



CITY OF MARTINEZ

**CITY COUNCIL AGENDA
December 17, 2008**

TO: Mayor and City Council

FROM: Karen L. Majors, Assistant City Manager Community and Economic Development

SUBJECT: Update on Proposed Alhambra Valley Annexation

DATE: December 10, 2008

RECOMMENDATION:

Provide direction to staff.

BACKGROUND:

In 1987 the City of Martinez adopted Resolution No. 169-87, that set forth regulations providing water services outside the City's boundaries. The resolution stipulates that properties outside but contiguous to a city boundary are required to annex to the City of Martinez prior to receiving water service. All annexations require approval by the Contra Costa County Local Area Formation Commission (LAFCO). This resolution allows water service to be provided to properties outside the city limits and not contiguous to a city boundary to execute a deferred annexation agreement. Prior to 2001, this type of agreement did not require LAFCO approval. After 2001 any such agreement requires LAFCO approval.

Last spring, LAFCO completed the state mandated Municipal Service Review (MSR) for Martinez. In the section of the report that addressed agencies in Central Contra Costa County that provide water and wastewater services, the report discussed the number of water service accounts outside the City's current boundaries. Most of the service accounts were set up pursuant to Resolution No. 169-87 and required a deferred annexation agreement and were entered into prior to 2001. A few have been processed since 2001. LAFCO has asked the City of Martinez to annex the properties now contiguous to the City pursuant to the outstanding deferred annexation agreements. In the future, any new deferred annexation agreements will require LAFCO approval.

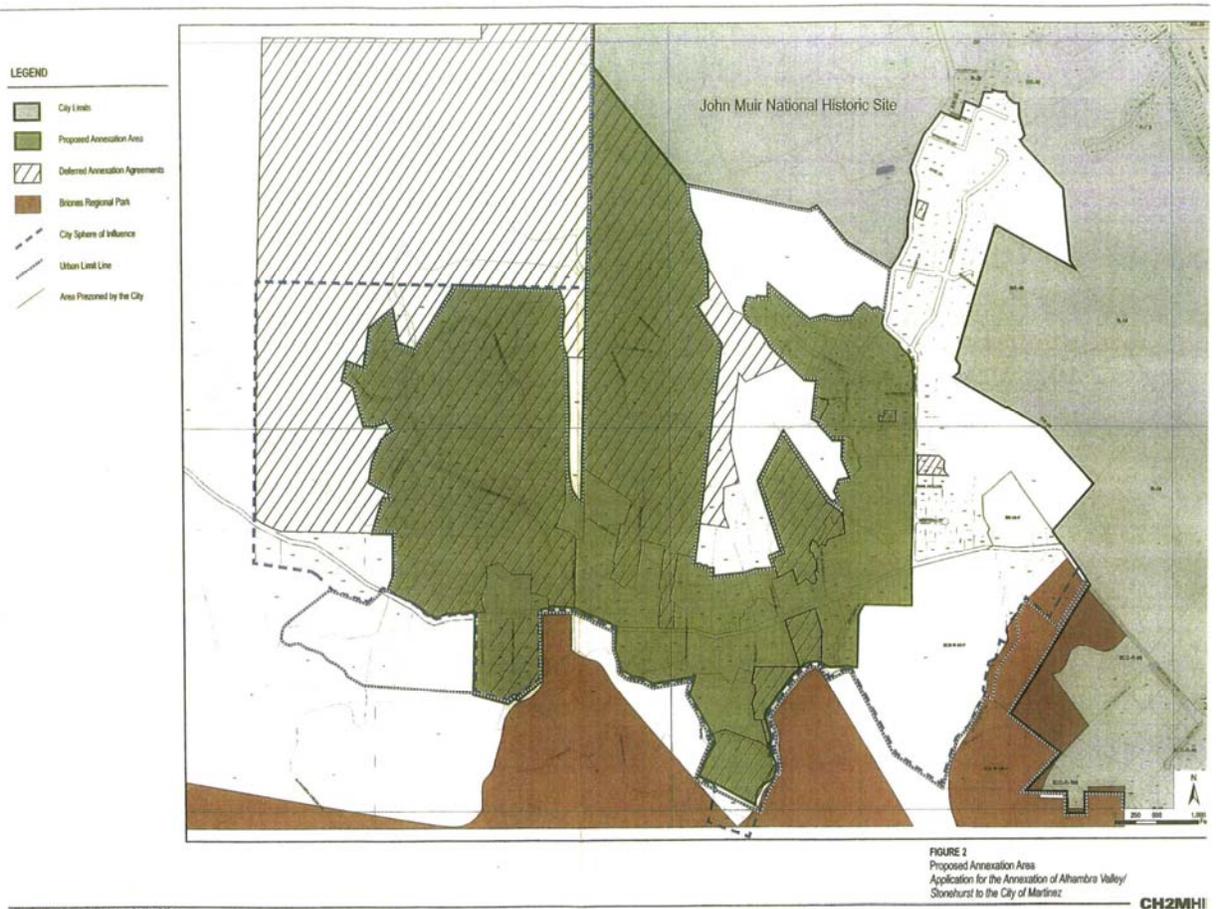
In response to this request the City retained the services of CH2MHill to provide the City with background information necessary to prepare an application to LAFCO to annex properties that are subject to deferred annexation agreements. In analyzing the appropriate area to propose for annexation, some areas not subject to deferred annexation agreements have been included to reduce the creation of "unincorporated pockets" that would still require county services.

City staff met with the Stonehurst Homeowners Association on Wednesday evening to discuss the draft information. Staff received the following comments:

- Proposed annexation of their area by the Central Contra Costa Sanitary District and a requirement in the future to hook up to a sewer system.
- Would Stonehurst property owners be subject to Measure H Bond?
- Does the City of Martinez have the staff to provide police protection?
- Future development of the Smith and Almond properties adjacent to Stonehurst
- Concern that if the area is annexed, the Alhambra Valley Specific Plan would remain in place.
- Improvement and expansion of recycling services in the Stonehurst area.
- City Vision and financial condition.

The Stonehurst residents want the opportunity to continue to discuss any future annexation of their area to the City of Martinez. After the holidays, city staff will meet with other neighborhoods that may be included in the proposed annexation area.

