Property, which currently receives irrigation service by Landowner's extension of a private pipeline facility from the District's Lateral "Bf" across Landowner's other real property to the immediate

south of the Subject Property.

(4) An indication of any improvement or upgrading of structures, roads, sewer or water facilities, or other conditions the local agency would impose or require within the affected territory if the change of organization or reorganization is completed.

A flowmeter and SCADA facilities to measure the application of District water to the Subject Property has been installed by the Landowner as described in Section III A (2) above. All private facilities installed to serve the Subject Property comply with District's standard plans and specifications.

(5) Information with respect to how those services will be financed.

The District does not need to install any facilities to serve the Subject Property. The Landowner has paid the costs to extend existing private facilities to serve the Subject Property without financing from District.

D. Government Code section 56654 requirements

Section 56654 requires that at least 21 days before the adoption of the resolution, the legislative body is to give mailed notice of its intention to adopt a resolution of application to the commission and to each interested agency and each subject agency.

Notice of the District's intention to annex the Subject Property was properly given to LAFCo as required by this section. There are no other interested agencies or subject agencies.

E. Government Code section 56700 requirements

Section 56700 requires that a proposal for change of organization is to contain the following elements:

(1) State that the proposal is made pursuant to this part.

SSJID is seeking the authorization of LAFCo to annex the Subject Property pursuant to Government Code section 56700.

(2) State the nature of the proposal and list all proposed changes of organization.

SSJID proposes to annex the Subject Property and provide irrigation service.

(3) Set forth a description of the boundaries of affected territory accompanied by a map showing the boundaries.

A map and legal description of the property proposed for annexation and a map are attached as Attachments 2 and 3.

(4) Set forth any proposed terms and conditions.

The District requests that LAFCo condition the annexation on the terms and conditions of the Annexation Agreement between the District and the Landowner. A copy of the Agreement is attached to this Application as Attachment 5. This Application is to be deemed withdrawn unless both District and the Landowner agree in writing to any modifications of such terms and conditions by LAFCo.

(5) State the reason or reasons for the proposal.

SSJID makes this proposal in order to continue to provide irrigation service to the Subject Property to make the Subject Property less dependent on groundwater.

(6) Request that proceedings be taken for the proposal pursuant to this part.

SSJID requests that LAFCo initiate proceedings to approve the District's application to annex the Subject Property.

(7) State whether the proposal is consistent with the sphere of influence of any affected city or affected district.

The Subject Property is located in the unincorporated area of San Joaquin County. There are no conflicts with the spheres of influence of any city or special district.

F. Environmental Review

SSJID requests that LAFCo conduct environmental review of this application (Attachment 4).

G. Additional Information Requested by LAFCo

Five (5) copies of a map depicting the District and private infrastructure serving the Property are included, per LAFCo's request.

RECORDING REQUESTED BY AND
AFTER RECORDING RETURN TO:

South San Joaquin Irrigation District
11011 East Highway 120
Manteca, California 95336

**ANNEXATION AGREEMENT AND COVENANT
RUNNING WITH THE LAND**

This Annexation Agreement and Covenant running with the land (hereinafter "Agreement") is entered into on October 13, 2016, by and between South San Joaquin Irrigation District ("District") and ROBERT .L. MILLER (hereinafter "Landowner").

EXPLANATORY RECITALS

- A. District is an Irrigation District formed under the Wright-Bridgford Act and operating under Division 11 of the Water Code of the State of California and as such is entitled to initiate annexation proceedings for lands lying outside of its boundaries upon terms and conditions which are agreed upon by the District and the owners of land proposed to be annexed.
- B. Landowner owns a 40 acre parcel of land which is described as San Joaquin County Assessor's parcel number 205-060-20. The real property is more particularly in **Exhibit "A"** attached hereto (the "Subject Property"). The Subject Property is not currently located within any other public district.
- C. The Subject Property is located between the North boundary of the District and Lone Tree Creek. The District's Lateral "Bf" irrigation facility is the closest District facility to the Subject Property, but is not adjacent to the Subject Property and there are no District structures to deliver water to the Subject Property. Landowner intends to construct, at its expense, an extension of a private facility from Landowner's adjacent real property that is located within the District, to deliver District water to the Subject Property. The Lateral "Bf" is unable to provide flood irrigation to fully irrigate the Subject Property on a regular rotation through Landowner's private pipeline facilities that will be used to supply water

to the Subject Property without potential delays to existing customers. There are no District drainage facilities available nor will they be extended by District to serve the Subject Property.

- D. Landowner has requested that the Subject Property be annexed by District on the terms and conditions hereof, which among other provisions, require Landowner to pay the same fees, charges or assessments now or hereafter charged other owners of real property within District's boundaries, notwithstanding the limitations on District facilities to serve the Subject Property and that the Subject Property will not be on the same footing with other land within the District as described in this Agreement.
- E. The District's annexation policy adopted on October 14, 2014, by resolution number 14-11-P (the "Annexation Policy") shall govern the annexation of the Subject Property to District, except as otherwise provided in this Agreement.

In consideration of the mutual terms and conditions to be kept and performed by the parties hereto, IT IS AGREED AS FOLLOWS:

AGREEMENT

1. DEFINITIONS:

- 1.1. "Adjacent Property" is defined in Section 2.3.
- 1.2. "Annexation Policy" is defined in Recital E.
- 1.3. "Collection Policy" refers to Resolution No. 2001-04-F, "Policy Governing Collection of Fees, Charges and Penalties" as amended on August 9, 2016 or any subsequent resolution which supersedes Resolution No. 2001-04-F.
- 1.4. "Delivery Point" is defined in Section 4.1.2.
- 1.5. "District" means the South San Joaquin Irrigation District, an irrigation district under the Irrigation District Law of the State of California.
- 1.6. "Existing Landowners" means owners of real property whose property is within the District prior to the completion of the annexation of the Subject Property to the District.

1.7. "LAFCo" is the San Joaquin Local Agency Formation Commission.

1.8. "Landowner" and "Landowners" means the owners of the Subject Property that is not currently within the South San Joaquin Irrigation District and who desire that the Subject Property be annexed so as to become part of the South San Joaquin Irrigation District.

1.9. "New Capital Charges" is defined in Section 4.6.1.

1.10. SCADA means Supervisory Control and Data Acquisition.

1.11. "Subject Property" is defined in Recital B.

1.12. "Tier I Landowners" means owners of real property within the District as of November 14, 2000.

1.13. "Tier II Landowners" refers to all owners of real property whose property is annexed to the District at any time after November 14, 2000. All Tier II Landowners are subject to the water supply limitations in Section 5.1.

2. **APPLICATION BY LANDOWNER:**

2.1. Landowner has submitted an Application for Annexation with the Secretary of District for the inclusion of Subject Property in the District to receive irrigation service and to receive such other services that District may now or hereafter provide to owners of real property within the District, subject to District's policies, rules and other terms as are now in effect and as modified or enacted hereafter, except as otherwise provided in this Agreement.

2.2. Landowner has requested that District annex the Subject Property in the absence of District facilities to serve the Subject Property as described in Recital C. The parties acknowledge that District has no other facilities to service the Subject Property and that District is under no obligation to extend its facilities to serve the Subject Property or to provide drainage service to the Subject Property. District has determined that it cannot provide sufficient quantities of water on a regular rotation to fully flood irrigate the Subject Property on a regular basis without affecting deliveries to Existing Landowners, but that the Subject Property may be able to receive water with limitations as described in Section 4.3.2 of this Agreement.

2.3. The District's Lateral "Bf" service at station 208+00+/-, runs along the south boundary of an adjacent parcel of property owned by Landowner located to the immediate south

of the Subject Property, which is described as San Joaquin County Assessor's Parcel Number 205-060-30 and is more fully described in **Exhibit "B"** ("Adjacent Property"). In order for the Subject Property to receive water from District, Landowner will be required, at its expense, to extend a private line from the District's Lateral "Bf" station 208+00+/- service line, across the Adjacent Property to the Subject Property and to install for District a flow meter and SCADA to enable District to measure water to the Subject Property, as described in Section 4.1 below.

2.4. Landowner has demonstrated to District that it has available an adequate groundwater supply or other alternative water resource for the Subject Property.

2.5. Landowner agrees to pay District the annexation fee described in Section 4.7, District's costs and expenses expected to be paid to third parties to process and complete the annexation as described in the Annexation Policy, including surveys, soils reports, engineering, title and recording fees and costs for environmental review and other fees and costs charged by LAFCo as partially outlined in **Exhibit "D"**. Landowner shall also pay the other costs as are described in this Agreement, including the costs to install certain facilities as described in Sections 2.3 and 4.1.

3. ANNEXATION PROCESS

3.1. Upon approval by the District's Board of Directors of this Agreement and a resolution of application that the Subject Property be annexed to District, and when Landowner has paid all fees and charges required to be paid in accordance with the Annexation Policy and this Agreement, District will file the resolution with LAFCo along with a plan of service and such other documents as may be required in order for LAFCo to initiate proceedings to approve the annexation of the Subject Property to District in accordance with the resolution and this Agreement.

3.2. LAFCo will conduct environmental review of the annexation of the Subject Property to District in accordance with the California Environmental Quality Act (CEQA). District and Landowner enter into this agreement on the understanding that there are no significant environmental impacts from District's agreement to provide service to the Subject Property by this Agreement and that no mitigation measures will be necessary and none will be

imposed as a condition of LAFCo's approval of environmental review under CEQA. All costs of environmental review will be that of the Landowner.

3.3. Landowner and District agree to make all reasonable efforts to complete annexation of the Property in a timely manner.

3.4. The resolution of application shall be deemed to be withdrawn if LAFCo approves the environmental review under CEQA or the annexation of the Subject Property, on new or different terms than those in the resolution of application and this Agreement, unless both District and the Landowner agree in writing to any such new or different terms.

3.5. The annexation of the Subject Property is deemed complete when LAFCo has approved a resolution ordering the annexation, the subordination agreements required by District in accordance with the Annexation Policy, this Agreement and the agreement described in Section 4.1.6 have been supplied by Landowner and recorded, the certificate of completion signed by the Executive Officer of LAFCo has been recorded, and Landowner has satisfied any terms of LAFCo's approval.

4. TERMS AND CONDITIONS

4.1. CONDITIONS TO INITIAL DELIVERY OF WATER

The Subject Property will be entitled to receive irrigation service on the terms in this Agreement when the following conditions are satisfied:

4.1.1. The annexation of the Subject Property to the District is complete as described in Section 3.5.

4.1.2. Landowner has installed its own facilities that are necessary for the Subject Property to receive irrigation service from the control box on District's Lateral "Bf" at approximately station 208+00+/- as shown on the plat attached as **Exhibit "C"** ("Delivery Point"). Landowner is responsible for installing and maintaining such other facilities as Landowner determines to be necessary to distribute the irrigation water from the Delivery Point throughout the Subject Property. All facilities must comply with District's specifications described in the structure permit required to be obtained by Landowner from District for all structures to be connected to the District's facilities or to

deliver District water to the Subject Property. Landowner is responsible for acquiring and owning such interests in land as are necessary for Landowner to use construct, maintain, repair and use the facilities necessary to deliver water from the Delivery Point to the Subject Property.

4.1.3. Landowner has installed for District, at Landowner's expense, a flow meter and SCADA facilities to measure the application of District water to the Subject Property at the Delivery Point, in conformance with District's specifications described in the structure permit required to be obtained by Landowner before installing the facilities. The cost for such facilities will not be subject to the terms for financing of New Capital Charges described in the Annexation Policy. Landowner shall execute and deliver an agreement in recordable form granting District the right to access the land of Landowner to access, read, maintain, repair and replace the meter and SCADA facilities, in form and content acceptable to District.

4.1.4. Landowner has paid the Annexation Fee Agreement and the other fees and charges described in Section 2.5.

4.1.5. Landowner has paid to District the water charges imposed on a per-acre basis beginning with the year in which annexation of the Subject Property is complete.

4.1.6. Landowner and District have entered into an agreement in recordable form, providing that in light of the District's agreement to annex the Subject Property according to the terms of this Agreement, the Subject Property shall have the right to transport District water from the Adjacent Property, which cannot be modified or terminated without the consent of the owner of the Adjacent Property, the Subject Property and the District, to be recorded immediately in priority after recordation of this Agreement.

4.2. ONGOING CONDITIONS TO DELIVERY OF WATER

The following are ongoing conditions that must be satisfied in order for the Subject Property to receive irrigation service:

4.2.1. Landowner is not delinquent in the payment of water charges or other amounts required to be paid to District, in accordance with, and is otherwise in

compliance with policies, resolutions and rules approved by District's Board of Directors from time to time, including policies and rules regarding the distribution of irrigation water, and with California law and regulations.

4.2.2. Landowner has installed and maintained such facilities as are necessary for District water to be conveyed from the Delivery Point throughout the Subject Property, in accordance with District's specifications described in the structure permit required to be obtained by Landowner for all structures connected to the District's facilities. Landowner owns such interests in land as are necessary for Landowner to use construct, maintain, repair and use the facilities necessary to deliver water from the Delivery Point to the Subject Property.

4.2.3. Landowner and District have agreed that a single flow meter will be used to measure water deliveries to the Adjacent Property and to the Subject Property and Landowner will be billed for water deliveries to the parcels as if the two legal parcels were a single parcel. If the Subject Property and the Adjacent Property become under separate ownership, or if the Subject Property is divided into separate parcels, Landowner shall, upon request from District and as a condition to any part of the Subject Property continuing to be eligible to receive water from District, install for District at Landowner's expense, separate flow meters and SCADA facilities to separately measure water deliveries to each part of the Subject Property in conformance with District's specifications described in the structure permit required to be obtained when the facilities are installed. The cost for such facilities will not be subject to the terms for financing of New Capital Charges described in the Annexation Policy.

4.2.4. District personnel having reasonable access to the Subject Property at all times to inspect the facilities used to transport water to the Subject Property, to read and maintain such flow meters as may be required by this Agreement and to determine if all conditions specified in this agreement have been and continue to be satisfied.

