

**SACRAMENTO LOCAL AGENCY FORMATION COMMISSION**  
**1112 I Street, Suite #100**  
**Sacramento, California 95814**  
**(916) 874-6458**

November 2, 2005

TO: Sacramento Local Agency Formation Commission

FROM: Peter Brundage, Executive Officer

RE: **WALNUT AVENUE ANNEXATION TO**  
**SACRAMENTO SUBURBAN WATER DISTRICT (16-04)**  
**[CEQA: General Rule Exemption Sec. 15061 (b)(3)]**

**Contact: Don Lockhart, Assistant Executive Officer [(916) 874-2937]**

**RECOMMENDATION**

1. Find the Categorical Exemption adequate and complete for the change of organization and direct the Executive Officer to file the Notice of Exemption with the appropriate government entity.
2. Approve the **Walnut Avenue Annexation to Sacramento Suburban Water District (16-04)** and authorize your Commission to waive Conducting Authority proceedings, due to one-hundred percent consent of affected landowners and affected agencies.

**PROJECT DESCRIPTION**

The Walnut Avenue Annexation to Sacramento Suburban Water District consists of annexing a previously approved six lot subdivision on a 1.5+/- acre parcel for the purpose of providing a municipal water supply.

The proposal is a 100% landowner consent application for annexation to the Sacramento Suburban Water District, to secure water service for a residential development, as required by the Sacramento County General Plan. The site was recently developed with six single family lots. Water service was connected to the affected territory on July 28, 2005. District staff believed that the site had previously been annexed into the District. However, upon closer review, that was not the case. The landowners initiated proceedings for annexation by making application for service directly to the SSWD. The Board of Directors of the SSWD adopted Resolution 04-23, initiating LAFCo proceedings, on August 16, 2004.

There are fewer than 12 registered voters in the proposal territory, thus it is deemed uninhabited (Gov. Code. 56046)

**FPPC Disclosure**

No party to this annexation has declared contributions to any Commissioner.

**Project Proponent**

Chief petitioner/ Landowner:

Board of Directors  
Sacramento Suburban Water District  
c/o Robert Roscoe, General Manager/Board Secretary  
3701 Marconi Avenue, Suite 100  
Sacramento, CA 95821-5303  
(916) 972-7171  
(APN: 258-0270-30 thru 34)

**100% Consent**

Staff recommends that the Conducting Authority protest proceedings be waived.

The affected territory is owned solely by the project proponent. (The lots are currently being offered for sale.)

The adjacent neighborhood associations, affected property owners, and landowners within 500' of the project site, have been notified of the date, time and place of the hearing on this proposal. No protest has been received.

**Project Location**

The property to be annexed is located on the east side of Walnut Avenue, north of Whitney Avenue, in the unincorporated community of Carmichael, Sacramento County. The project is located within the Sphere of Influence and service boundary of the Sacramento Suburban Water District.

**Surrounding Land Uses and Setting:**

North:	Single Family	(Zoned RD-5)
East:	Vacant	(Zoned RD-5)
South:	Single Family	(Zoned RD-5)
West:	Single Family	(Zoned RD-4)

**Background**

The affected territory is recently developed. It was subdivided from a single 1.5 acre parcel into 6 single family lots. The lots range in size from 7,800 to 10,000+ square feet. The related entitlements to allow for development of the site were all approved by the County of Sacramento Policy Planning Commission on April 26, 2004. The project approval included annexation to the SSWD as a condition of approval.

**LAFCo Policy, County General Plan, and Zoning Consistency:**

The proposed Walnut Avenue Annexation is consistent with the Sacramento LAFCo Policies and Procedures, County of Sacramento General Plan, and the County Zoning Code. The District's provision of water to serve existing and planned growth in the area is assumed in, and consistent with, the County General Plan.

**Affected Agencies:**

The following districts have been notified and have taken a position of no opposition to the proposed annexation:

- Sacramento Metropolitan Fire District
- Sacramento Suburban Water District
- Carmichael Recreation and Park District
- Sacramento Yolo Mosquito & Vector Control District
- Sacramento County Water Agency
- Sylvan Cemetery District

Sacramento Metropolitan Fire District supports the annexation. The District commented that the proposed annexation may enhance life safety delivery capabilities to the affected territory.