Map of the proposed annexation area:



The following is a synopsis of the information obtained to date by CH2MHill and city staff:

1. Total number of parcels : 238
2. Total acreage: 532
3. Number of residential units: 200
4. Total number of parcel subject to deferred annexation agreement: 105 44% of total
5. Total 2007-08 AV - \$157,121,793
6. Total 2007-08 Property tax generation - \$1,801,007
7. Local share of 2007-08 property tax approximately \$200,000 (12%)
8. Tax Sharing Agreement – According to Rich Seithel, an employee with Contra Costa County, the County would likely look for tax sharing pursuant to the Master Tax Sharing Agreement which would likely reduce the above referenced \$200,000 estimate. A more detailed and sophisticated estimate will be developed as part of the proposed fiscal impact analysis.
9. Development in the Alhambra Valley is currently subject to the County’s approved Alhambra Valley Specific Plan (AHSP adopted in 1992) that allows no more than 231 units. Between 1992 and 2007 81 dwelling units were built in the area covered by the plan, leaving 150 units to be built in the future. The City would not propose to change general/specific plan designations or zoning. No major land use conflicts have been identified. Any inconsistencies can be resolved or grandfathered.
10. According to Contra Costa County, based upon an average household size of 2.5, there could be an additional 375 residents in the area subject to the Alhambra Valley Specific Plan which encompasses an area that is larger than the proposed annexation area.
11. Central Contra Costa Sanitary District (CCCSD) is also planning to annex this area to their service area which will not change the number of units allowed but may increase the pace of development.
12. Services to be transferred to City :
 - Police – no significant impact
 - Streets – some impact
 - Stormwater – some impact
 - Solid Waste – no impact
 - Service levels are being reviewed and verified by city staff

13. Environmental Checklist – Potential Significant Impacts

- Public Services – possible
- Recreation - no
- Land Use/Planning – The City will likely annex the area subject to the AHSP. The total number of units that can be built will remain the same. The pace of development may be faster but that will likely be attributable to annexation to the CCCSD service area rather than the City of Martinez.
- Population/Housing – no change
- Transportation/Traffic – no change

14. Next Steps

- Update to City Council Annexation Sub-committee – December 9, 2008
- Status report to City Council – December 17, 2009
- Fiscal Impact Analysis - \$10-15,000 January, 2009
- Workshop meeting with LAFCO - Late January or February, 2009
- CEQA document which would likely be a Negative Declaration
- Formal Application to LAFCO

Discussion Questions:

- 1) Does the City Council concur with the proposed boundaries?
- 2) Does the City Council want to reduce the proposed annexation area to only areas subject to deferred annexation agreements?
- 3) Does the City Council support the expenditure of funds to undertake a fiscal impact analysis and a preliminary informational presentation to LAFCO?

FISCAL IMPACT:

Staff time and approximately \$10,000-\$15,000 to undertake the fiscal impact analysis. There will be future costs associated with the preparation of a CEQA document when a formal application to LAFCO is made, which may cost up to \$35,000 to \$40,000.

ACTION:

Provide direction to staff.

ATTACHMENTS:

- 1) LAFCO MSR Report
- 2) DRAFT Preliminary Initial Study Checklist and LAFCO application

APPROVED BY:



City Manager

SECTION 3.0
CITY OF MARTINEZ
WATER SERVICES

3.1 Overview

The City of Martinez was incorporated in 1876 under the General Laws of the State of California. The City has an estimated current population of 36,179. The City provides retail water service to an area of approximately 15 square miles. The service area includes approximately 75 percent of the City’s corporate boundaries and includes unincorporated areas to the northeast, southeast, and southwest. Martinez also provides water service to some parcels within the northwest portion of the adjacent City of Pleasant Hill. The Martinez water service area is bounded to the north by the Carquinez Strait; to the east by the Contra Costa Canal and the Contra Costa Water District (CCWD) service area; to the south by the Briones Regional Park, southern city boundary, and East Bay Municipal Utility District (EBMUD) service area; and to the west by the Stonehurst development. The City also provides water service to Port Costa via an exchange agreement with CCWD.

Martinez provides water treatment and distribution services for residential, commercial, industrial, public and irrigation customers, as well as for fire protection uses. The City’s sole source of water supply is untreated water purchased from CCWD. The City takes delivery of the water from the Martinez Reservoir, a terminal reservoir for the Contra Costa Canal. The City’s water treatment facilities have a total filtration capacity of 14.7 million gallons per day (mgd). Average daily water use in 2006 was 5.2 mgd. The City’s water system includes eleven treated water storage reservoirs with a capacity of 9.6 million gallons (MG).

The City’s profile for water service is shown in *Table 3.1*. A map of the City’s boundary and current SOI are shown in *Figure 3.1*, and a map of the City’s water service area is shown in *Figure 3.2*.

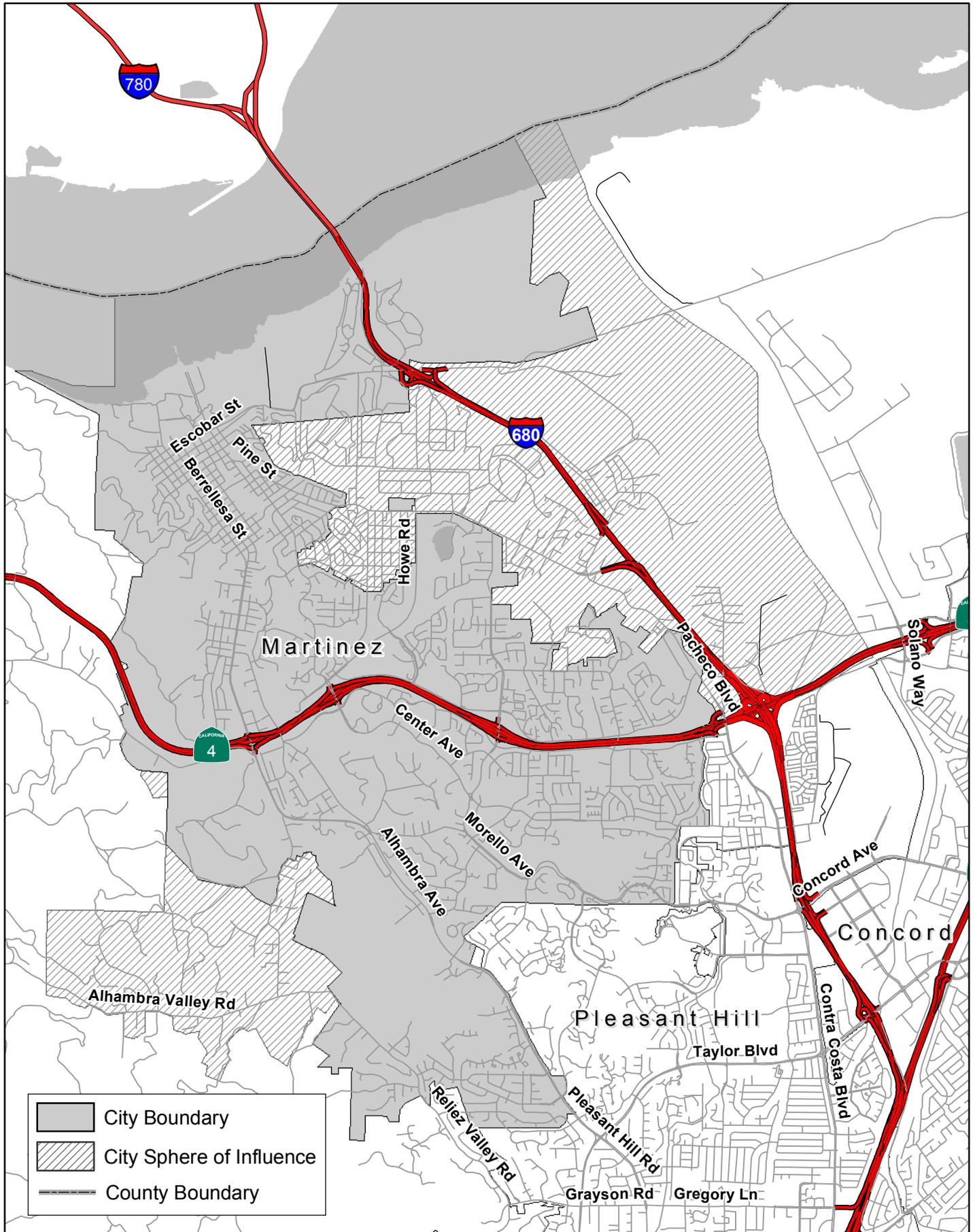
Table 3.1
City of Martinez
Water Service Information