4.3. QUANTITY AND QUALITY OF WATER TO BE DELIVERED

4.3.1. Landowner, as owner of the Subject Property, is entitled to equal benefits to the District's water supply to the extent of District's water supply, its water rights and its available water delivery facilities, subject to the provisions of this Agreement, including the Tier II provisions in Section 5.1 below.

4.3.2. District will offer Landowner water at such flow rates, quantities and for such duration as District determines in its discretion is available from time to time, in accordance with this Agreement, and without affecting deliveries to Existing Landowners. District does not make any representation as to the flow rate, quantity, quality, or delivery time or duration of the water that may be made available for the Subject Property. The parties agree that the private pipeline on the Adjacent Property is of insufficient size to supply water for flood irrigation to the Subject Property without delaying the delivery of irrigation water to Existing Landowners. If Landowner intends to flood irrigate the Subject Property through the private pipeline on the Adjacent Property, irrigation runs for the Subject Property and the Adjacent Property will be limited to such time as District reasonably determines will not adversely impact water deliveries to Existing Landowners, taking into account the time typically required by parcels of similar size to flood irrigate with a full head of water, which is a rate of 25 cfs. Irrigation by other means such as sprinkler or drip system requiring smaller volumes of water will be permitted subject to District's approval of a structure permit that Landowner is required to obtain from District for such system.

4.3.3. At such time as additional water supplies may become available through sources other than existing or renegotiated contracts or existing District rights, Landowners will be entitled to equal benefit with Existing Landowners for the use of such additional District water supplies and will not be subject to the Section 5.1 restrictions and the Tier II restrictions in the Annexation Policy for such additional water supplies. All lands within District receiving such water shall pay their proportionate share of the cost thereof.

4.4. CHARGES FOR WATER

4.4.1. Landowner will pay the same water rates charged to Existing Landowners receiving irrigation service within the District, in accordance with resolutions, policies and rules approved by District's Board of Directors from time to time.

4.4.2. Water charges imposed on a per-acre basis for the year in which the Subject Property is annexed, are due and payable as a condition to the delivery of water as described in Section 4.1.5.

4.4.3. Landowner will be required to pay water charges based on the volume of water used in accordance with District's volumetric water charge in effect from time to time, based on flow meter data as described in Section 4.2.3 above. During any period of time when data from the flow meter is not available, District will bill Landowner and Landowner agrees to pay water charges based on District's good faith estimate of the water delivered to the Subject Property for such time period.

4.4.4. If Landowner becomes delinquent in the payment of water charges, i) the District may deny delivery of water or services to Subject Property, ii) the District shall impose such fees, penalties, and charges as are authorized by Law and District shall have such rights to collect the unpaid amounts as are permitted by law in accordance with the District's Collection Policy and California law.

4.4.5. Landowner will also be subject to any other fees, charges or assessments now or hereafter charged Existing Landowners within District's boundaries.

4.4.6. Ordering water when available and payment therefore shall be in accordance with policies, resolutions and rules approved by District's Board of Directors from time to time.

4.5. ASSESSMENTS

If District at any time finds it necessary to generate revenue by collection of "assessments", as provided by Water Code Sections 25800 et seq., the following terms and conditions shall apply:

4.5.1. The Subject Property shall be assessed the same as similar lands of Existing Landowners. Further, Subject Property shall be given an assessed value on the same basis as Existing Landowners.

4.5.2. The assessment of Subject Property shall be fixed by the Board of Directors of District.

4.5.3. The assessment of the Subject Property shall be equalized in the same manner as assessments on lands of Existing Landowners.

4.5.4. District charges and assessments for voter approved indebtedness shall be charged and assessed to the Subject Property regardless of whether or not District services are provided to and utilized on the Subject Property.

4.5.5. Assessments levied for new water supplies and assessments levied for improvement or distribution districts formed for the benefit of Landowner shall be paid each year whether or not District services are provided to and utilized on the Subject Property.

4.6. NEW CAPITAL CHARGES

4.6.1. New Capital Charges means those charges incurred for distribution and drainage system improvements and other improvements to District facilities in whole or in part to serve Landowners as described in Section 4.8.3. New Capital Charges shall also include capitalized construction period interest computed according to generally accepted accounting principles. Capitalized interest generally is an amount equal to interest expense on District debt during the construction period when debt is utilized by District to pay system improvements needed to effect the annexation. If the District utilizes its reserve funds instead of debt to finance improvements to serve Landowners, New Capital Charges shall include capitalized construction period interest computed using a fixed interest charge during the construction period calculated at a rate equal to the weighted average rate of return earned on District investments for the last calendar quarter before adoption by the Board of Directors of a resolution to file an application with LAFCo to annex the land of Landowners.

4.6.2. No New Capital Charges for additional District irrigation or drainage system improvements to District facilities are intended to be incurred to serve the Subject Property, except for the flow measurement and SCADA facilities that are to be paid by Landowner as described in Sections 2.3, 4.1.3 and 4.2.3, and which will not be financed by District.

4.6.3. If any New Capital Charges are incurred hereafter by District to construct additional District irrigation or drainage system improvements to District facilities in whole or in part to serve the Subject Property, Landowner is responsible to pay the New Capital Charges in accordance with the Annexation Policy and this Agreement.

4.6.4. The failure of a Landowner to make any required payment of New Capital Charges shall be the same as the failure of a Landowner to pay for water charges or water deliveries to the Subject Property and until said payments are made, i) the District may deny delivery of water or services to Subject Property, ii) the District shall impose such fees, penalties, and charges as are authorized by Law and, iii) District shall have such rights to collect the unpaid amounts as are permitted by law in accordance with the District's Collection Policy.

4.7. ANNEXATION FEE

4.7.1. Landowner will pay District an Annexation Fee of \$2,411.85 per acre, for a total of \$96,474.00 for the Subject Property. Said payment is computed to the nearest tenth of an acre, and shall include all of said lands, whether or not encumbered by easements, rights of way, or reservations.

4.7.2. Twenty-five percent of the Annexation Fee is due and payable upon delivery of this Agreement to District, and is refundable without interest if the District's Secretary rejects the application or if the Board of Directors votes not to file an application with to LAFCo annex the Landowner's property. The amount refundable will be reduced by any costs related to the annexation which have been paid or incurred by the District and not yet reimbursed to the District by the Landowner.

4.7.3. The remaining seventy-five percent of the annexation fee is due and payable in full 14 days after the date on which LAFCo approves the annexation as evidenced by its adoption of a resolution approving the annexation and its issuance of a certificate of completion of the annexation. Landowner may elect to pay the balance of the annexation fee in a maximum of five equal annual payments on the terms and conditions in the Annexation Policy.

4.8. FACILITIES NECESSARY TO SERVE SUBJECT PROPERTY

4.8.1. District's Lateral "Bf" does not have service structures for delivering water to or drainage for the Subject Property and District is under no obligation to Landowner to install any such facilities. Delivery of water to the Subject Property can only be made from the District's Lateral "Bf" by Landowner installing private facilities to irrigate the Subject Property from the Adjacent Property, as described in Section 2.3. Landowner is required to apply for and obtain a Structure Permit from District before constructing any proposed connections to any District facility, and to install the facilities in accordance with the structure permit. As part of its approval, District may require Landowner, at Landowner's expense, to have prepared and executed such documents as are required to convey to District such easements or rights of way as are necessary and reasonable to provide service to the Subject Property.

4.8.2. Landowner is responsible for installing and maintaining such facilities as are necessary to convey irrigation water from the Delivery Point to and throughout the Subject Property as described in Sections 2.3 and 4.1 of this Agreement.

4.8.3. If District should decide at any time after this Agreement is executed to extend or enlarge its existing facilities to provide continued or improved service to any part of the Subject Property, the cost of such facilities shall be at Landowner's sole expense. The costs for such facilities may be paid directly by the Landowner or Landowner may elect to classify such charges as New Capital Charges as provided herein. If District annexes additional property in the general area of the Subject Property, and as a part of said annexation, District's facilities are extended so as to benefit the Subject

Property, Landowner will pay its share of District's assessments for such facilities, or the assessments of an Improvement District formed for the purpose of constructing such facilities.

4.8.4. Landowner agrees that the Subject Property has the right at all reasonable times to use the Adjacent Property as necessary for District-supplied water to be conveyed from the Adjacent Property to the Subject Property for irrigation. Owner further agrees that the foregoing right shall survive any sale, transfer, conveyance or other disposal of any part of the Adjacent Property or the Subject Property.

4.8.5. Landowner agrees to install such additional facilities as may be necessary in order for the entire Subject Property to continue to receive irrigation service if the Subject Property should become subdivided and title to any part of the Subject Property is transferred.

4.9. VOTING RIGHTS

4.9.1. The Subject Property, once annexed to District, shall be voted in favor of and become a member of any subsequent Improvement District, Drainage District, Water District, Canal District, Reclamation District, Sewer District, Groundwater Recharge District, or any same or similar District to which the District agrees to become a part, forms within the same or different boundaries or achieves such powers through ballot, legislation, or otherwise.

4.9.2. Subject to the provisions of Water Code Section 21608, all persons residing on the Subject Property shall have the same right to vote at District elections and to hold District offices as residents of lands owned by Existing Landowners.

4.10. OTHER SERVICES

At such time that District should commence to offer retail electric service to customers within its boundaries, Landowner will be eligible to receive retail electric service, subject to District's electric rate and other policies, rules and terms governing retail electric service as may

hereafter be put into effect, including policies which would govern Landowner's responsibility to pay District's costs to extend and install electric facilities to serve the Subject Property.

5. **LAWS, RULES AND REGULATIONS OF DISTRICT**

5.1. The Subject Property is subject to the limitations applicable to Tier II Landowners in the Annexation Policy. As such, the water supply of Landowner, as owner of the Subject Property and of all other Tier II Landowners, is subject to reduction in any year by decision of the District's Board of Directors in order for District to serve Tier I Landowners and to satisfy the District's contractual obligations to the cities of Manteca, Escalon, Ripon, Lathrop and Tracy as of the date of the Agreement.

5.2. The Subject Property and the owners thereof shall be subject to all the laws and regulations of the State of California, and to all policies, resolutions and rules approved by District's Board of Directors, both existing and as may be added or changed from time to time, including the District's "Rules and Regulations Governing the Distribution of Water in the South San Joaquin Irrigation District", which were first adopted on April 13, 1915 and as amended from time to time by District.

5.3. If District determines that application of surface water to the Subject Property causes an unacceptable rise in the groundwater table underlying or immediately adjacent to Subject Property, the Landowner shall design and construct suitable "collector lines" to intercept the groundwater. When completed to District satisfaction, the collector lines and appurtenances and such easements as determined necessary for the proper maintenance of the collector lines shall be dedicated by the Landowner or its heirs or assigns to the District without cost.

5.4. The District shall be relieved of its obligations in this Agreement to the extent it is unable to do so due to a failure of the District's water delivery facilities.

5.5. Landowner shall indemnify and hold District harmless from any and all claims, demands, obligations or liabilities, including attorneys' fees, arising out of District's annexation of the Subject Property, the delivery of District services to the Subject Property, the construction of any improvements by Landowner pursuant to this Agreement or Landowner's breach of any obligation in this Agreement.

6. **RECORDATION OF AGREEMENT**

6.1. This Agreement shall be recorded before recordation of the Certificate of Completion by the Executive Officer of LAFCo.

6.2. In order to assure the priority of the Agreement upon its recordation, Landowner will, at its expense, secure subordination agreements subordinating existing liens and encumbrances recorded against the Subject Property to this Agreement, in a form satisfactory to District. Such subordination agreements shall be recorded at the time of recordation of the Agreement, in priority determined by District. Should the Landowner utilize the procedures in this Agreement for payment of New Capital Charges, the Landowner shall be required as a condition to deferral and repayment of such charges in installments, secure and provide to District on forms satisfactory to it, Subordination Agreements which subordinate existing liens upon the Subject Property to those of District. Such Subordination Agreements shall be recorded at the time of recordation of this Agreement or at any future time that such charges may be incurred and the costs therefore, in addition to the costs of title reports and any title insurance requested by District, shall be reimbursed by Landowner to District upon demand.

Landowner, during the period between the effective date of the title report it provides to District at its request on the Subject Property and the recordation of this Agreement, covenants not to subject the Subject Property to further liens or encumbrances not listed in the title report, prior to the recordation of this Agreement.

7. **COVENANT RUNNING WITH THE LAND**

7.1. This Agreement shall constitute a covenant, both as to the benefits and burdens, running with the Subject Property and shall be binding on Landowner and all successive owners of the Subject Property and the Adjacent Property, or any portion thereof, for the benefit of District and all Existing Landowners.

8. **GENERAL**

8.1. Amendment

The terms and conditions of annexation set forth in this Agreement shall not be modified or amended except by a recorded instrument in writing executed by District and the then owners of Subject Property.

8.2. Successors and Assigns

The covenants of Landowner in this Agreement shall be binding on the heirs, successors, grantees, and assigns of the owners of Subject Property and the other provisions of this Agreement shall inure to the benefit of and be binding upon the heirs, successors, grantees, and assigns of the owners of Subject Property and successor of District.

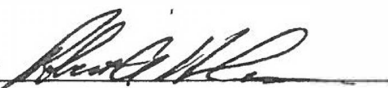
8.3. Effective Date

This Agreement shall become effective and binding upon the parties hereto upon the recordation of the Certificate of Completion by the Executive Officer of LAFCo.


In WITNESS WHEREOF, the parties to this Agreement have executed same as of the day and year first above written at Manteca, California.

"DISTRICT"

South San Joaquin Irrigation District

By 

Robert A. Holmes, President
Board of Directors

By 

Peter M. Rietkerk, Secretary
Board of Directors

"LANDOWNER"

By 
Robert L. Miller

Dated:

BOARD APPROVAL: NOV. 22, 2012

SIGNATURES MUST BE NOTARIZED AND BE PER RECORDED DEED

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
COUNTY OF SAN JOAQUIN) ss.