**Sacramento Suburban Water District**

The Sacramento Suburban Water District has provided the following comments:

Service Territory

Sacramento Suburban Water District (SSWD) is the consolidation of the former Northridge and Arcade Water Districts. SSWD, consolidated on February 1, 2002, provides water service to portions of the following communities:

Community	Water Service Count (2004)
City of Sacramento	924
Sacramento*	23589
Carmichael	6749
City of Citrus Heights	1059

North Highlands	8218
Antelope	2373
Fair Oaks	98
McClellan Business Park	342
Total SSWD Services	43,352

Residential Services	35,589
Non-Residential Services**	7,763
Total Services	43,352

\* Approximately 54% of the SSWD service area is within the unincorporated portion of Sacramento County (as of 2004).

\*\* This includes multi-family residential units.

The average annual water use in acre-feet for SSWD users is estimated as follows:

	Services (2004)	2004 Water Use AF	Use per Service AF/Service
Residential Services			
Flat	25,231	19,158	0.76
Metered	10,358	16,431	1.59
Non-Residential Services	7,763	13,301	1.71
Total	43,352	50,131	1.16

#### Service Territory Proposed for Annexation

The territory proposed for annexation is an island within the boundaries of Sacramento Suburban Water District's North Service Area and is, therefore, within the District's Sphere of Influence and service boundary. SSWD has anticipated water service to this property. The property is within the service area of the Sacramento Suburban Water District.

#### Water Supply

Ground water will be the primary source of water for the territory in question. Surface water, however, will be used when supplies are available. The District practices conjunctive use, therefore, the North Service Area of SSWD uses approximately 60% surface water to ground water each year. (Approximately 30% overall.) During those times when surface water is in use, ground water wells are at standby conditions. When surface water is not available, ground water provides 100% of the water for the District. The SSWD has adequate water supply to serve this property without adversely impacting current service levels.

The total water supply presently available to SSWD is estimated to be 102,297 acre-feet of ground water (North Service Area 50,125 AF and South Service Area 52,182 AF) and when available, up to 29,000 acre-feet of surface water. The annexation territory is estimated to generate a service demand of 3 Acre Feet annually. Water supply for this property is negligible compared to the total water supply produced by this District. The water service to this property will be metered and billed at meter rates. District components of water use for the past three years are as follows:

Year	Surface Water (AF)	Percent of Use (%)	Ground Water (AF)	Percent of Use (%)	Total
2004	15,419	31	34,712	69	50,131
2003	15,341	31	33,981	69	49,322
2002*	16,938	34	32,243	66	49,181
3 Year Average	15,899	32	33,645	68	49,544

\*SSWD consolidated on February 1, 2002.

### Capital Improvements

The District's long term capital improvement plan (CIP) proposes, at a minimum, the construction of two new production wells within the next five years. Both wells will be located in the North Service Area. In addition, a potential 3 million gallon above-ground storage facility is proposed. Additional water main extensions are planned for installation to assist in transporting future surface water supplies throughout the distribution system.

In the South Service Area, a 5 million gallon above-ground storage facility is currently under construction and is planned to be operational approximately May 2006. A yearly water main replacement project is currently under construction. The main replacement project replaces existing inferior backyard infrastructure with new front yard facilities located in public right of ways. New metered water services and fire protection facilities are also included on these projects. SSWD anticipates replacing between 5 to 10 miles each year for the next 20 years.

SSWD is also in its third year of a meter retrofit program. SSWD is currently retrofitting approximately 1400 residential water services each year for water meters. This is a 20 year plan, which is anticipated to be completed by 2024.

SSWD is a signatory to the Water Forum Memorandum of Understanding. (WF) The WF objectives are to protect the environmental benefits of the Lower American River and provide for reliable regional water supplies. SSWD remains engaged in the ongoing efforts to implement the pact. These elements include researching appropriate river flows for fish/species sustainability, developing new upstream diversion agreements, organizing ground water management programs, implementing water conservation programs, providing consistency in land use planning that impacts water supplies, and drafting potential recreational improvements at Folsom Lake. Since its inception, the WF effort has been

nationally recognized as a model of good public planning, providing an effective solution to related issues that affect a wide spectrum of interests.