Service Area / Financial Summary	
Public Works Department:	525 Henrietta Street Martinez, CA 94553 (925) 372-3587 www.cityofmartinez.org
Service Area:	15 square miles

**Table 3.1
City of Martinez
Water Service Information**

Population:	36,179 (Year 2007) / 42,100 (Year 2030) Average Annual Growth Rate = 0.7%
Operating Budget (FY 2007-2008): Water Enterprise Fund	Revenues / Expenditures: \$10,127,933 / \$11,627,393
Net Assets:	Water Fund Net Assets 06/30/2006: \$40,547,615
Water Service Data	
Services	Water Treatment and Distribution
Number of Service Connections	9,961 (1,499 outside city limits)
Water Main / Pump Stations	100 miles of pipeline / 6 pump stations
Average Age of Distribution System	Unknown, < 40 years
Treatment and Capacity	City of Martinez Water Treatment Plant / 14.7 mgd
Storage Capacity	11 distribution reservoirs / 9.6 mg
Average Day Demand / Maximum Day Demand	5.2 mgd / 9.6 mgd

City of Martinez Boundary and Sphere of Influence



Legend:

- City Boundary
- City Sphere of Influence
- County Boundary

Map created 11/17/2007
by Contra Costa County Community Development, GIS Group
651 Pine Street, 4th Floor North Wing, Martinez, CA 94553-0095
37:59:48.455N 122:06:35.384W

This map was created by the Contra Costa County Community Development Department with data from the Contra Costa County GIS Program. Some base data, primarily City Limits, is derived from the CA State Board of Equalization's tax rate areas. While obligated to use this data the County assumes no responsibility for its accuracy. This map contains copyrighted information and may not be altered. It may be reproduced in its current state if the source is cited. Users of this map agree to read and accept the County of Contra Costa disclaimer of liability for geographic information.

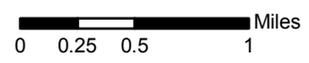
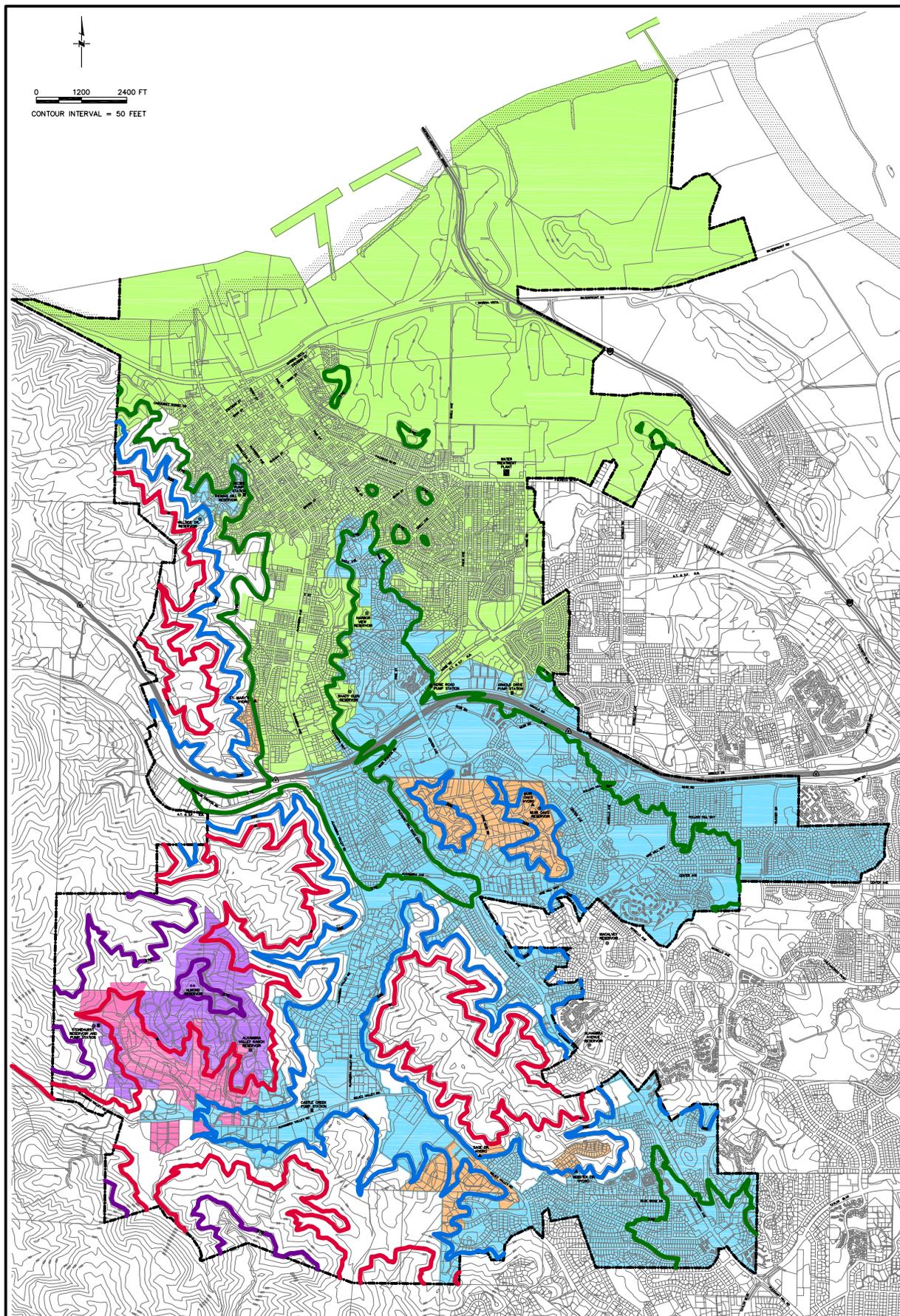


Figure 3.2



0 1200 2400 FT
 CONTOUR INTERVAL = 50 FEET

- LEGEND:**
- PROPERTIES SERVED BY ZONE 1
 - PROPERTIES SERVED BY ZONE 2
 - PROPERTIES SERVED BY ZONE 3
 - PROPERTIES SERVED BY ZONE 4
 - PROPERTIES SERVED BY HYDRO-PNEUMATIC SYSTEMS
 - ZONE 1 MAXIMUM SERVICE ELEVATION
 - ZONE 2 MAXIMUM SERVICE ELEVATION
 - ZONE 3 MAXIMUM SERVICE ELEVATION
 - ZONE 4 MAXIMUM SERVICE ELEVATION

NOTE:
 PROPERTY WATER SERVICE WAS ESTIMATED FOR PLANNING PURPOSES ONLY. INDIVIDUAL WATER SERVICE AVAILABILITY MUST BE CONFIRMED WITH CITY WATER DEPARTMENT.