On Oct 13, 2016 before me, Amanpreet Kaur, Notary Public personally appeared Robert Leslie Miller, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Amanpreet Kaur (SEAL)



ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

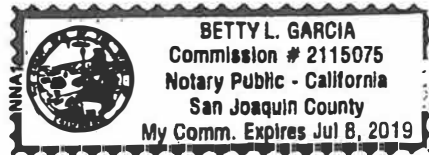
State of California
County of San Joaquin

On November 22, 2016 before me, Betty L. Garcia, Notary Public
(insert name and title of the officer)

personally appeared Robert A. Holmes and Peter M. Rietkerk
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies) and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Betty L. Garcia (Seal)



Department of Public Works

Fritz Buchman, Director

Alex Chetley, Deputy Director - Development

David Tolliver, Deputy Director - Operations

Najee Zarif, Deputy Director - Engineering

Kristi Rhea, Business Administrator

November 10, 2022

MEMORANDUM

TO: James E. Glaser, Executive Officer
 LAFCo
 CONTACT PERSON: Elizabeth Contreras, LAFCo Analyst

FROM: Christopher RM Heylin, PE., Development Services Engineer *CH*
 Development Services Division

SUBJECT: MILLER ANNEXATION TO SSJID (LAFC 20-22)
 To annex a total of 40 acres of land consisting of one parcel to the South San Joaquin Irrigation District (SSJID).

LOCATION: Between the north boundary of SSJID and Lone Tree Creek

COMMENTS:

- **No Comments**

AC:SC

X: LAFCo LAFCo Referrals Miller Annexation to SSJID (LAFC 20-22) Comments to LAFCo (LAFC 20-22).doc

LAFCo

44 N SAN JOAQUIN STREET SUITE 374

STOCKTON, CA 95202

EXECUTIVE OFFICER'S REPORT

- PROJECT:** G & E TE VELDE ANNEXATION TO SOUTH SAN JOAQUIN IRRIGATION DISTRICT (LAFC 21-22)
- PROPOSAL:** Annexation of four parcels totaling 448.52 acres to South San Joaquin Irrigation District
- APPLICANT:** South San Joaquin Irrigation District (SSJID)
- LOCATION:** Between the southern boundary of SSJID and the Stanislaus River (Exhibit A: Vicinity Map)
- PURPOSE:** To continue the provision of irrigation water (Exhibit B: Justification of Proposal)
- PROCESS:** Proposed annexation area is uninhabited and has consent of the landowner

RECOMMENDATION

It is recommended that the Commission approve Resolution No. 1503 approving the G & E Te Velde Annexation to South San Joaquin Irrigation District.

BACKGROUND

SSJID was formed in 1909 to collect, store, and distribute irrigation water and provide agricultural drainage to southern San Joaquin County. The district's service territory covers approximately 72,000 acres (112 square miles) and includes the incorporated cities of Manteca, Ripon and Escalon. SSJID owns and operates an irrigation water distribution system consisting of 120 miles of open ditches and 320 miles of underground pipelines for water delivery. The District shares senior water rights to the Stanislaus River with Oakdale Irrigation District that provide a stable supply of water for irrigation, hydroelectric generation and drinking water.

In 2005 the District completed construction of a water treatment plant and began to provide domestic drinking water to the Cities of Tracy, Manteca and Lathrop. The District is authorized to provide retail electric service; however, it is not being provided at this time. The annexation site is within the District's Sphere of Influence for retail electrical service and the landowner would be eligible for the service when available subject to the District's policies, rules, and terms governing retail electric service.

In 2016 the District and the Landowner entered into a water service agreement by which the District agreed to supply the Landowner with water to irrigate when available. Annexation of the property to SSJID would provide the landowner the same rights of certain existing landowners within the District and to the rights of the cities under contract with the District to receive drinking water. The annexation site is within the SSJID's SOI to provide drainage service, however there are no District drainage facilities presently available nor planned for installation in the future and the Te Velde properties will not be eligible for drainage service.

ENVIRONMENTAL

As the Lead Agency, SSJID determined that the project is categorically exempt from further CEQA review pursuant to Sections 15301 (Existing Facilities) and 15319 (Annexation of Existing Facilities). As a responsible agency, LAFCo concurs with SSJID that the project is categorically exempt from further CEQA review.

REVIEW FACTORS

Government Code Section 56668.3 (annexation to special districts) states that if a proposed change of organization consists of an annexation to a special district, the Commission shall consider the following factors:

- (1) Whether the proposed annexation will be for the interest of landowners or present or future inhabitants within the district and within the territory proposed to be annexed to the district.*

SSJID has provided irrigation services by agreement to the Te Velde properties since 2016. Annexation will not affect the existing service and will not require installation any additional structures on the District's irrigation system. An extension of a private facility from the District's Lateral P located on an adjacent parcel also owned by the applicant is currently in place for the delivery of water. Annexation of the parcel does not impact the provision of water to inhabitants within the SSJID as they will continue to receive services at their present levels. The District maintains that it has sufficient water supply to continue service to the property in perpetuity. Annexation will provide a more reliable water source to the land currently in agriculture and provide access to surface water reducing the need to rely on groundwater.

- (2) Any factors which may be considered by the Commission as provided in §56668 (annexation to a city). The following factors from §56668 which are appropriate for this annexation include:*

Effect of the proposal on maintaining the physical and economic integrity of agricultural lands as defined by Section 56016

Agricultural lands are defined as lands that are currently used for the purpose of producing an agricultural commodity for commercial purposes. The proposed annexation site is designated as A/G in the County General Plan. The land use designation for the proposed annexation property is agriculture and there will be no change to the land use after annexation.

Definiteness and certainty of the boundaries

The proposed annexation site consists of four whole tax assessor parcels and is consistent with Commission policy.

The ability of the District to provide the services which are the subject of the application to the area, including the sufficiency of revenues for those services following the proposed boundary change. (Exhibit C: SSJID and its History of Providing Public Services)

Irrigation Water

The Te Velde properties are served with District irrigation water through the extension of a private pipeline facility constructed by the Landowner from the District's Lateral P across Landowner's other real property. Lateral P currently has insufficient capacity to provide water to fully irrigate the properties on a regular rotation without potential delays to existing District customers with priority. As such, the Landowner constructed and presently uses a pond to capture water during normal run schedules to mitigate the effects of the limitations on the water delivery schedule. This method of irrigation will continue upon annexation. Landowner has also installed a flow meter and SCADA equipment, enabling the District to measure water to the property as required.

The annexation agreement between the District and Landowner provides that the landowner will be classified as a "Tier 2" property which will be second in priority for water service after "Tier 1" properties consisting of contractual water-supply obligations to the cities of Manteca, Escalon, Ripon, Lathrop, and Tracy in the event of a drought-induced limitation of the District's water supply. However, due to ongoing conservation efforts, technology improvements, and changes to land use, the District's current water supply is sufficient to not only meet the demands of all of its landowners but has historically had a margin of surplus water. The Landowner will be required to pay annexation fees and the District's water charges.

SSJID requests that LAFCo condition the annexation on the terms and conditions of the Annexation Agreement between the District and the Landowner. (Exhibit D: Annexation Agreement and Covenant Running with the Land).

Drainage

The property will not receive drainage service from SSJID. There are no drainage facilities located within the vicinity nor does the District plans to provide service to that area.

Retail Electric

The properties are located in the District's SOI authorizing retail electric service. Landowner would be eligible to receive retail electric service subject to the electric rate and other policies, rules and terms governing retail electric upon the provision of electric service.

Financial Ability to Provide Service

The District does not need to install any facilities to serve the property. The Landowner has paid the costs to extend existing private facilities for service without financing from the District. The Landowner will pay the District's charges for irrigation water and is subject to the same rules as is provided to existing customers.

(3) The comments of any affected local agency or other public agency. (Exhibit E: Referral Comments)

County Public Works: No comment.

(4) Any information or comments from the landowner, voters, or residents of the affected territory.

LAFCo has not received any objections to the annexation.

(5) Any other matters the Commission deems material

None.

DISCUSSION

The Te Velde properties are currently being served by SSJID. Existing District irrigation facilities serve the site through an adjacent property owned by the same property owner and will continue to do so after annexation. The Landowner has paid the costs to extend existing private facilities for service without further financing from the District. Annexation of the parcel does not impact the provision of water to inhabitants within the SSJID as they will continue to receive services at their present levels. The District maintains that it has sufficient water supply to continue service to the property in perpetuity. Annexation of the property to SSJID would provide the landowner the same rights as existing landowners within the District, provide a more reliable water source, and provide access to surface water reducing the need to rely on groundwater.

Attachments: LAFCO Resolution No. 1503

Exhibit A: Vicinity Map

Exhibit B: Justification of Proposal

Exhibit C: SSJID and its History of Providing Public Services

Exhibit D: Annexation Agreement and Covenant Running with the Land

Exhibit E: Referral Comments

RESOLUTION NO. 1503

**BEFORE THE SAN JOAQUIN LOCAL AGENCY FORMATION COMMISSION
APPROVING THE G & E TE VELDE ANNEXATION TO SOUTH
SAN JOAQUIN IRRIGATION DISTRICT (LAFC 21-22)**

WHEREAS, the above entitled proposal was initiated by resolution by South San Joaquin Irrigation District and on October 24, 2022 the Executive Officer certified the application filed for processing in accordance with the Local Government Reorganization Act of 2000; and

WHEREAS, the Commission held a public hearing on the proposed annexation on December 8, 2022 in the Board of Supervisors Chambers, 44 North San Joaquin Street, 6th Floor, Stockton, CA pursuant to a Notice of Hearing which was published, posted, and mailed in accordance with State law; and

WHEREAS, at said hearing the Commission heard and received evidence, both oral and written regarding the proposal and all persons were given an opportunity to be heard; and

WHEREAS, the California Environmental Quality Act Guidelines, Section 15319, Annexations of Existing Facilities and Lots for Exempt Facilities, exempts from further review annexations to a special district of areas containing existing public or private structures developed to the density allowed by the current zoning; and

WHEREAS, South San Joaquin Irrigation District found the project to be exempt pursuant to Section 15319 of the CEQA Guidelines; and

WHEREAS the subject territory is uninhabited and has 100% owner consent;

WHEREAS, the Commission has, in evaluating the proposal considered the report submitted by the Executive Officer, the factors set forth in Section 56668.3 of the California Government Code and testimony and evidence presented at the public hearing held on December 8, 2022.

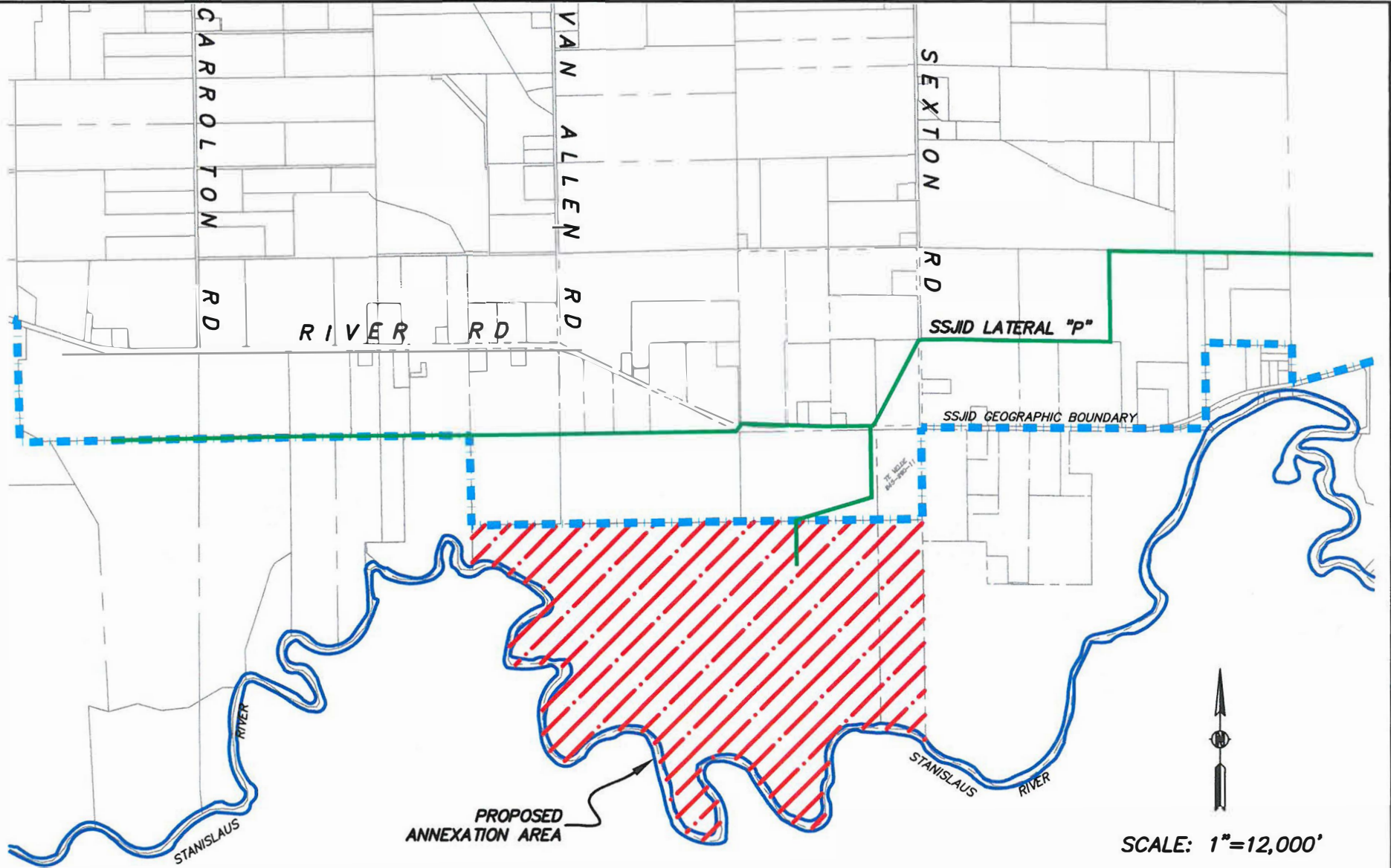
NOW, THEREFORE, the San Joaquin Local Agency Formation Commission DOES HEREBY RESOLVE, DETERMINE, AND ORDER as follows:

Section 1. Certifies that, as a Responsible Agency, the Commission has independently reviewed and considered SSJID's determination that the project is exempt from CEQA.