### Water Conservation Programs

SSWD has an ongoing water conservation program to encourage customers to use water wisely and to make conservation a way of life. SSWD's Water Conservation Program addresses a wide range of water conservation "Best Management Practices" including but not limited to: offering free water evaluations reviews for residential, commercial and institutional customers; distribution of water savings kits which include but not limited to low flow shower heads, low flow faucet aerators and other plumbing retrofit devices; public information and school education programs; rebates for ultra-low-flow toilets; conservation pricing for metered water consumption; and many others.

SSWD's budget for the Water Conservation Program activities, not including cost of water meter retrofits, is approximately \$420,000.00 for 2005. Over 38% of the District's 43,352 water services (2004) are now metered. The District is on a 20-year meter retrofit plan to be fully metered by the year 2024.

### Infrastructure

There is no significant cost for extending water service to the project. SSWD operates an eight-inch (east side of Walnut Avenue) and twelve inch (west side of Walnut Avenue) water main in Walnut Avenue fronting this property. The new water line facilities including metered water services and fire protection facilities have been designed by the developer's engineer and reviewed by SSWD. Approval of the project infrastructure first comes from the local fire agency then by SSWD after receipt of all applicable fees and charges including signed applications for main extension and service.

Per SSWD specifications the on-site water main is an eight-inch minimum located in the public right of way. This provides the required domestic and fire protection flows for the development.

### Fire Protection Facilities

SSWD and the Sacramento Metropolitan Fire District (SMFD) normally coordinate plan review of all plans. SSWD reviews the layout and design of the water facilities and SMFD reviews the location and number of fire hydrant assemblies required for the proposed project. Once both agencies are satisfied with the design the fire agency will approve the plans prior to SSWD's approval, per adopted SSWD's policies and procedures. The staff of SSWD and SMFD routinely confer on necessary requirements for development projects.

### Fees and Charges

SSWD is an "enterprise district" in that it's revenue sources are based on user service charges and fees. SSWD receives no property tax revenues. Water rates are typically assessed on a flat rate basis for single family, duplex, triplex and fourplex residential accounts. Residential water services installed after April 2, 1991 are all metered and are

billed at a metered rate. Non-residential accounts such as commercial, institutional, landscape irrigation, multi-family, light industrial, etc are assessed at a metered rate of which were previously billed as such by each agency (Northridge and Arcade) prior to the consolidation.

SSWD assesses fees and charges for developer constructed projects within the boundaries of the District. For this project the following has been collected:

East Walnut Estates, Unit #3:

Facilities Development Charges	\$	17,295.00
Supervision and Inspection	\$	1,750.00
Bacteriological Testing	\$	25.00
Temporary Hydrant Permit	\$	30.00
Construction Water	\$	50.00
Water Meters	\$	1,680.00
Plan Review	\$	600.00
Annexation	\$	1,633.20

The most notable of these fees are the facilities development charges (FDC). These FDC's are based upon the size of the water service or meter required for each new connection to the water system and is calculated using the "system-buy-in" methodology.

**ENVIRONMENTAL CONSIDERATIONS**

LAFCo will act as the lead agency consistent with CEQA Guidelines §15050 et. seq. regarding the environmental documentation for reviewing the Walnut Avenue Annexation to the Sacramento Suburban Water District. LAFCo has prepared a Notice of Exemption as the appropriate CEQA document due to its finding that the proposed project will not have a significant effect on the environment. The Notice of Exemption is being prepared to modify the project description and environmental evaluation to include annexation of the project area into the Sacramento Suburban Water District. [The proposed Annexation is a condition of subdivision approval imposed by the County of Sacramento. Sacramento County prepared and certified a Mitigated Negative Declaration for the related entitlements. No adverse effects were identified regarding the provision of water service for the Walnut Avenue project.]

**EXECUTIVE OFFICER COMMENTS:**

The proposal is consistent with the Sacramento County General Plan, the Master Services Element of the Citrus Heights Water District, and your Commission local policies and procedures. I recommend that your Commission:

1. Find the Categorical Exemption adequate and complete for the change of organization and direct the Executive Officer to file the Notice of Exemption with the appropriate government entity.
2. Approve the **Walnut Avenue Annexation to Sacramento Suburban Water District (16-04)** and authorize your Commission to waive Conducting Authority proceedings, due to one-hundred percent consent of affected landowners and affected agencies.

Respectfully submitted,

**SACRAMENTO LOCAL AGENCY FORMATION COMMISSION**

Peter Brundage  
Executive Officer

DL:Maf  
Attachments  
(Walnut Avenue Annexation SSWD)