**City of Martinez
 Water Master Plan Update**

**MAXIMUM SERVICE ELEVATIONS FOR
 WATER SYSTEM PRESSURE ZONES**

Figure No.
5-2
 4327.03

3.2 Growth and Population Projections

The City of Martinez has an estimated current population of 36,179 residents.¹ The Association of Bay Area Governments (ABAG) projects a population of 42,100 by 2030² with an average annual growth rate of 0.7 percent.

The City's water service area encompasses approximately 75 percent of the City of Martinez as well as areas outside city boundaries. The population projections used for the City's 2005 Urban Water Management Plan (UWMP) and 2006 Water System Master Plan are based on the current number of connections and ABAG growth projections. The UWMP projects a population for the water service area of 33,000 by 2030.

The countywide Urban Limit Line approved by the voters in 2006 will limit growth to the west of Martinez and to the northeast. The City is generally considered built out and most future growth will occur through infill and increased densities.

3.3 Infrastructure Needs or Deficiencies

3.3.1 Water Supply and Demand

Water Supply

Martinez obtains its untreated water supply from CCWD through the US Bureau of Reclamation (USBR) Central Valley Project (CVP). CCWD's untreated water service area includes Antioch, Bay Point, Oakley, Pittsburg, and portions of Brentwood and Martinez. The untreated water is conveyed to Martinez through the Contra Costa Canal. The City takes delivery of the water from the Martinez Reservoir (owned by USBR), which has an estimated storage capacity of 79.6 mg. Water quality in the reservoir is a concern due to algal blooms, and the City is working with CCWD to find a cost-effective solution.

CVP water includes regulated and unregulated flows from storage releases from Shasta, Folsom, and Clair Engle reservoirs into the Sacramento River. CCWD's long-term CVP contract was renewed in May 2005 for a 40-year term. The contract provides for a maximum delivery of 195,000 acre-feet per year (af/yr) with delivery reductions during water shortages due to regulatory restrictions and drought. The Municipal and Industrial Water Shortage Policy was developed by USBR to establish CVP water supply levels that would sustain urban areas during severe or continuing droughts. The Policy provides for a minimum allocation of 75 percent of adjusted historical use until irrigation allocations fall below 25 percent.

¹ California Department of Finance, Population Estimates for Cities, Counties and State, 2001-2007 (Table E-4)

² Association of Bay Area Governments, Projections 2007

In addition, CCWD has water rights for filling Los Vaqueros Reservoir, water rights at Mallard Slough, and a permanent entitlement to surplus irrigation water from the East Contra Costa Irrigation District (ECCID). The Los Vaqueros water rights are for water quality and emergency storage purposes and do not result in new supply. The Mallard right is for a maximum of 26,000 af/yr but is limited to an average of 3,100 af/yr due to water quality. The entitlement from ECCID is for a maximum of 8,200 af/yr with about 6,000 acre feet currently available for use. The agreement with ECCID also includes a dry year groundwater exchange option that provides up to 4,000 af when the CVP is in a shortage condition.

In 1996, CCWD completed the Future Water Supply Study (FWSS) to identify alternatives to ensure a reliable water supply for its wholesale and retail customers for the next 50 years, which provides drought management strategies that will be used such as enhanced conservation, water transfers, and increased use of local resources. The FWSS was updated in 2002. The FWSS, adopted by the CCWD Board of Directors, considers water demand, conservation, and existing and potential supplies for a range of service alternatives. Per CCWD's adopted 2005 Urban Water Management Plan, the District does not anticipate any supply deficits through 2030 for normal conditions or single dry years. Furthermore, CCWD will have adequate water supply in multiple dry years based on available supplies and reasonable levels of short-term water purchases or demand management of up to 15 percent.

The water supply projections in the City's 2005 UWMP are based on existing demand and population projections, and assume no water reductions from CCWD due to drought conditions. However, the City acknowledges that CCWD may reduce water supplies due to water supply conditions, consistent with the provisions in the FWSS. Therefore, Martinez assumes water supply reliability to be 100 percent in average years and single dry years, and a 5 percent water reduction in the second year of a multi-year dry period followed by a 15 percent reduction in the third year.

It should be noted that current water conditions within the State are unprecedented, with historic dry year conditions and issues within the Bay-Delta system that may impact how the Delta is managed in the future. This may ultimately affect how CCWD manages its water supplies, and Martinez would be subject to those terms and conditions. Martinez does not have any groundwater resources and has not developed other water supplies, such as desalination.

Water Demand

Approximately 91 percent of the City's water service accounts are residential, 4 percent are commercial, and the remainder are equally divided between industrial, institutional, and landscape. In terms of water use, residential accounts comprise an estimated 69 percent of water

demand; the lowest percentage is for industrial uses. All accounts are metered. The City participates in water conservation programs offered through CCWD.

Balancing Supply and Demand

The projected water supply and demand through 2030 for the Martinez water service area is shown below in *Table 3.2*:

Table 3.2
City of Martinez Projected Water Supply and Demand
(AF/Yr)

	2005	2010	2015	2020	2025	2030
Normal Conditions						
Supply:						
CCWD	5,105	6,016	6,152	6,292	6,435	6,581
Groundwater	0	0	0	0	0	0
Total Supply	5,105	6,016	6,152	6,292	6,435	6,581
Demand	5,105	6,016	6,152	6,292	6,435	6,581
Difference	0	0	0	0	0	0
Single Dry Year Conditions						
Supply	5,105	6,016	6,152	6,292	6,435	6,581
Demand	5,105	6,016	6,152	6,292	6,435	6,581
Difference	0	0	0	0	0	0

Source: Martinez 2005 Urban Water Management Plan

Per the City of Martinez adopted 2005 Urban Water Management Plan, the City should have adequate water supplies to meet normal, single and multiple dry year periods through 2030 based on available supplies, CCWD activities to provide for reliable water supplies, and local water conservation. In the third year of multiple dry year conditions, the City projects supply reductions of 15 percent that would be offset by demand reductions of the same amount. The City has an adopted Urban Water Shortage Contingency Plan that includes a four-stage reduction sequence, with water rationing up to the 50 percent level in extreme conditions.

3.3.2 Water System Infrastructure

The City’s water system infrastructure includes a water treatment plant, storage facilities, and the distribution system. *Table 3.3* summarizes the existing water system facilities:

Table 3.3
City of Martinez
Water System Overview

	Quantity
Water Mains / Booster Stations	~100 miles / 6 pump stations / 4 pressure zones
Storage Capacity	11 reservoirs / 9.6 mg
Average Age of Distribution System	Unknown, <40 years
Treatment / Capacity	City of Martinez Water Treatment Plant / 14.7 mgd
Average Day Demand / Maximum Day Demand	5.2 mgd/ 9.6 mgd

The City owns and operates the Martinez Water Treatment Plant located at 3003 Pacheco north of the city boundary. The treatment plant has a filtration capacity of 14.7 mgd. Portions of the plant are over 50 years old. Although some of the equipment and structures have been refurbished, the remaining life of some components is not known and replacement parts for older equipment can be difficult to acquire.