Section 2. Finds that the proposal is uninhabited and has 100% owner consent.

Section 3. Approves the proposal as submitted to annex 448.52 acres to South San Joaquin Irrigation District subject to a final boundary description as approved by the County Surveyor, attached hereto as Exhibit A.

V:\Civil_3D\Drawings\2014\Te Velde Annex\2022\Te Velde-Location-110422-C3D.dwg 11/04/22



ENLARGED VICINITY MAP
 TE VELDE ORCHARDS, INC.
 NEAR ESCALON, CA



SOUTH SAN JOAQUIN
 IRRIGATION DISTRICT

DATE: 11/4/22

DRAWN: KPS

SCALE: 1"=12,000'

CHECKED: MB

EXHIBIT A

San Joaquin Local Agency Formation Commission

509 West Weber Avenue Stockton, CA 95203
209-468-3198 FAX 209-468-3199

JUSTIFICATION OF PROPOSAL

Please complete the following information to process an application under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000: (Indicate N/A if Not Applicable)

SHORT TITLE OF THE PROPOSAL: South San Joaquin Irrigation District Proposal to Annex APNs 245-260-15; 245-260-18; 245-260-16; 245-260-19

TYPE OF PROPOSAL

- | | | |
|---|---|--|
| <input type="checkbox"/> City Incorporation | <input type="checkbox"/> Sphere of Influence Amendment | <input type="checkbox"/> District Formation |
| <input type="checkbox"/> Consolidation | <input type="checkbox"/> Sphere of Influence Update | <input checked="" type="checkbox"/> Annexation |
| <input type="checkbox"/> Detachment | <input type="checkbox"/> Addition of Services | <input type="checkbox"/> District Dissolution |
| | <input type="checkbox"/> Reorganization (involving an Annexation and Detachment(s)) | |

AGENCY CHANGES RESULTING FROM THIS PROPOSAL

Agency or Agencies gaining territory: South San Joaquin Irrigation District

Agency or Agencies losing territory: Not Applicable

NOTIFICATION

Please indicate the names, addresses and telephone numbers of all Applicants, Applicant's Agents, and all affected Agencies who are to receive the hearing notice and the Executive Officer's Report:

<u>Name</u>	<u>Mailing Address</u>	<u>Telephone</u>
South San Joaquin Irrigation District	P.O. Box 747, Ripon, CA 95366	(209)249-4600
Attn: Peter M. Rietkerk, General Manager		(209)249-4645

(Attach a separate sheet if necessary.)

PROJECT INFORMATION

Please provide project-related information for the following questions:

- 1. Do the proposed boundaries create an island of non-agency territory? [] Yes [X] No
- 2. Do the proposed boundaries split lines of assessment or ownership? [] Yes [X] No
- 3. Does the proposal involve public rights-of-way or easements? [] Yes [X] No
- 4. Does the proposal involve public land or land assessed by the State? [] Yes [X] No
- 5. Does any part of the proposal involve land under a Williamson Act Contract or Farmland Security Zone? [] Yes [X] No
- 6. Does any part of the proposal involve land with a Wildlife/Habitat Easement or Agricultural Land Conservation Easement? [] Yes [X] No

7. List the affected Assessor Parcel Numbers, Owners of record and Parcel Sizes:

<u>APN</u>	<u>Owner</u>	<u>Acreage</u>
245-260-15		46.22
245-260-18		0.03
245-260-16		4.92
245-260-19		397.35
Total Acreage		448.52

(Attach a separate sheet if necessary)

- 8. Physical Location of Proposal: 22470 and 21750 E. River Road, Escalon, CA 95320
(Street or Road, distance from and name of Cross Street, quadrant of City)
- 9. Has an application been filed for an underlying project (such as Development Plan, Conditional Use Permit, or Tentative Subdivision Map)? [] Yes [X] No
If Yes, please attach a Project Site Plan or Tentative Subdivision Map.
If No, please provide an estimate of when development will occur: Not Applicable.
- 10. List those public services or facilities which will be provided to the affected territory as a result of the proposed action: South San Joaquin Irrigation District will provide irrigation service to the Subject Properties. While the Subject Properties are located in the Sphere of Influence areas for both irrigation and drainage services, the District does not have drainage facilities available to serve the Subject Properties. Therefore, no drainage services will be provided. The Subject Properties are located within the District's SOI for retail electric services, with a 30-year horizon. The District does not presently offer retail electric services. Should the District provide such services in the future, the Subject Properties would be eligible for those services.
- 11. Indicate which of these services or facilities will require main line extensions or facility upgrades in order to serve the affected territory: No main line extensions or facility upgrades are necessary. The Subject Properties are already being served, having received irrigation service from the District since 2015. Existing District irrigation facilities serve the Subject properties through adjacent real property owned by the same property owner, and will continue to do so after annexation.

12. Provide any other justification that will assist the Commission in reviewing the merits of this request. (Attach a separate sheet if necessary.) Please see "Attachment 1—Justification."

INDEMNIFICATION AGREEMENT

As part of this application, applicant and real property in interest, if different, agreed to defend, indemnify, hold harmless, and release the San Joaquin Local Agency Formation Commission, its agents, officers, attorneys, and employees from any claim, action, or proceeding brought against any of the above, the purpose of which is to attack, set aside, void, or annul the approval of this application or adoption of the environmental document which accompanies it. This indemnification obligation shall include, but not be limited to, damages, costs, expenses, attorney's fees, or expert witness fees that may be asserted by any person or entity, including the applicant, arising out of or in connection with the approval of this application, whether or not there is concurrent passive or active negligence on the part of the San Joaquin Local Agency Formation Commission, its agents, officers, attorneys, or employees.

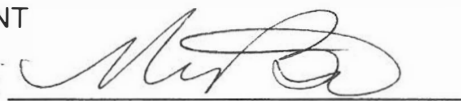
Executed at Manteca California, on June 10, 2022.

APPLICANT

REAL PARTY IN INTEREST

(If different from Applicant)

Signature: _____



Mia S. Brown

Signature: _____

Title: SSJID General Counsel

SUBMITTALS

In order for this application to be processed, the following information needs to be provided:

1. Two copies of this Justification of Proposal, completed and signed with original signatures;
2. Five prints of a full-scale proposal map showing the affected territory and its relationship to the affected jurisdiction (Refer to Guide for Preparation);
3. Five copies of an 8.5" x 11" or 11" x 17" reduction of the proposal map;
4. Three copies of a metes and bounds description of the affected territory;
5. One certified copy of the City Council and/or Special District Board Resolution of Application, or a petition making application to LAFCo (as appropriate);
6. Written permission from each affected property owner (or signature form);
7. One copy of the project environmental document (One Compact Disc if more than 25 pages);
8. One copy of the project Notice of Determination;
9. Three 8.5" x 11" copies of the Vicinity Map (if not included on the proposal map);
10. One copy of the plan for providing services along with a schematic diagram of water, sewer and storm drainage systems (refer to Government Code Section 56653);
11. One copy of the Pre-Zoning map or description (as required by Section 56375);
12. One copy of the Statement of Open Space (Ag) Land Conversion (refer to Section 56377);
13. One Copy of the Statement of Timely Availability of Water Supplies (refer to Section 56668(k));
14. One copy of the Statement of Fair Share Housing Needs (if residential land uses are included in the proposal) (refer to Section 56668(l));
15. One copy of the project design (site plan, development plan, or subdivision map);
16. One copy of the Residential Entitlement matrix form (if residential land uses are included in the proposal); and
17. Filing and processing fees in accordance with the LAFCo Fee Schedule and the State Board of Equalization Fee Schedule.

Additional information may be required during staff review of the proposal.

CERTIFICATION

The undersigned hereby certifies that all LAFCo filing requirements will be met and that the statements made in this application are complete and accurate to the best of my knowledge.



(Signature)

Print or Type Name: Mia S. Brown

Date: _____

6/10/2022

Daytime Telephone: (209)249-4621

FILED
ASSASSINATED
COUNTY CLERK
MANTeca, CA 95336

2014 NOV 18 PM 2:53

Notice Of Exemption SAN JOAQUIN COUNTY

To: Office of Planning and Research
PO Box 3044, 1400 Tenth Street, Sacramento, CA 95812-3044
 County Clerk
County of San Joaquin

From: South San Joaquin Irrigation District
11011 East Highway 120
Manteca, CA 95336

Project Title: TEVELDE ANNEXATION AND INTERIM WATER SALE PROJECT

Project Location – Specific:

The proposed annexation area of 446 acres, and the point of delivery for interim water service, is located between River Road, in the vicinity of Sexton Road, and the Stanislaus River in southern San Joaquin County. The annexation site is composed of Assessor's Parcel Numbers 245-260-012 and 013; the north line of the subject parcels is the southern boundary of the SSJID. The point of delivery is located on the north side of River Road, approximately 730 feet west of Sexton Road. The latitude and longitude of the point of delivery is 37°45'18.54"N and 121°02'06.92"W. The project location is shown on Figures 1 and 2, attached.

Project Location – City: Unincorporated area east of the City of Ripon

Project Location – County: San Joaquin County

Description of Nature, Purposes and Beneficiaries of the Project:

Landowner G&E teVelde Orchards, Inc. has applied to SSJID for annexation of approximately 446 acres of developed agricultural land for the purpose of obtaining raw water service for irrigation of existing developed agricultural land. The teVelde properties are presently irrigated with groundwater wells and riparian water drawn from the adjacent Stanislaus River. The landowner has requested that SSJID enter into an agreement to provide "out of district" raw water service for a fifty year term, but which would terminate when the properties are annexed to the District, in accordance with adopted SSJID Annexation Policy and rate structure and Water Code requirements.

Name of Public Agency Approving Project: South San Joaquin Irrigation District

Name of Person or Agency Carrying Out Project: South San Joaquin Irrigation District

Exempt Status:

- Ministerial (Sec. 21080(b)(1); 15268);
- Declared Emergency (Sec. 21080(b)(3); 15269(a);
- Emergency Project (Sec. 21080(b)(4); 15269(b)(c);
- Categorical Exemption. State type and section number: CEQA Guidelines 15301, Existing Facilities and 15319 Annexation of Existing Facilities and Lots for Existing Facilities
- Statutory Exemption. State code number:

Source: California Environmental Quality Act, Appendix E
CEQA Handbook Statutes and Guidelines 2014, Association of Environmental Professionals

Reasons why project is exempt:

CCR 15301. The proposed project will involve minor alterations of the existing SSJID irrigation system at the proposed point of service, consisting of equipment needed to connect meter and landowner water distribution facilities to an existing turnout from SSJID trunk line. The proposed service will not increase the capacity of SSJID irrigation facilities and will result in no or negligible expansion of the area to be served or use of the SSJID system. The agricultural lands to be served are already in use and irrigated with riparian and ground water.

CCR 15319. The proposed annexation is consistent with the exemption description in the CEQA Guidelines. The purpose of the annexation is to improve water supply to existing developed agricultural lands. The project does not propose any change in or intensification of use of this existing land use. The property must remain in agricultural use unless it is rezoned, which would be a discretionary action requiring CEQA review.

Lead Agency Contact Person: Sam Bologna
Area Code/Telephone/Extension: 209-249-4617

The Notice of Exemption is signed and filed by the Lead Agency SSJID.

Signature:  Date: 11/18/14
Sam Bologna, Engineering Department Manager, SSJID

NOV 18 2014
Date received for filing at OPR: _____

Justification

I. INTRODUCTION

South San Joaquin Irrigation District (“SSJID” or “District”) seeks authorization from LAFCo to annex 448.52 acres of land comprised of four parcels. The parcels are identified by San Joaquin County Assessor’s parcel numbers 2245-260-12; 245-260-16; 245-260-18; and 245-260-19, shown on the maps attached as Attachment 2 and more particularly described in Attachment 3 (“Subject Properties”). The parcels are owned by G & E Te Velde Orchards, LLC. (“Landowner”). The District and Landowner have entered into an annexation agreement (“Agreement”), a copy of which is attached as Attachment 5. The Subject Properties are located between the south boundary of the District and the Stanislaus River. District and Landowner also entered into a water service agreement dated November 18, 2014, by which District agreed to supply Landowner with water to irrigate the Subject Properties, when available, until such time as the Subject Properties are annexed. In accordance with the water service agreement, the Subject Properties has been receiving water from the District’s Lateral P through Landowner’s private facility extending across Landowner’s other real property to the Subject Property. Due to capacity limitations with the Lateral P, Landowner uses a pond to mitigate the effects of the limitations on the water delivery schedule. As there are no District drainage facilities available to serve the Subject Properties or planned for the future by the District, the Subject Properties do not currently receive drainage service and will not be eligible for drainage service in the future. Service to the Subject Properties is currently subject to the prior rights of certain existing landowners within the District and to the rights of the cities under contract with the District to receive drinking water, as described below. These priorities shall remain in place upon annexation, and the Subject Properties shall be classified as “Tier 2” properties under the District’s Annexation Policy.

II. SSJID’S PLAN TO PROVIDE SERVICE UPON ANNEXATION

SSJID currently provides service to the Subject Properties. Annexation will not affect the existing service, and will not require installation of any additional structures upon the District’s irrigation system. Landowner constructed and currently uses a private facility that extends from the District’s Lateral P over Landowner’s other real property to deliver District water to the Subject Properties. The Lateral P currently has insufficient capacity to provide water to fully irrigate the Subject Properties on a regular rotation without potential delays to existing District customers with priority. As such, Landowner constructed and presently uses a pond to capture water provided by District during normal run schedules to mitigate the effects of the limitations on the water delivery schedule. This method of irrigation will continue upon annexation.

There are no District drainage facilities presently available, nor planned to be installed in the future to serve the Subject Properties. As a result, even though the Subject Properties are located in an area of the District’s SOI for irrigation and drainage services, the Subject Property will not be provided drainage services.