The water system has four pressure zones and approximately 100 miles of water mains. There are currently eleven treated water reservoirs with a combined capacity of 9.6 mg. There are two emergency interties that can deliver treated water from CCWD's system to the Martinez system. One of the interties is used to wheel treated water through the Martinez system to serve the Port Costa area. Instead of replacing an existing line that runs through Martinez to the Port Costa area, the City, County, and CCWD entered into an agreement whereby Port Costa would be served by a connection to the Martinez system and CCWD would deliver enough treated water into the Martinez system for this service. In 2004, the average day demand for Port Costa ranged from 0.5 mgd to 0.13 mgd.

In 2006, the City completed a Water System Master Plan, which uses a projected average day demand in 2020 of 5.9 mgd, with a maximum day demand of 11.8 mgd. The Plan recommends improvements totaling \$11.9 million, including the following:

- Raw Water Supply Line Replacement - \$1 million
- Water Treatment Plant Master Plan - \$200,000
- Arnold Drive Pump Station Replacement - \$1.7 million
- Other Pump Station Improvements - \$1.4 million
- Harbor View Reservoir Replacement (1.65 mg) - \$3.4 million
- Zone 2 Reservoir Construction (1.3 mg) - \$3 million
- Distribution system improvements - \$1.2 million

The Plan did not prioritize these improvements.

Martinez plans for capital needs through its Capital Improvement Program (CIP) that uses a five year planning horizon and is updated biannually with the budget. The current CIP extends through FY 2010/2011. The City approves funding for capital projects as part of the budget adoption. For the current two-year budget, the City has approved \$3.45 million in FY 2007/2008 – 2008/2009 for water system projects, including the replacement of the Harbor View Reservoir, replacement of the raw water line, preparation of the master plan for the water treatment plant, and upgrading the St. Mary’s pump station to provide adequate fire flow. The CIP also includes \$2.5 million in water system projects for FY 2009/2010-2010/2011, funded through water revenues and developer fees. The remaining projects identified in the Master Plan have not been scheduled.

The City’s water distribution system infrastructure is generally in good condition; however the treatment plant is aging. The 2006 Water System Master Plan identified system deficiencies and recommended improvements to maintain adequate service levels based on demand projections for 2020. The City is implementing the recommendations as funding is available.

3.4 Financing Constraints and Opportunities

The City of Martinez accounts for its water utility as an enterprise activity, with the cost of service recouped through service charges. The City uses a biennial budget; the current budget is for FY 2007/2008 – 2008/2009. For FY 2005/2006, total revenues for the City were \$35 million and total expenses were \$29.7 million. For the same period water operating revenues were \$9.4 million and operating expenses were \$9.4 million. *Table 3.4* summarizes the financial history of the water enterprise fund.

Table 3.4
City of Martinez
Water Utility Enterprise Fund Summary

	FY 2004/2005 Actual	FY 2005/2006 Actual	FY 2006/2007 Actual	FY 2007/2008 Budgeted
Operating Revenues	\$9,241,189	\$9,397,659	\$9,695,095	\$10,127,933
Operating Expenses	\$9,641,071	\$9,024,505	\$9,764,191	\$11,627,393
Net Non-operating Revenues / (Expenses)	(\$262,548)	(\$116,052)	\$60,979	
Contributions/Transfers	\$43,000	(\$163,815)	(\$138,832)	(\$56,675)
Change in Net Assets	(\$619,430)	\$93,287	(\$146,949)	
Beginning Balance	\$41,073,758	\$40,454,328		\$40,400,666
Net Assets, End of Year	\$40,454,328	\$40,547,615	\$40,400,666	

The Water Utility Enterprise Fund had an unrestricted net asset balance of \$6.6 million at June 30, 2007.

In 1999, the City issued \$6,040,000 in Certificates of Participation (COPs) to fund the construction of improvements to the City's water system. The COPS bear interest rates ranging from 4.2 to 5.375 percent and will be retired in 2026. In 2003, the City issued COPs for \$5,795,000 to refund and retire the 1993 Water System Improvements COPs. These COPs bear interest rates ranging from 2 to 4 percent and will be retired in 2018. At June 30, 2007 the outstanding debt for the water system was \$9,735,000; average annual debt service is approximately \$392,330 through 2012.

The City revised its water service rates in May 2007 to ensure that revenue is adequate to cover operations and maintenance expenses, capital needs, and debt service. The City has restricted some financial resources for debt service in accordance with the requirements of the COP issues. The City has the financial resources and fee structures in place to provide for infrastructure needs and improvements and to continue to maintain adequate service levels for water service.

3.5 Cost Avoidance Opportunities

Martinez is experiencing cost increases related to personnel, supplies and services, and the cost of raw water, and the City is leveraging opportunities to control costs where possible. The City encourages water conservation by promoting programs offered through CCWD and including information on the City's website. The City is replacing water meters with automatic read meters that improve efficiency and accuracy as well as reduce staff time necessary for meter reading. Water system staffing has not increased over the past five years.

3.6 Opportunities for Rate Restructuring

In February 2007, the City of Martinez reviewed its water service rates as the previous rate increase was adopted in 1994. The rate increase became effective May 1, 2007 and allows the City to increase water rates a maximum of five percent per year, beginning in 2010. The future rate increase is linked to increases in the cost of the raw water supply, not the Consumer Price Index.

The water rate structure includes a service charge plus consumption charge based on the pumping zone. The City has four service zones and service provided at higher elevations is charged a higher per-unit consumption charge due to pumping costs. The same rate structure applies to all customers. The current rates are shown in *Table 3.5* below:

Table 3.5
City of Martinez
2007 Water Rates – bi-monthly

Type	Residential
Water Service Charge – 5/8 inch meter	\$40.06
Water Consumption Fee based on service elevation mean sea level (msl)	Zone 1 (0-150 ft above msl) - \$2.82 per ccf Zone 2 (150-300 ft above msl) - \$2.99 per ccf Zone 3 (300-450 ft above msl) - \$3.11 per ccf Zone 4 (450-600 ft above msl) - \$3.30 per ccf

The City’s water connection fees were set in 1994, and included an annual \$200 increase beginning in August 1996 and ending in June 2001. The current fee for a single family residential home is \$5,300. Parcels within localized system improvement areas pay an additional fee or are required to install additional improvements to serve the localized area. There are five of these areas: Sage Drive Hydropneumatic Pump System Area, Franklin Hills area, Wanda Way/Sheridan Lane area, Muir Oaks Hydropneumatic Pump System area, and the Alhambra Valley Zone III system area. The City should review the connection fee schedule to ensure that charges are appropriate given the condition and capital needs of the water system.

3.7 Opportunities for Shared Facilities

The City of Martinez shares facilities through use of the Contra Costa Canal and Martinez Reservoir for untreated water supply. As described above in *Section 3.3*, Martinez is providing treated water to the Port Costa area on behalf of CCWD. CCWD is delivering treated water into the Martinez system for that use.

3.8 Evaluation of Management Efficiencies

The City’s water system is managed within the Public Works Department. The City uses the 2005 UWMP, 2006 Water System Master Plan, five year CIP, and biennial budget to ensure that utility services are delivered in an efficient, cost-effective manner. The City has an emergency response plan that was updated in March 2007.

As described above, the City’s water service area extends beyond the City’s boundaries. The City should review and update its adopted regulations for water service outside city boundaries to ensure compliance with Government Code §56133. On November 4, 1987 the Martinez City Council adopted Resolution No. 169-87 amending the regulations governing water service that were first adopted in October, 1969. The regulations affirm the boundary for a water service area that includes areas outside the corporate city boundaries. Properties outside but contiguous to the city boundary are required to complete annexation to the City prior to receiving water

service, and therefore would be reviewed and approved by LAFCO. However, Section 2.2.1(c) of the regulations requires that properties outside the city limits and not contiguous to the city boundary execute a deferred annexation agreement, with annexation to occur at a time determined by the City Council. The regulations do not require LAFCO approval of an out-of-agency service agreement as a required condition for extension of water service.

LAFCO is responsible for carrying out the State’s policy that encourages orderly growth and development through the logical formation and determination of local agency boundaries. Under Government Code §56000 et seq., LAFCO is given authority to establish boundaries and services for cities and special districts within the county. The Government Code requires local agencies to receive approval from LAFCO to extend municipal services outside their jurisdictional boundaries (Government Code §56133); this does not apply to an extended service that a city or district was providing on or before January 1, 2001. This section states that, “A city or district may provide new or extended service by contract or agreement outside of its jurisdictional boundaries only if it first requests and receives written approval from the Commission.” Further, the law provides that the Commission may authorize a city or district to provide new or extended services: a) outside its jurisdictional boundaries but within its sphere of influence (SOI) in anticipation of a later change of organization; or b) outside its jurisdictional boundaries and outside its SOI to respond to an existing or impending threat to public health or safety.

3.9 Government Structure Options

The City is providing adequate water utility services, with CCWD providing untreated water supplies. The City is providing water service to areas outside the corporate boundaries of Martinez but within the water service boundary affirmed by the City in October, 1987. In 1987, the City Council adopted Resolution No. 169-87, requiring properties contiguous to the City boundary to complete annexation prior to receiving water service. Those properties that are not contiguous must execute a deferred annexation agreement, with annexation to occur at a time determined by the City Council. The City serves an estimated 1,499 accounts that are outside the City’s corporate boundaries; the majority of these were established prior to 2001.

CCWD has historically provided water service to the Port Costa area; the City of Martinez now delivers water to Port Costa by contract with CCWD. CCWD delivers the treated water for Port Costa into the Martinez system and is responsible for the infrastructure within Port Costa. EBMUD is providing water service to the west of Port Costa in the Crockett area. The Port Costa water system is designed to distribute treated water from a delivery point to the east. Due to topography and system design, the option for EBMUD to serve the Port Costa area rather than Martinez delivering water through their system is not considered an option.

Three government structure options were identified for the City of Martinez with respect to water services:

- Maintain the status quo
- Annex unincorporated areas receiving service into the City
- Consolidate water service with CCWD

Maintain the Status Quo: The City is currently providing water service for its residents and businesses, as well as to some areas outside city boundaries. The City is not experiencing infrastructure or financial challenges that require another agency to take over this service. The advantages of this option are continuity of service and economies associated with internal coordination with other city projects for street and sidewalk repairs, etc. The disadvantage to this option is that it does not clean up boundary issues for areas where service has been extended.

Annex unincorporated areas receiving service into the City: The City is providing service to unincorporated areas to the northeast, southeast, and southwest of the current city boundaries. In order to clean up boundary issues associated with service areas, Martinez could annex unincorporated areas into the City where the parcels are now contiguous to the City boundary; this would fulfill the terms of the deferred annexation agreements that are recorded for each of these properties. However, the parcels would need to be evaluated to determine their location with respect to the adopted Urban Limit Line for the County to ensure there is no conflict.

Consolidate water service with CCWD: The City provides water treatment and distribution services. CCWD is providing the raw water supply, owns and operates the Martinez Reservoir, and is providing similar treated water services to the east of Martinez. The advantages of this option are potential economies of scale and other efficiencies that might be available due to the single-purpose focus of CCWD. However disadvantages such as administrative costs, increased costs to other services the City provides, political opposition, and loss of local control within the City could outweigh the benefits. Further study would be needed to determine the merits of this option and level of benefit versus costs which would affect ratepayers for both the City of Martinez and CCWD.

3.10 Local Accountability and Governance

The City of Martinez incorporated in 1876 as a General Law city. It operates under the oversight and guidance of the five-member City Council. Council members are elected at large. The Mayor is selected from among the Council Members, and serves a one-year term. The current City Council is identified in *Table 3.6*.

Table 3.6
Martinez City Council

Member	Title	Term Expires
Rob Shroder	Mayor	November 2010
Janet Kennedy	Vice Mayor	November 2008
Mark Ross	Council Member	November 2008
Lara DeLaney	Council Member	November 2010
Michael Menesini	Council Member	November 2010

The City Council meets the first and third Wednesday of the month at 5:30 PM at City Hall, located at 525 Henrietta Street, Martinez. The City’s water service is discussed at regular City Council meetings that are open and accessible to the public. Meeting notices, agendas, and supporting documentation are posted at least 72 hours in advance at City Hall and at the City Library. The City’s website (www.cityofmartinez.org) includes information about the water utility, including rates, financial information, capital projects, and conservation programs.

As noted above in *Section 3.8*, the City should review its policies, ordinances, and Municipal Code with respect to the water system and extension of service outside city boundaries to ensure the governing documents and procedures are in compliance with the State Government Code and the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

3.11 Sphere of Influence Recommendations

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires that LAFCO review and update the sphere of influence (SOI) for each of the special districts and cities within the county at least once every five years in order to promote logical and orderly development of areas within the sphere.³ The SOI recommendations for the City of Martinez are included in the *Central County Municipal Services Review* that considers the full range of services the City provides. Due to the urban development, there is a need within the City of Martinez for the water services the City provides.

The City is providing adequate service and has the financial resources and rate structure in place to continue to provide services and meet infrastructure needs for existing development. In addition, the City has considered future water service needs through the 2006 Water System Master Plan and 2005 Urban Water Management Plan. Nonetheless, the projected water demands for future annexations would need to be evaluated based on the type and location of development, water supply, existing system capacity, necessary infrastructure improvements to

³ Government Code Section 56425 et seq.

maintain acceptable levels of service, and the means to fund the improvements. A detailed Plan for Service would need to be submitted as part of an annexation application.

3.12 Determinations

3.12.1 Growth and Population

Purpose: To evaluate service needs based upon existing and anticipated growth patterns and population projections.