The Subject Properties are located in the District’s SOI authorizing retail electrical services (30 year horizon). The District does not presently provide retail electrical services. At such time that District should commence to offer retail electric service to customers within its boundaries, Landowner would be eligible to receive retail electric service, subject to District’s electric rate and other policies, rules and terms governing retail electric service as may hereafter be put into effect, including policies which would govern Landowner’s responsibility to pay District’s costs to extend and install electric facilities to serve the Subject Property.

The Landowner will be required to pay an annexation fee of \$2,188 per acre, totaling \$981,318, plus the District's third party charges for the annexation and District's water charges, as a condition to the annexation.

III. SSJID AND ITS HISTORY OF PROVIDING PUBLIC SERVICES

For over a century, SSJID has reliably provided irrigation water within its approximately 72,000 acres. During this time, it has played an integral role in the development and growth of San Joaquin County. SSJID is among a very few special districts within San Joaquin County and throughout California that acquired water rights and developed its own diversion works, dams, storage reservoirs and hydroelectric generating projects. It owns senior water rights to the Stanislaus River, most of which are co-owned with Oakdale Irrigation District ("OID"), dating back as far as 1853. A description of its management and its history in water and generation is described below.

A. Management and Operations

(1) Board of Directors

SSJID operates under the direction of a Board of Directors elected by voters in the local communities served by SSJID. The members of SSJID's board are long term residents of the San Joaquin valley and are involved in their communities. This structure – a locally elected Board of Directors, who live and work in the community and are directly accountable to local voters – encourages local participation and increases local control over policy decisions that concern the vital public services provided by SSJID. The result is greater accountability to the people most affected by the decisions made by the SSJID board – SSJID's customers.

(2) Irrigation Facilities

SSJID's water distribution begins at Woodward Reservoir which releases water into the District's Main Distribution Canal (MDC). The MDC is an 18.3 mile long, predominately earthen channel through which SSJID's irrigation water is supplied. About 6.3 miles of this canal are outside of the District boundaries and 12 miles are within the District. Automated turnout facilities regulate the flow of water from the MDC to a network of irrigation laterals. The laterals are either concrete lined open channels or buried pipelines and transport water to individual parcels of land. There are about 38 miles of open channel and about 312 miles of pipeline for a total delivery network 350 miles.

The Subject Property is located between the south boundary of the District and the Stanislaus River. The District's Lateral P irrigation facility is the closest District facility to the Subject Property, but is not adjacent to the Subject Property and there are no District structures that deliver water to the Subject Property. Landowner constructed and currently uses a private facility extending from District's Lateral P over Landowner's other real property to the immediate north of the Subject Property to deliver District water to the Subject Property. Landowner will install a flow meter and SCADA to enable District to measure water to the Subject Property when required by District. Landowner uses a private pond to capture water provided by District during normal run schedules to mitigate the effects of the limited capability of the Lateral P to serve the Subject property. No additional District facilities are required to continue to deliver irrigation water as a result of annexation. There are no District drainage facilities currently available to serve the Subject Property, nor will they be extended by District to serve the Subject Property.

(3) Water Operations

The District's irrigation system is separated into 6 geographical divisions. Each division is staffed on a 12 hour day shift from 5 am to 5 pm and a 12 hour night shift. The day and night shift personnel are responsible for contacting water customers and scheduling deliveries on a 10 day rotation. Water is generally made available from March 15 to October 15, but varies year to year depending on conditions.

(4) Staff

SSJID currently has 98 full-time employees. These employees handle operations and maintenance, construction, billing and collection for irrigation and water utility services and wholesale power sales.

B. District Water Supply

SSJID was formed as a special district on May 24, 1909, to develop infrastructure to provide agriculture customers with irrigation water service, at competitive rates. SSJID's service territory covers approximately 72,000 acres (112 square miles) and includes the incorporated cities of Escalon, Manteca, and Ripon, as well as portions of the unincorporated lands of San Joaquin County. It shares senior water rights to the Stanislaus River with OID that provide a stable supply of water for irrigation, hydroelectric generation and drinking water. These water rights form the basis of an agreement with the United States Department of the Interior's Bureau of Reclamation, by which SSJID and OID share the first 600,000 acre-feet of inflow to New Melones Reservoir. SSJID maintains a water delivery system that extends from Goodwin Dam, through a system of open canals, tunnels and pipelines to Woodward Reservoir. Water is diverted from Woodward for irrigation through an extensive system of canals and pipelines to approximately 3,600 accounts. Water is also diverted from Woodward to SSJID's Nick C. DeGroot Water Treatment Plant for treatment and distribution to the residences and businesses in the cities of Manteca, Lathrop and Tracy. SSJID will be providing drinking water to Escalon in the future and is working with the City of Ripon to extend water service to Ripon.

(1) District Ability to Serve Subject Property

The District has provided irrigation services to the Subject Property since 2017. The District has sufficient water supply to continue to serve the Subject Property in perpetuity. The agreement for annexation between the District and Landowner of the Subject Property ("Annexation Agreement", attached hereto as Attachment 5) acknowledges that the Subject Property will be classified as a "Tier 2" property, a class of properties annexed to the district after the year 2000 and which will be second in priority for water service after "Tier 1" properties and the contractual water-supply obligations to the cities of Manteca, Escalon, Ripon, Lathrop, and Tracy, in the event of a drought-induced limitation of the District's water supply. The District enacted the tiered system November 14, 2000, by Resolution No. 00-21-0, and to date, has not imposed any reductions in service to any Tier 2 properties, including the drought period 2011—2017. Due to ongoing conservation efforts, improvements in technology, and changes to land use within the District, the District's current water supply is sufficient to not only meet the demands of all of its current landowners, but has historically had a margin of surplus water available for sale to entities outside the District. For these reasons, the District can meet the service needs of the Subject Property at the level to which it will be entitled under the Annexation Agreement.

C. Water Charges

The District currently imposes a fixed charge of \$24 per acre per annum for irrigation water and a volumetric charge of \$3 an acre foot for the first 48 inches of water and \$10 per acre foot for water in excess of that quantity. The Subject Property is not located within the area served by the District's pressurized water system and will not receive pressurized water service.

IV. SSJID'S APPLICATION MEETS THE REQUIREMENTS FOR CONSIDERATION AND APPROVAL BY LAFCO

A. Introduction – Applicable Statutory Provisions

SSJID is seeking LAFCo authorization to annex the Subject Property. Government Code section 56650 provides that a proposal for change of organization, such as annexation, may be initiated by resolution of application. Government Code Sections 56652, 56653, 56654 and 56700 set forth requirements for an application for annexation.

B. Government Code section 56652 requirements

Section 56652 states that the application shall be in the form that LAFCo prescribes and shall contain the following elements:

(1) A Resolution of Application.

The Resolution of Application is attached as Attachment 1.

(2) A statement of the nature of the proposal.

By this application, the District seeks to annex the Subject Property, subject to the terms and conditions set forth in the Annexation Agreement, a copy of which is attached as Attachment 5.

(3) A map and description, of the boundaries of the property to be annexed.

Maps showing the Subject Property are attached as Attachments 2(a) and 2(b); a legal description of the Subject Property are attached as Attachment 3.

(4) Any data and information as may be required by any regulation of the commission. None.

(5) Any additional data and information requested by the executive officer. None.

(6) The names of the officers or persons to be furnished with copies of the

report by the executive officer and who are to be given mailed notice of the hearing.

Notice is to be given to the District's General Manager at the following address:

Peter M. Rietkerk, General Manager
South San Joaquin Irrigation District
11011 E. Highway 120
Manteca, CA 95336

C. Government Code section 55653 requirements

Section 56653 provides that an application for annexation is to contain a plan for providing services to contain the following information and any additional information that LAFCo may require:

(1) An enumeration and description of the services to be extended to the affected territory.

SSJID proposes to annex the Subject Property and provide irrigation service. There are no District drainage facilities available nor will they be extended by District to serve the Subject Property.

The District does not presently provide retail electric service, but the Subject Property is within the SOI for such services. At such time that District should commence to offer retail electric service to customers within its boundaries, Landowner would be eligible to receive retail electric service subject to District's electric rate and other policies, rules and terms governing retail electric service as may hereafter be put into effect, including policies which would govern Landowner's responsibility to pay District's costs to extend and install electric facilities to serve the Subject Property.

(2) The level and range of those services.

The District will provide irrigation service on the same procedures and subject to the same rules as is provided to existing customers. A copy of the District's irrigation rules is attached as Attachment 6. Irrigation deliveries are scheduled on a 10 day rotation. Irrigation water is generally made available from March 15 to October 15 with the actual starting and ending dates determined by the District's Board of Directors each year.

The Subject Property would be on equal footing with respect to irrigation water as landowners whose property is within the District prior to the completion of the annexation of Landowner's real property, except in years when the District's water supply is insufficient to meet all demands and subject to the limitations of the District's water rights. In years of insufficient water supply, the Subject Property is subject to reduction in any year by decision of the District's Board of Directors in order for District to provide irrigation service to those landowners whose real property was within the District on November 14, 2000, and to satisfy the District's contractual obligations to the cities of Manteca, Escalon, Ripon, Lathrop and Tracy as of the date of the Agreement.

(3) An indication of when those services can feasibly be extended to the affected territory.

The District does not need to install any facilities to serve the Subject Property, which currently receives irrigation service from the District's Lateral P through a private facility across Landowner's adjacent real property.

(4) An indication of any improvement or upgrading of structures, roads, sewer or water facilities, or other conditions the local agency would impose or require within the affected territory if the change of organization or reorganization is completed.

A flowmeter and SCADA facilities to measure the application of District water to the Subject Property has been installed by the Landowner as described in Section III A (2) above. All private facilities installed to serve the Subject Property comply with District's standard plans and specifications.

(5) Information with respect to how those services will be financed.

The District does not need to install any facilities to serve the Subject Property. The Landowner uses Landowner's existing private facility to serve the Subject Property. There is no financing that will be necessary.

D. Government Code section 55654 requirements

Section 56654 requires that at least 21 days before the adoption of the resolution, the legislative body is to give mailed notice of its intention to adopt a resolution of application to the commission and to each interested agency and each subject agency.

Notice of the District's intention to annex the Subject Property was properly given to LAFCo as required by this section. There are no other interested agencies or subject agencies.

E. Government Code section 56700 requirements

Section 56700 requires that a proposal for change of organization is to contain the following elements:

(1) State that the proposal is made pursuant to this part.

SSJID is seeking the authorization of LAFCo to annex the Subject Property pursuant to Government Code section 56700.

(2) State the nature of the proposal and list all proposed changes of organization.

SSJID proposes to annex the Subject Property and provide irrigation service and retail electric service at such time that District should commence to offer retail electric service to customers within its boundaries.

(3) Set forth a description of the boundaries of affected territory accompanied by a map showing the boundaries.

Maps of the proposed annexation and corresponding legal description are attached as Attachments 2(a), 2(b) and 3, respectively.

(4) Set forth any proposed terms and conditions.

The District requests that LAFCo condition the annexation on the terms and conditions of the Annexation Agreement between the District and the Landowner. A copy of the Agreement is attached to this Application as Attachment 5. This Application is to be deemed withdrawn unless both District and the Landowner agree in writing to any modifications of such terms and conditions by LAFCo.

(5) State the reason or reasons for the proposal.

SSJID makes this proposal in order to annex the Subject Property because the ground water that is currently used to irrigate permanent crops has become increasingly saline. The District would also provide retail electric service at such time that District should commence to offer retail electric service to customers within its boundaries.

(6) Request that proceedings be taken for the proposal pursuant to this part.

SSJID requests that LAFCo initiate proceedings to approve the District's application to annex the Subject Property.

(7) State whether the proposal is consistent with the sphere of influence of any affected city or affected district.

The District is unaware of any conflict between the proposed annexation and that of any other public district.

F. Environmental Review

SSJID filed a Notice of Exemption for the annexation on November 18, 2014. A copy of the Notice is attached as Attachment 4.

G. Additional Information Requested by LAFCo

Five (5) copies of a map depicting the infrastructure serving the Properties to be annexed is included, per LAFCo's request .

RECORDING REQUESTED BY AND
AFTER RECORDING RETURN TO:

SOUTH SAN JOAQUIN IRRIGATION DISTRICT
11011 East Highway 120
Manteca, California 95336

**ANNEXATION AGREEMENT AND COVENANT
RUNNING WITH THE LAND**

This Annexation Agreement and Covenant running with the land (hereinafter “Agreement”) is entered into on November 9, 2016, by and between SOUTH SAN JOAQUIN IRRIGATION DISTRICT (“District”) and G & E TE VELDE ORCHARDS, LLC. (hereinafter “Landowner”).

EXPLANATORY RECITALS

- A. District is an Irrigation District formed under the Wright-Bridgford Act and operating under Division 11 of the Water Code of the State of California and as such is entitled to initiate annexation proceedings for lands lying outside of its boundaries upon terms and conditions which are agreed upon by the District and the owners of land proposed to be annexed.
- B. Landowner owns 448.52 acres of land comprised of one 402.27 acre parcel and one 46.25 acre parcel which are described as San Joaquin County Assessor’s parcel numbers 245-260-12 and 245-260-13. The real property is more particularly described in **Exhibit A** attached hereto (the “Subject Property”). The Subject Property is not currently located within any other public water district.
- C. The Subject Property is located between the south boundary of the District and the Stanislaus River. The District’s Lateral “P” irrigation facility is the closest District facility to the Subject Property, but is not adjacent to the Subject Property

and there are no District structures to deliver water to the Subject Property. Landowner intends to construct at its expense an extension of a private facility over Landowner's other real property to deliver District water to the Subject Property. The Lateral "P" currently has insufficient capacity to provide water to fully irrigate the Subject Property on a regular rotation without potential delays to Existing Landowners. As such, Landowner intends to use a pond to capture water provided by District during normal run schedules to mitigate the effects of the limitations on the water delivery schedule. There are no District drainage facilities available nor will they be extended by District to serve the Subject Property.

- D. Landowner has requested that the Subject Property be annexed by District on the terms and conditions hereof, which among other provisions, require Landowner to pay the same fees, charges or assessments now or hereafter charged other landowners within District's boundaries, notwithstanding the limitations on District facilities to serve the Subject Property and that the Subject Property will not be on the same footing with other land within the District as described in this Agreement.
- E. District annexation policy adopted on October 14, 2014, by resolution number 14-11-P ("Annexation Policy") shall govern the annexation of the Subject Property to District, except as otherwise provided in this Agreement.

In consideration of the mutual terms and conditions to be kept and performed by the parties hereto, IT IS AGREED AS FOLLOWS:

AGREEMENT

1. DEFINITIONS:

- 1.1. "Adjacent Property" is defined in Section 2.3.
- 1.2. "Annexation Fee" is defined in Section 4.7.1.
- 1.3. "Annexation Policy" is defined in Recital E.
- 1.4. "Collection Policy" refers to Resolution No. 2001-04-F, "Policy Governing Collection of Fees, Charges and Penalties" or any subsequent resolution which supersedes Resolution No. 2001-04-F.
- 1.5. "Delivery Point" is defined in Section 4.1.2
- 1.6. "District" means the SOUTH SAN JOAQUIN IRRIGATION DISTRICT, an irrigation district under the Irrigation District Law of the State of California.
- 1.7. "Existing Landowners" means owners of real property whose property is within the District prior to the completion of the annexation of the Subject property to the District.
- 1.8. "LAFCO" is the San Joaquin Local Agency Formation Commission.
- 1.9. "Landowner" means the owner of the Subject Property.
- 1.10. "New Capital Charges" is defined in Section 4.6.1.
- 1.11. "SCADA" means Supervisory Control and Data Acquisition.
- 1.12. "Subject Property" is defined in Recital B.
- 1.13. "Tier I Landowners" means owners of real property within the District as of November 14, 2000.

1.14. “Tier II Landowners” refers to all owners of real property whose property is annexed to the District at any time after November 14, 2000. All Tier II Landowners are subject to the water supply limitations in Section 5.1.

2. **APPLICATION BY LANDOWNER:**

2.1. In the year 2013, Landowner submitted an Application for Annexation, as defined in the Annexation Policy, with the Secretary of District for the inclusion of Subject Property in the District. An amendment to that Annexation Application is now required to comply with recent changes in the Annexation Policy adopted by District’s Board of Directors.

2.2. District does not have facilities that can provide irrigation or drainage service to the Subject Property and District has no obligation to extend its facilities to serve the Subject Property. In order for the Subject Property to receive irrigation water, Landowner will be required to construct at its expense its own facilities over Landowner’s other real property as described below.

2.3. The District’s Lateral “P” at station 115+00+/-, is connected to Landowner’s private pipeline that crosses River Road to an adjacent parcel of property owned by Landowner to the immediate north of the Subject Property, which is described as San Joaquin County Assessor’s Parcel Number 245-260-09 and is more fully described in **Exhibit B** (“Adjacent Property”). In order for the Subject Property to receive water from District, Landowner is required to extend and maintain the private line from the District’s Lateral “P” station 115+00+/- service line, across the Adjacent Property to the Subject Property and to install a flow meter and SCADA to enable District to measure water to the Subject Property, as described in Section 4.1 below.

2.4. Landowner has demonstrated to District that it has available an adequate groundwater supply or other alternative water resource for the Subject Property.

2.5. Landowner agrees to pay District the annexation fee as described in Section 4.7, District's costs and expenses expected to be paid to third parties to process and complete the annexation as described in the Annexation Policy, including surveys, soils reports, engineering, title and recording fees and costs for environmental review and other fees and costs charged by LAFCO. Landowner shall also pay the other costs described in this Agreement, including the costs to install facilities to convey District water from the Delivery Point to the Subject Property and the costs to install a flow meter and SCADA facilities to measure water deliveries to the Subject Property as described above and in Section 4.1 below.

3. **ANNEXATION PROCESS**

3.1. Upon approval by the District's Board of Directors of this Agreement and a resolution of application that the Subject Property be annexed to District, and when Landowner has paid all fees and charges required to be paid in accordance with the Annexation Policy and this Agreement, District will file the resolution with LAFCO along with a plan of service and such other documents as may be required in order for LAFCO to initiate proceedings to approve the annexation of the Subject Property to District in accordance with the resolution and this Agreement.

3.2. LAFCO will conduct environmental review of the annexation of the Subject Property to District in accordance with the California Environmental Quality Act (CEQA). District and Landowner enter into this agreement on the understanding and belief that there are

no significant environmental impacts from District's agreement to provide service to the Subject Property by this Agreement and that no mitigation measures will be necessary and none will be imposed as a condition of LAFCO's approval of environmental review under CEQA and which the District will make the appropriate formal findings. All costs of environmental review will be that of the Landowner.

3.3. Landowner and District agree to make all reasonable efforts to complete annexation of the Property.

3.4. The resolution of application shall be deemed to be withdrawn if LAFCO approves the environmental review under CEQA or the annexation of the Subject Property, on new or different terms than those in the resolution of application and this Agreement, unless both District and the Landowner agree in writing to any such new or different terms.

3.5. The annexation of the Subject Property is deemed complete when LAFCO has approved a resolution ordering the annexation, the subordination agreements required by District in accordance with the Annexation Policy and this Agreement have been supplied by Landowner and recorded, this Agreement has been recorded, the certificate of completion signed by the Executive Officer of LAFCO has been recorded, and Landowner has satisfied any terms of LAFCO's approval.

4. TERMS AND CONDITIONS

4.1. CONDITIONS TO INITIAL DELIVERY OF WATER

The Subject Property will be entitled to receive irrigation service on the terms in this Agreement when the following conditions are satisfied:

4.1.1. The annexation of the Subject Property to the District is complete as described in Section 3.5.

4.1.2. Landowner has installed its own facilities that are necessary for the Subject Property to receive irrigation service from the control box on District's Lateral "P" at approximately station 115+00+/- as shown on the plat attached as **Exhibit C** ("Delivery Point"). Landowner is responsible for installing and maintaining such other facilities as Landowner determines to be necessary to distribute the irrigation water from the Delivery Point throughout the Subject Property. All facilities must comply with District's specifications described in the structure permit required to be obtained by Landowner from District for all structures to be connected to the District's facilities or to deliver District water to the Subject Property. Landowner is responsible for acquiring and owning such interests in land as are necessary for Landowner to use, construct, maintain, repair and use the facilities necessary to deliver water from the District's Lateral "P" facility to the Subject Property.

4.1.3. Landowner has installed for District, at Landowner's expense, a flowmeter and SCADA facilities to measure the application of District water to the Subject Property at the Delivery Point, in conformance with District's specifications described in the structure permit required to be obtained by Landowner before installing the facilities. The cost for such facilities will not be subject to the terms for financing of New Capital Charges described in the Annexation Policy. Landowner shall execute and deliver an agreement in recordable form granting District the right to access the land of Landowner

to access, read, maintain, repair and replace the meter and SCADA facilities, in form and content acceptable to District.

4.1.4. Landowner has paid the Annexation Fee and the other fees and charges described in Section 2.5.

4.1.5. Landowner has paid to District the water charges imposed on a per-acre basis beginning with the year in which the Subject Property is annexed.

4.2. ONGOING CONDITIONS TO DELIVERY OF WATER

The following are ongoing conditions that must be satisfied in order for the Subject Property to receive irrigation service:

4.2.1. The conditions described in Section 4.1 have been satisfied.

4.2.2. Landowner is not delinquent in the payment of water charges or other amounts required to be paid to District, in accordance with, and is otherwise in compliance with policies, resolutions and rules approved by District's Board of Directors from time to time, including policies and rules regarding the distribution of irrigation water, and with California law and regulations.

4.2.3. Landowner has installed and maintained such facilities as are necessary for District water to be conveyed from the Delivery Point throughout the Subject Property, in accordance with District's specifications described in the structure permit required to be obtained by Landowner for all structures connected to the District's facilities. Landowner owns such interests in land as are necessary for Landowner to construct, maintain, repair and use the facilities necessary to deliver water from the District's Lateral "P" facility to the Subject Property.

4.2.4. Landowner and District have agreed that a single flow meter will be used to measure water deliveries to the Adjacent Property and to the Subject Property and Landowner will be billed for water deliveries to the parcels as if the parcels were a single parcel. If any portion of the Subject Property and the Adjacent Property become under separate ownership, or if either parcel comprising the Subject Property is divided into separate parcels, at any time after this Agreement is recorded, Landowner shall, upon request from District and as a condition to the Subject Property continuing to be eligible to receive water from District, install separate flow meters and SCADA facilities to separately measure water deliveries to each separate legal parcel, in conformance with District's specifications described in the structure permit required to be obtained when the facilities are installed. The cost for such facilities will not be subject to the terms for financing of New Capital Charges described in the Annexation Policy.

4.2.5. District personnel having reasonable access to the Subject Property at all times to inspect the facilities used to transport water to the Subject Property, to read and maintain such flow meters as may be required by this Agreement and to determine if all conditions specified in this agreement have been and continue to be satisfied.

4.3. QUANTITY AND QUALITY OF WATER TO BE DELIVERED

4.3.1. Landowner, as owner of the Subject Property, is entitled to equal benefits to the District's water supply to the extent of District's water supply, its water rights and its available water delivery facilities, subject to the provisions of this Agreement, including the Tier II provisions in Section 5.1 below.

4.3.2. District cannot provide sufficient quantities of water on a regular rotation to fully irrigate the Subject Property on a regular basis without affecting deliveries to Existing Landowners, but will offer Landowner water at such flow rates, quantities and for such duration as District determines in its discretion is available from time to time without affecting Existing Landowners, in accordance with this Agreement, but makes no representation and Landowner has no guaranty as to the flow rate, quantity, quality, or delivery time or duration of the water made available by it for the Subject Property.

4.3.3. At such time as additional water supplies may become available through sources other than existing or renegotiated contracts or existing District rights, Landowners will be entitled to equal benefit with Existing Landowners for the use of such additional District water supplies and will not be subject to the Section 5.1 restrictions and the Tier II restrictions in the Annexation Policy for such additional water supplies. All lands within District receiving such water shall pay their proportionate share of the cost thereof.

4.4. CHARGES FOR WATER

4.4.1. Landowner will pay the same water rates charged to Existing Landowners receiving irrigation service within the District, in accordance with resolutions, policies and rules approved by District's Board of Directors from time to time.

4.4.2. Water charges imposed on a per-acre basis for the year in which the Subject Property is annexed, are due and payable as a condition to the delivery of water as described in Section 4.1.5.

4.4.3. In addition to per-acre water charges, Landowner will be required to pay water charges that are based on the volume of water used in accordance with District's

volumetric water charge in effect from time to time, based on data from the flow meter described in Section 4.1. During any period of time when data from the flow meter is not available, District will bill Landowner and Landowner agrees to pay water charges based on District's good faith estimate of the water delivered to the Subject Property for such time period.

4.4.4. If Landowner becomes delinquent in the payment of water charges, i) the District may deny delivery of water or services to Subject Property, ii) the District shall impose such fees, penalties, and charges as are authorized by Law and District shall have such rights to collect the unpaid amounts as are permitted by law in accordance with the District's Collection Policy and California law.

4.4.5. Landowner will also be subject to any other fees, charges or assessments now or hereafter charged Existing Landowners within District's boundaries.

4.4.6. Ordering water when available and payment therefore shall be in accordance with policies, resolutions and rules approved by District's Board of Directors from time to time.

4.5. ASSESSMENTS

4.5.1. If District at any time finds it necessary to generate revenue by collection of assessments, as provided by Water Code Sections 25800 et seq., the following terms and conditions shall apply:

4.5.1.1 The Subject Property shall be assessed the same as similar lands of Existing Landowners. Further, Subject Property shall be given an assessed value on the same basis as Existing Landowners.

4.5.1.2 The assessment of Subject Property shall be fixed by the Board of Directors of District.

4.5.1.3 The assessment of the Subject Property shall be equalized in the same manner as assessments on lands of Existing Landowners.

4.5.1.4 District charges and assessments for voter approved indebtedness shall be charged and assessed to the Subject Property regardless of whether or not District services are provided to and utilized on the Subject Property.

4.5.1.5 Assessments levied for new water supplies and assessments levied for improvement or distribution districts formed for the benefit of Landowner shall be paid each year whether or not District services are provided to and utilized on the Subject Property.

4.6. NEW CAPITAL CHARGES

4.6.1. New Capital Charges means those charges incurred for distribution and drainage system improvements and other improvements to District facilities in whole or in part to serve Landowners as described in Section 4.8.3. New Capital Charges shall also include capitalized construction period interest computed according to generally accepted accounting principles. Capitalized interest generally is an amount equal to interest expense on District debt during the construction period when debt is utilized by District to pay system improvements needed to effect the annexation. If the District utilizes its reserve funds instead of debt to finance improvements to serve Landowners, New Capital Charges shall include capitalized construction period interest computed

using a fixed interest charge during the construction period calculated at a rate equal to the weighted average rate of return earned on District investments for the last calendar quarter before adoption by the Board of Directors of a resolution to file an application with the LAFCO to annex the land of Landowners.

4.6.2. No New Capital Charges for additional District irrigation or drainage system improvements to District facilities are intended to be incurred to serve the Subject Property, except for the cost of flow measurement and SCADA facilities that are to be paid by Landowner as described in this Agreement, and which will not be financed by District.

4.6.3. If any New Capital Charges are incurred hereafter by District to construct additional District irrigation or drainage system improvements to District facilities in whole or in part to serve the Subject Property, Landowner is responsible to pay the New Capital Charges in accordance with the Annexation Policy and this Agreement.

4.6.4. The failure of Landowner to make any required payment of New Capital Charges incurred in accordance with this Agreement shall be the same as the failure of Landowner to pay for water charges or water deliveries to the Subject Property and until said payments are made, i) the District shall deny delivery of water or services to Subject Property, ii) the District shall impose such fees, penalties, and charges as are authorized by Law and District shall have such rights to collect the unpaid amounts as are permitted by law in accordance with the District's Collection Policy.