The City of Martinez has an estimated current population of 36,179 residents; this is projected to increase to 42,100 by 2030, with an average annual growth rate of 0.7 percent. The Martinez water service area encompasses approximately 75 percent of the City's corporate boundaries as well as areas outside city boundaries. The City is generally considered built out and most future growth will occur through infill and increased densities.

3.12.2 Infrastructure Needs or Deficiencies

Purpose: To evaluate the infrastructure needs and deficiencies in terms of supply, capacity, condition of facilities, and service quality.

The City provides water treatment and distribution services within its water service area. It obtains its untreated water supply from the Contra Costa Water District through the Central Valley Project (CVP). CCWD's contract for CVP water includes provisions for delivery reductions due to regulatory requirements or drought conditions. Per CCWD's adopted 2005 Urban Water Management Plan, the District does not anticipate any supply deficits through 2030 for normal conditions or single dry years. CCWD will have adequate water supply in multiple dry years based on available supplies and reasonable levels of short-term water purchases or demand management of up to 15 percent. Per the City of Martinez's adopted 2005 Urban Water Management Plan, the City should have adequate water supplies to meet normal, single-dry and the first year of multiple dry year periods through 2030 based on available supplies. The projected supply reductions in the second and third year of a multiple dry year period would be offset by demand reductions achieved through voluntary and mandatory conservation measures.

The City's water system infrastructure includes a water treatment plant and distribution system that includes storage facilities, pump stations, and water lines. The water treatment plant has a filtration capacity of 14.7 mgd. Current average day demand is 5.2 mgd; projected demand in 2020 is 5.9 mgd.

The City's water system infrastructure is generally in good condition. The 2006 Water System Master Plan identified system deficiencies and recommended improvements; the City is implementing the recommendations as funding is available.

3.12.3 Financing Constraints and Opportunities

Purpose: To evaluate a jurisdiction's capacity to finance needed improvements and services.

The City funds water services, including capital improvements and debt service, through service charges and connection fees. The City has existing outstanding debt related to its water system, and maintains reserves for debt service coverage in accordance with the requirements of the financing. With the adoption in 2007 of an updated rate structure, the water utility is expected to have adequate funding for operations and maintenance, debt service, and some capital needs.

3.12.4 Cost Avoidance Opportunities

Purpose: To identify practices or opportunities that may help eliminate unnecessary costs.

Martinez controls water service costs by encouraging water conservation and improving efficiency and accuracy for meter reading.

3.12.5 Opportunities for Rate Restructuring

Purpose: To identify opportunities to impact rates positively without decreasing service levels.

Martinez updated its water service rates in May 2007. The rate structure includes consumption charges based on service zone, so that the costs of pumping are appropriately allocated to the customers in higher elevations. The service fees are structured to cover the cost of providing service and to provide for continued maintenance of the existing system. Future rate increases will be linked to increased costs of the raw water supply. The connection fees were last updated in 2000. The City should consider reviewing the connection fees to ensure they are appropriate given the condition of the water system and infrastructure needs.

3.12.6 Opportunities for Shared Facilities

Purpose: To evaluate the opportunities for a jurisdiction to share facilities and resources to develop more efficient service delivery systems.

The City of Martinez shares facilities through use of the Contra Costa Canal and Martinez Reservoir for untreated water supply. Martinez is providing treated water to the Port Costa area on behalf of CCWD, and CCWD is delivering treated water into the Martinez system for that use.

3.12.7 Evaluation of Management Efficiencies

Purpose: To evaluate management efficiencies of the jurisdiction.

The City should review and update its adopted regulations for water service outside city boundaries to ensure compliance with Government Code §56133.

3.12.8 Government Structure Options

Purpose: To consider the advantages and disadvantages of various government structures to provide public services.

The City is providing adequate water services within its water service area, with CCWD providing untreated water supplies. The City is providing water service to areas outside the corporate boundaries of Martinez but within the water service boundary affirmed by the City in October, 1987. The City serves an estimated 1,499 accounts that are outside the City's corporate boundaries; a majority of these were established prior to 2001. Three government structure options were identified for the City of Martinez with respect to water services:

- Maintain the status quo
- Annex unincorporated areas receiving service into the City
- Consolidate water service with CCWD

Maintain the Status Quo: The advantages of this option are continuity of service and economies associated with internal coordination with other city projects for street and sidewalk repairs, etc. The disadvantage to this option is that it does not clean up boundary issues for areas where service has been extended.

Annex unincorporated areas receiving service into the City: The City is providing service to unincorporated areas to the northeast, southeast, and southwest of the current city boundaries. Martinez could annex unincorporated areas into the City where the parcels are now contiguous to the City boundary. The advantages of this option are to clean up boundary issues associated with service areas. However, the parcels would need to be evaluated to determine their location with respect to the adopted Urban Limit Line for the County to ensure there is no conflict.

Consolidate water service with CCWD: The City provides water treatment and distribution services. CCWD is providing the raw water supply, owns and operates the Martinez Reservoir, and is providing similar treated water services to the east of Martinez. The advantages of this option are potential economies of scale and other efficiencies that might be available due to the single-purpose focus of CCWD. However disadvantages such as administrative costs, increased costs to other services the City provides, political opposition, and loss of local control within the city could outweigh the benefits. Further study would be needed to determine the merits of this

option and level of benefit versus costs which would affect ratepayers for both the City of Martinez Water Service and CCWD.

3.12.9 Local Accountability and Governance

Purpose: To evaluate the accessibility and levels of public participation associated with the agency's decision-making and management process.

Water services provided by the City are addressed by the City Council. The City Council meetings are open and accessible to the public. Information on the City's water services, including facilities, capital improvements, financing, and service rates is available on the City's website.

Preliminary Initial Study Checklist

**Alhambra Valley/Stonehurst
Annexation**

Prepared for

City of Martinez

525 Henrietta Street

Martinez, CA 94553

December 5, 2008

Prepared by

CH2M HILL

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Initial Study Checklist

Environmental Factors Potentially Affected

The following Environmental Checklist considers the proposed annexation.

The environmental factors checked below would be potentially affected by this project, as indicated by the checklist on the following pages.

	Aesthetics		Agriculture Resources		Air Quality
	Biological Resources		Cultural Resources		Geology /Soils
	Hazards & Hazardous Materials		Hydrology / Water Quality	X	Land Use / Planning
	Mineral Resources		Noise	X	Population / Housing
X	Public Services	X	Recreation	X	Transportation/Traffic
	Utilities / Service Systems	X	Mandatory Findings of Significance		

I. AESTHETICS:

Would the project:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
a) Have a substantial adverse effect on a scenic vista?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Substantially degrade the existing visual character or quality of the site and its surroundings?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

a-d) Although there are no designated state scenic vistas or highways on or adjacent to the proposed annexation area, Alhambra Valley Road is a designated scenic roadway in both the City of Martinez General Plan (1973) and the Contra Costa County General Plan (2005). In addition, there are County designated scenic ridgelines and gateways within or adjacent to the proposal area (Contra Costa County, 2005). However, the project is not expected to impact aesthetics or visual resources because it would not involve any physical changes to the landscape or existing buildings.