4.7. ANNEXATION FEE

4.7.1. Landowner will pay District an annexation fee of \$2,188 per acre, for a total of \$981,318 (“Annexation Fee”) for the Subject Property. Said payment is computed to the nearest tenth of an acre, and shall include all of said lands, whether or not encumbered by easements, rights of way, or reservations. The Annexation Fee is fixed at the rate that was in effect during 2013 because the Annexation Application was submitted to District in 2013.

4.7.2. Twenty-five percent of the Annexation Fee is due and payable upon delivery of the amended Annexation Application to District, as described in the Annexation Policy, and is refundable without interest if the District’s Secretary rejects the application or if the Board of Directors votes not to file an application with LAFCO to annex the Landowner’s property. The amount refundable will be reduced by any costs related to the annexation which have been paid or incurred by the District and not yet reimbursed to the District by the Landowner.

4.7.3. The remaining seventy-five percent of the Annexation Fee is due and payable in full 14 days after the date on which LAFCo approves the annexation as evidenced by its adoption of a resolution approving the annexation and its issuance of a certificate of completion of the annexation.

4.8. FACILITIES NECESSARY TO SERVE SUBJECT PROPERTY

4.8.1. District’s Lateral “P” does not have service structures for delivering water to or drainage from the Subject Property and District is under no obligation to Landowner to install any such facilities. Delivery of water to the Subject Property can only be made

from the District's Lateral "P" by Landowner installing private facilities to irrigate the Subject Property from the Adjacent Property, as described in Section 2.3. Landowner is required to apply for and obtain a Structure Permit from District before constructing any proposed connections to any District facility, and to install the facilities in accordance with the structure permit. As part of its approval, District may require Landowner at Landowner's expense to (i) have prepared and executed such documents as are required to convey to District such easements or rights of way as are necessary and reasonable to provide service to the Subject Property. The Subject Property will not have access to drainage service from the District.

4.8.2. Landowner is responsible for installing and maintaining such facilities as are necessary to convey irrigation water from the Delivery Point to and throughout the Subject Property as described in Sections 2.3 and 4.1 of this Agreement.

4.8.3. If District should decide at any time after this Agreement is executed to extend or enlarge its existing facilities to provide continued or improved service to the Subject Property, the cost of such facilities shall be at Landowner's sole expense. The costs for such facilities may be paid directly by the Landowner or Landowner may elect to classify such charges as New Capital Charges as provided herein and in the Annexation Policy. If such improvements benefit other land parcels in addition to the Subject Property, the Subject Property's pro rata share of the cost will be determined as provided for in the Annexation Policy.

4.8.4. Landowner agrees that the Subject Property has the right at all reasonable times to use the Adjacent Property as necessary for District-supplied water to be

conveyed from the Adjacent Property to the Subject Property for irrigation. Owner further agrees that the foregoing right shall survive any sale, transfer, conveyance or other disposal of any part of the Adjacent Property or the Subject Property.

4.8.5. Landowner agrees to install such additional facilities as may be necessary in order for the entire Subject Property to continue to receive irrigation service if the Subject Property should become subdivided and title to any part of the Subject Property is transferred.

4.9. VOTING RIGHTS

4.9.1. The Subject Property, once annexed to District, shall be voted in favor of and become a member of any subsequent improvement district, drainage district, water district, canal district, reclamation district, sewer district, groundwater recharge district, or any same or similar district to which the District agrees to become a part, forms within the same or different boundaries or achieves such powers through ballot, legislation, or otherwise.

4.9.2. Subject to the provisions of Water Code Section 21608, all persons residing on the Subject Property shall have the same right to vote at District elections and to hold District offices as residents of lands owned by Existing Landowners.

4.10. OTHER SERVICES

At such time that District should commence to offer retail electric service to customers within its boundaries, Landowner will be eligible to receive retail electric service, subject to District's electric rate and other policies, rules and terms governing retail electric service as may

hereafter be put into effect, including policies which would govern Landowner's responsibility to pay District's costs to extend and install electric facilities to serve the Subject Property.

5. **LAWS, RULES AND REGULATIONS OF DISTRICT**

5.1. The Subject Property is subject to the limitations applicable to Tier II Landowners in the Annexation Policy. As such, the water supply of Landowner, as owner of the Subject Property and of all other Tier II Landowners, is subject to reduction in any year by decision of the District's Board of Directors in order for District to serve Tier I Landowners and to satisfy the District's contractual obligations to the cities of Manteca, Escalon, Ripon, Lathrop and Tracy as of the date of the Agreement.

5.2. The Subject Property and the owners thereof shall be subject to all the laws and regulations of the State of California, and to all policies, resolutions and rules approved by District's Board of Directors, both existing and as may be added or changed from time to time, including the District's Rules and Regulations Governing the Distribution of Water in the South San Joaquin Irrigation District, which was first adopted on April 13, 1915 and as amended from time to time by District.

5.3. If District determines that application of surface water to the Subject Property causes an unacceptable rise in the groundwater table underlying or immediately adjacent to Subject Property, the Landowner shall design and construct suitable collector lines to intercept the groundwater. When completed to District satisfaction, the collector lines and appurtenances and such easements as determined necessary for the proper maintenance of the collector lines shall be dedicated by the Landowner or its heirs or assigns to the District without cost.

5.4. The District shall be relieved of its obligations in this Agreement to the extent it is unable to do so due to a failure of the District's water delivery facilities.

5.5. Landowner shall indemnify and hold District harmless from any and all claims, demands, obligations or liabilities, including attorneys' fees, arising out of District's annexation of the Subject Property, the delivery of District services to the Subject Property, the construction of any improvements by Landowner pursuant to this Agreement or Landowner's breach of any obligation in this Agreement.

6. **RECORDATION OF AGREEMENT**

6.1. This Agreement shall be recorded before recordation of the Certificate of Completion by the Executive Officer of LAFCO.

6.2. In order to assure the priority of the Agreement upon its recordation, Landowner will, at its expense, secure subordination agreements subordinating existing liens and encumbrances recorded against the Subject Property to this Agreement, in a form satisfactory to District. Such subordination agreements shall be recorded at the time of recordation of the Agreement, in priority determined by District. Should the Landowner utilize the procedures in this Agreement for payment of New Capital Charges, the Landowner shall be required as a condition to deferral and repayment of such charges in installments, to secure and provide to District on forms satisfactory to it, subordination agreements, which subordinate outstanding liens upon the Subject Property, to those of District. Such Subordination Agreements shall be recorded at the time of recordation of this Agreement or at any future time that such charges may be incurred and the costs therefore, in addition to the costs of title reports and any title insurance requested by District, shall be reimbursed by Landowner to District upon demand.

Landowner, during the period between the receipt of the title report and the recordation of this Agreement, covenants not to subject the Subject Property to further liens or encumbrances than those listed prior to the recordation of this Agreement.

7. **COVENANT RUNNING WITH THE LAND**

7.1. This Agreement shall constitute a covenant, both as to the benefits and burdens, running with the Subject Property and shall be binding on Landowner and all successive owners of the Subject Property and the Adjacent Property, or any portion thereof, for the benefit of District and all Existing Landowners.

8. **GENERAL**

8.1. Amendment: The terms and conditions of annexation set forth in this Agreement shall not be modified or amended except by a recorded instrument in writing executed by District and the then owners of Subject Property.

8.2. Successors and Assigns: The covenants of Landowner in this Agreement shall be binding on the heirs, successors, grantees, and assigns of the owners of Subject Property and the other provisions of this Agreement shall inure to the benefit of and be binding upon the heirs, successors, grantees, and assigns of the owners of Subject Property and successor of District.


8.3. Effective Date: This Agreement shall become effective and binding upon the parties hereto upon the recordation of the Certificate of Completion by the Executive Officer of LAFCO.

In WITNESS WHEREOF, the parties to this Agreement have executed same as of the day and year first above written at Manteca, California.

“DISTRICT”
SOUTH SAN JOAQUIN IRRIGATION
DISTRICT

By 
President, Board of Directors

Robert A. Holmes

By 
Secretary, Board of Directors

Dated: Peter M. Rietkerk

“LANDOWNER”
G&E TE VELDE ORCHARDS, LLC

By 
George te Velde, G & E Te Velde Orchards,
LLC.

Dated:

BOARD APPROVAL: 11-22-2016

SIGNATURES MUST BE NOTARIZED AND BE PER RECORDED DEED

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of San Joaquin

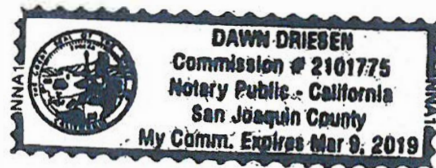
On November 9, 2016 before me, Dawn Driesen, Notary Public
(insert name and title of the officer)

personally appeared George te Velde
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/~~she~~they executed the same in his/~~her~~their authorized capacity(ies), and that by his/~~her~~their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Dawn Driesen (Seal)



ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

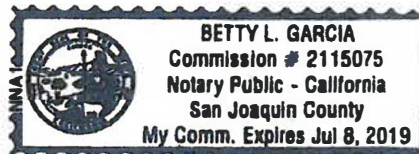
State of California
County of San Joaquin

On November 22, 2016 before me, Betty L. Garcia, Notary Public
(insert name and title of the officer)

personally appeared Robert A. Holmes and Peter M. Rietkerk
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies) and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Betty L. Garcia (Seal)



SAN JOAQUIN
— COUNTY —
Greatness grows here.



Department of Public Works

Fritz Buchman, Director

Alex Chetley, Deputy Director - Development

David Tolliver, Deputy Director - Operations

Najee Zarif, Deputy Director - Engineering

Kristi Rhea, Business Administrator

November 10, 2022

MEMORANDUM

TO: James E. Glaser, Executive Officer
LAFCo
CONTACT PERSON: Elizabeth Contreras, LAFCo Analyst

FROM: Christopher RM Heylin, PE., Development Services Engineer *CH*
Development Services Division

SUBJECT: G & E TE VALDE ANNEXATION TO SSJID (LAFc 21-22)
To annex a total of 446 acres of land comprised of four parcels to the South San Joaquin Irrigation District (SSJID).

LOCATION: Between the south boundary of SSJID and the Stanislaus River

COMMENTS:

- **No Comments**

AC:SC

X:\LAFCo\LAFCo Referrals\G&E Te Valde Annex to SSJID (LAFc 21-22)\Comments to LAFCo (LAFc 21-22).doc

EXECUTIVE OFFICER'S REPORT

December 8, 2022

TO: LAFCo Commissioners

FROM: J.D. Hightower, Executive Officer

SUBJECT: Results of Protest Hearing for Lumina Reorganization to the City of Manteca
(LAFCo 19-22)

Recommendation

It is recommended that the Commission approve Resolution No. 1504 ordering the Lumina Reorganization to the City of Manteca subject to confirmation by registered voters.

Background

On October 13, 2022 the Commission considered and approved an annexation proposal from the City of Manteca to annex 183.46 acres to the City. The propose for this annexation site consists of three areas:

- A vacant 161.19-acre parcel known as the Development Area and 3.16 acres of dedication areas along Woodward Road and Airport Way. The City proposes to develop the vacant parcel into 827 residential units (Lumina at Machado Ranch), two parks, and public infrastructure.
- Non-Development Area 1 consisting of six 1-acre lots with existing residential homes
- Non-Development Area 2 consisting of nine lots ranging from 1.3 acre to 1.8 acre lots (13.11 acres total) with existing residential homes. The annexation boundaries are shown on Exhibit A.

The Commission's approval was subject to a protest hearing as the proposed annexation, area was "inhabited" having more than 12 registered voters and it did not have 100% consent of the landowners to annex. The protest hearing provides the landowners and registered owners within the annexation boundaries the opportunity to submit written protests against the annexation. As

directed by the Commission, the Executive Officer conducted a public hearing to receive written protests on November 22, 2022 at 10:00 a.m. in the City of Manteca Development Services Department Conference Room, 1215 W. Center Street, Suite 201, Manteca, CA 95337.

Results of Protest Hearing

The protest hearing was attended by City of Manteca staff, the developer of the project, and residents from within the Lumina annexation boundaries. LAFCo determined that the proposed annexation area consisted of 25 property owners and 27 registered voters eligible to protest the annexation. The list of certified registered voters was provided by the County Registrar of Voters at the time LAFCo issued the Certificate of Filing for the City's annexation application.

By the end hearing, LAFCo received three (3) written protests from registered voters and protest from two (2) property owners. Upon certification of the written protests it was determined that 1 of the 3 written protests submitted by registered voters was not eligible to vote under protest proceeding requirements. It was therefore determined that LAFCo received 2 or 7.4 % written protests from registered voters. Counting the protest from the non-verified voter results in 10.7% of the potential registered voters. The owners of the two properties that protested represented 7.1% of the total assessed land value within the reorganization area.

Under the LAFCO Conducting Authority Proceedings, if less than 25% of assessed land value property owners, or, registered voters within reorganization area filed protests then the Commission decision to approve the reorganization is approved. If 25% or more of either assessed land value property owners or 25% to 50% of the registered voters within the reorganization area filed written protests, then the reorganization is subject to an election. If more than 50% of the voters residing in the territory provide written protest, the reorganization including annexation and detachment is terminated.

Based on the final results of written protests submitted and not withdrawn, the Executive Officer will file a Certificate of Completion upon the City submitting mutually agreeable property tax sharing and detachment payment agreements in accordance with Resolution 1504.

Attachments: LAFCO Resolution 1504
EXHIBIT A: Vicinity Map
EXHIBIT B: Resolution 1495 – Commission Approval of Lumina
Reorganization to the City of Manteca

RESOLUTION NO. 1504

SAN JOAQUIN LOCAL AGENCY FORMATION COMMISSION CONDUCTING
AUTHORITY CERTIFICATION OF THE CITY OF MANTECA'S LUMINA AT MACHADO
RANCH REORGANIZATION PROTEST HEARING (LAFCo 19-22)

WHEREAS, the San Joaquin Local Agency Formation Commission (LAFCo) on October 13, 2022 approved Resolution 1504, approving the City of Manteca's Lumina at Machado Ranch Reorganization; and,

WHEREAS, the Commission did set forth the reasons for approval of the reorganization, made determinations, including those required by the California Environmental Quality Act (CEQA), and approved terms and conditions for the reorganization described in LAFCo Resolution 1504, attached hereto and by reference incorporated herein; and,

WHEREAS, the reorganization was initiated by the City Council of the City of Manteca; and

WHEREAS, Government Code Section 56029 designates the Commission as the Conducting Authority to conduct proceedings for reorganization pursuant to Part 4 of Division 3 of the California Government Code commencing with Section 57000; and,

WHEREAS, the Commission directed the Executive Officer, pursuant to Government Code Section 56881(d) to initiate protest proceedings pursuant to Part 4, commencing with Section 57000; and,

WHEREAS, the Executive Officer set the proposal for a protest hearing on November 22, 2022 at 10:00 a.m. at the City of Manteca Development Services Conference Room, 1215 West Center Street, Suite 201, Manteca, California; and,

WHEREAS, notice, in the form and manner required by law, was given for the conducting authority proceedings by the Executive Officer, pursuant to California Government Code Section 57025; and,

WHEREAS, pursuant to California Government Code Section 57002, the Executive Officer has conducted the public hearing for the purpose of receiving written protests; and,

WHEREAS, the conducting authority proceeding hearing was conducted on November 22, 2022; and,

WHEREAS, two (2) written protests, representing 7.4% of the registered voters residing within the reorganization area were received by the Executive Officer prior to the close of the protest hearing; and,

WHEREAS, the owners of two properties within the reorganization area submitted protests, representing 7.1% of the total assessed land value within the reorganization area, prior to the close of the protest hearing.

NOW, THEREFORE, THE SAN JOAQUIN LOCAL AGENCY FORMATION COMMISSION HEREBY RESOLVES, DETERMINES AND ORDERS as follows:

1. The Lumina at Machado Ranch Reorganization is hereby ordered pursuant to California Government Code Section 57075(a).
2. The Executive Officer shall ensure that all conditions of Resolution 1504 are implemented prior the filing of a Notice of Completion.

PASSED AND ADOPTED this 8th day of December 2022, by the following vote:

AYES:

NOES:

ABSENT:

DAVID BREITENBUCHER, CHAIRMAN
San Joaquin Local Agency
Formation Commission

RESOLUTION NO. 1495

**BEFORE THE SAN JOAQUIN LOCAL AGENCY FORMATION COMMISSION
APPROVING THE LUMINA REORGANIZATION TO THE CITY OF MANTECA
WITH CONCURRENT DETACHMENTS FROM THE LATHROP MANTECA
FIRE DISTRICT AND THE SAN JOAQUIN COUNTY RESOURCE
CONSERVATION DISTRICT (LAFC 19-22)**

WHEREAS, the above entitled proposal was initiated by resolution by the City of Manteca and on August 2, 2022 the Executive Officer certified the application filed for processing in accordance with the Local Government Reorganization Act; and

WHEREAS, the Commission held a public hearing on the proposed reorganization on October 13, 2022 in the Board of Supervisors Chambers, 44 North San Joaquin Street, 6th Floor, Stockton, CA, pursuant to notice of hearing which was published, posted and mailed in accordance with State law; and

WHEREAS, at said hearing the Commission heard and received evidence, both oral and written regarding the proposal, and all persons were given an opportunity to be heard; and

WHEREAS, the City of Manteca certified and adopted an Environmental Impact Report (State Clearinghouse No. 2021010265) and approved Mitigation Measures/Monitoring and Reporting Program for the Lumina at Machado Ranch;

WHEREAS, the subject territory is inhabited and does not have 100% owner consent;

WHEREAS, the Commission has, in evaluating the proposal considered the report submitted by the Executive Officer, the factors set forth in Section 56668 of the California Government Code and testimony and evidence presented at the public hearing held on October 13, 2022.

NOW, THEREFORE, the San Joaquin Local Agency Formation Commission DOES HEREBY RESOLVE, DETERMINE, AND ORDER as follows:

Section 1. Certifies that, as a Responsible Agency, the Commission has independently reviewed and considered the Lumina at Machado Ranch Environmental Impact Report (State Clearinghouse No 2021010265) and adopts the CEQA Mitigation Measures/Monitoring and Reporting Program as certified by the City of Manteca;

Section 2. Finds that the proposal is uninhabited and does not have 100% owner-consent.

Section 3. Finds that written protests were received by landowners or registered voters within the project area by the conclusion of the hearing; and therefore, directs the Executive Officer to conduct protest proceedings pursuant to Chapter 4 (commencing with Section 56065 of Part 4 of the Government Code;

Section 4. Approves the Lumina Reorganization to the City of Manteca with concurrent detachments from the Lathrop Manteca Fire District and the San Joaquin County Resource Conservation District with the boundary description as approved by the County Surveyor, attached hereto as Exhibit A.

Section 5. Finds, pursuant to Government Code Section 56856.5, the reorganization is necessary to provide services to planned, well-ordered, and efficient urban development patterns that include appropriate consideration of the reservation of open-space lands within those urban development patterns.


Section 6. Directs the Executive Officer to withhold the filing of the Certificate of Completion until the City of Manteca and the Lathrop Manteca Fire Department have executed an agreement to mitigate the loss of revenues to the fire department.

PASSED AND ADOPTED this 13th day of October 2022 by the following roll call vote:

AYES: Commissioners Johnson, Villapudua, Winn and Chairman Breitenbucher

NOES: None

ABSENT: Commissioner Lincoln



DAVID BREITENBUCHER, CHAIRMAN
San Joaquin Local Agency
Formation Commission

December 8, 2022

San Joaquin Local Agency Formation Commission

Protest Hearing Results for Lumina Reorganization to the City of Manteca

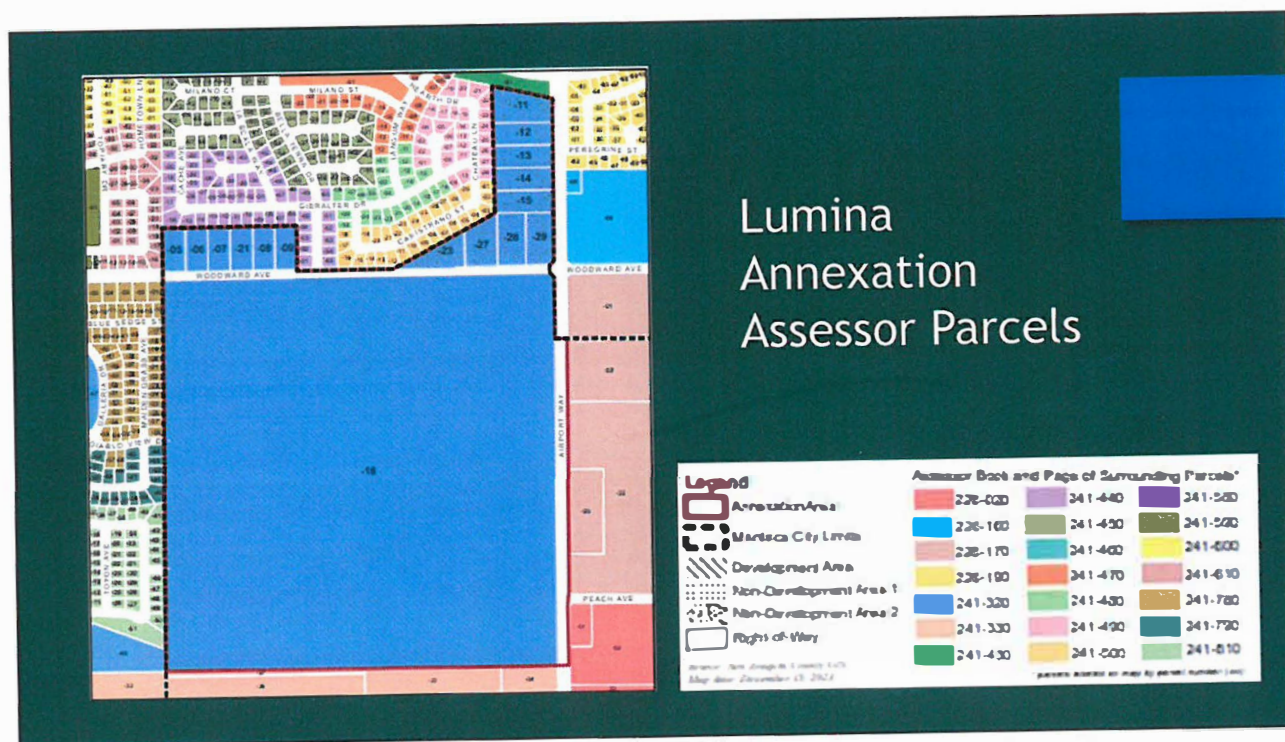
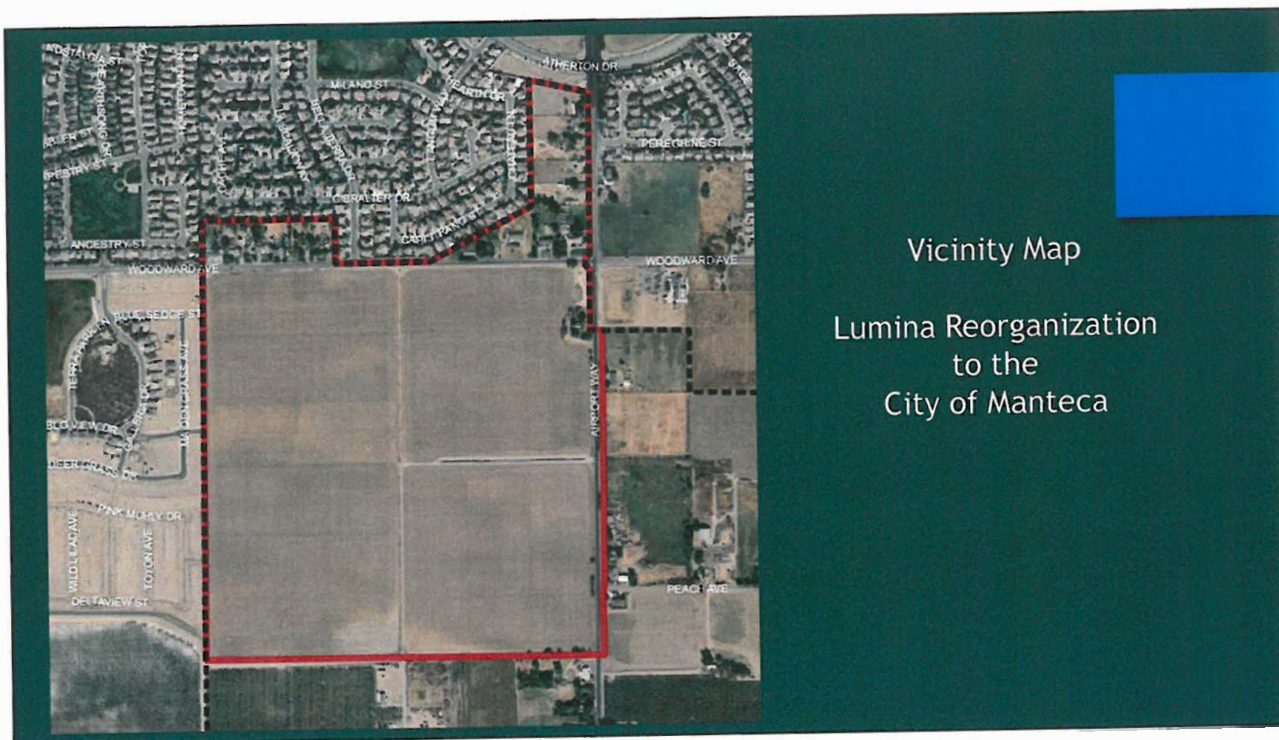
Commission Decision

On October 13, 2022, the Commission unanimously approved the reorganization request by the City of Manteca including the following actions:

- Annexation of 183.47 acres
- Detachment from LMFD and SJ Resource Conservation District

Site is located southwest of the intersection at Airport Way and Woodward Avenue, southwestern portion of the City of Manteca

Annexation of non-development areas needed to avoid creating County islands.



Background

- Annexation consists of 3 areas:
 - Development Area consisting of one 164.35 acre parcel (161.19 acre development and 3.16 acres of dedication areas along Woodward Road and Airport Way).
 - Non-Development Area 1 consisting of six 1-acre lots with existing homes on Woodward Avenue
 - Non-Development Area 2 consisting of nine lots ranging from 1.3-acre to 1.8-acre lots with existing homes on Airport Way.
- Project site is inhabited (12 or more registered voters) and did not have 100% owner consent
- Protest proceeding gathered information on support or non-support of property owners and voters within the reorganization area

Results (GC Sec. 57050)

- By end of the 11/22/2022 protest hearing, all written protests either from property owners owning property within reorganization area or registered voters residing within the reorganization area had to be received.
 1. Protestation forms were mailed to all property owners and/or voters.
 2. Two (2) property owners/registered voters attended meeting.
 3. Total of two (2) registered voters (7.4%) and five (5) property owners representing two (2) properties (7.1% of assessed land value) protest forms received via USPS.
 4. Verbal agreement made at hearing for water & sewer connection fees and landscape repair not to exceed \$25,098 for owner occupied properties.

Commission Decision Stands (GC Sec. 57075)

- Property Owners - If owners of 25% or greater of the assessed land value of all land within the reorganization area filed written protests, then reorganization may have proceeded to election.
- Registered Voters - If 25% to 50% of registered voters residing within the reorganization area filed written protests, then reorganization may have proceeded to election.
- Registered Voters - If more than 50% of registered voters residing within the reorganization area filed written protests, then the proposed reorganization would have terminated.

Next Steps

- Prior to filing a Notice of Completion, the City of Manteca needs to:
 - Reach a desired agreement with San Joaquin County regarding property tax sharing for the Lumina at Machado Ranch development or decide existing master property tax sharing agreement is acceptable.
 - Reach an agreement with Lathrop Manteca Fire Protection District regarding a detachment fee.