II. AGRICULTURAL RESOURCES

In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Dept. of Conservation as an optional model to use in assessing impacts on agriculture and farmland. Would the project:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

a -c) No Prime Farmlands, Farmlands of Statewide Importance, or Williamson Act contract lands are located within the in the proposal area. Two portions of the proposal area are designated Unique Farmland though neither is being used for agriculture and both are zoned for residential use. One portion, a former Christmas tree farm, located at the northwest corner of Alhambra Valley Road and Reliez Valley Road, has already been approved by Contra Costa County for the development of two residential subdivisions. Though the central part of the proposal area is zoned for agricultural use, the proposed project is not expected to affect this area because it would not involve any physical changes to the landscape.

III. AIR QUALITY

Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations. Would the project:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
a) Conflict with or obstruct implementation of the applicable air quality plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Violate any air quality standard or contribute substantially to an existing or projected air quality violation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Expose sensitive receptors to substantial pollutant concentrations?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Create objectionable odors affecting a substantial number of people?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

a-e) No construction is proposed and no change to existing land use is anticipated to result from implementing the proposed annexation. Thus, no impacts to air quality are anticipated to occur as a result of the proposed annexation.

IV. BIOLOGICAL RESOURCES

Would the project:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations, or by the California Department of Fish and Game or US Fish and Wildlife Service?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

a-f) According to the Alhambra Valley Estates EIR¹ (Contra Costa County, 2004), the California Natural Diversity Database (CNDDDB) lists 10 sensitive plant species and 7 sensitive wildlife species within the Briones Valley 7.5-minute USGS quadrangle. This

¹ Alhambra Valley Estates is 23 unit subdivision that has been approved for development within the proposal area at the northwest intersection of Alhambra Valley Road and Reliez Valley Road.

indicates that these species have the potential to occur in the project vicinity. The proposal area may also contain wetlands as defined by Section 404 of the Clean Water Act. A portion of the proposal area is rezoned by the City as 100,000 ft² residential lots and is also rezoned as a local Environmental Conservation District. However, no impacts to biological resources are anticipated to occur as a result of the proposed annexation. Construction is not part of the proposed annexation.

V. CULTURAL RESOURCES

Would the project:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
a) Cause a substantial adverse change in the significance of a historical resource as defined in '15064.5?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to '15064.5?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Disturb any human remains, including those interred outside of formal cemeteries?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

a-d) Record searches and field studies described in the Alhambra Valley EIR (Contra Costa County, 2004) identified no cultural resources in the proposal area, though the report noted that there is the possibility that future construction activities could reveal cultural resources.

No impacts to cultural resources are anticipated to occur as a result of the proposed annexation. Construction is not part of the proposed annexation.

VI. GEOLOGY AND SOILS

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
Would the project:				
a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:				
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
ii) Strong seismic ground shaking?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
iii) Seismic-related ground failure, including liquefaction?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
iv) Landslides?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Result in substantial soil erosion or the loss of topsoil?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

a-e) There are no Alquist-Priolo Special Study Zones in the proposal area. Strong seismic shaking could occur in the proposal area since the nearest active fault, the Concord-Green Valley fault, is about four miles to the northeast. The proposal area is an active landslide area (Contra Costa County, 1992). However, no impacts to geological resources are anticipated to occur as a result of the proposed annexation. Construction is not part of the proposed annexation.

VII. HAZARDS AND HAZARDOUS MATERIALS

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
Would the project:				
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
h) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

a-h) No impacts to hazards and hazardous materials are anticipated to occur as a result of the proposed annexation. The proposed annexation is a jurisdictional change that is not expected to have direct, physical effects on the environment. Construction is not part of the proposed annexation. Fire and emergency response times to gated communities would not likely be affected because fire service provision would not change upon annexation.

VIII. HYDROLOGY AND WATER QUALITY

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
Would the project:				
a) Violate any water quality standards or waste discharge requirements?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) Otherwise substantially degrade water quality?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g) Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
h) Place within a 100-year flood hazard area structures which would impede or redirect flood flows?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Would the project:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
i) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
j) Inundation by seiche, tsunami, or mudflow?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

a-j) No impacts to hydrology and water quality is anticipated to occur as a result of the proposed annexation. Construction is not part of the proposed annexation.

IX. LAND USE AND PLANNING

Would the project:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
a) Physically divide an established community?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Conflict with any applicable habitat conservation plan or natural community conservation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

a and c) The proposed annexation would not physically divide an established community nor would the it conflict with any habitat conservation plans or natural community conservation plans.

b) The proposed annexation would not conflict with adopted area policies that apply to the proposal area such as the County General Plan (Alhambra Valley Specific Plan) and the City General Plan (Alhambra Valley Policy Zone). The proposed annexation would not conflict with the City or County General Plan land use designations or County zoning. In addition, the proposal area is entirely within the Urban Limit Line. However, there are inconsistencies between existing land use and City rezoning. Several properties that are rezoned RR-40 by the City do not conform to the minimum size requirement for this zoning designation of 40,000 ft². These properties are concentrated in the northeastern part of the proposal area around Gordon Way, Millthwait Drive, and the north part of Alhambra Valley Road. In addition, several of the properties that are rezoned R-100 do not conform to the minimum size requirement of 100,000 ft². These inconsistencies would be grandfathered after annexation and would represent a less than significant impact in land use.

X. MINERAL RESOURCES

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
Would the project:				
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

a-b) No mineral resources that would be of value to the region or residents of the state are known to occur in the proposal area. No locally-important mineral resource recovery site is delineated in the County General Plan or the Alhambra Valley Specific Plan.

XI. NOISE

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
Would the project result in:				
a) Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

a-f) The proposed annexation is a jurisdictional change that is not anticipated to have direct, physical effects on the environment. Construction is not part of the proposed annexation. Thus, no impacts to noise are anticipated to occur as a result of the proposed annexation.

XII. POPULATION AND HOUSING

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
Would the project:				
a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

a) The proposed annexation is a jurisdictional change that is anticipated to have no direct effects on population growth. However, the proposed annexation in conjunction with the sanitary sewer service extension to the area (although separate from the annexation process) could remove obstacles to the development of the remaining vacant lots and cause indirect population growth. Following annexation, vacant lot development would not require pre-annexation agreements in order to receive water service from the City. However, since development in the proposal area has a cap and has undergone prior environmental review, this would represent a less than significant impact. The Alhambra Valley Specific Plan (1992) estimated that “no more than 231 additional housing units will be developed from the date of the adoption of the plan.” Between 1992 and 2007, 81 residential units were built which leaves 150 to be built (CCCSD, 2007).

The annexation is unlikely to facilitate development of the 240 acres of undeveloped land northwest of the proposal area known as the Almond Property due to limited road access and hilly terrain and its location outside the ULL. (Alhambra Specific Plan development standards would restrict development on hillsides with slopes greater than 30%). In addition, such development would require environmental review on a project-level basis.

b and c) The proposed annexation would not directly or indirectly cause the displacement of substantial numbers of people or of housing within the proposal area.

XIII. PUBLIC SERVICES

a) Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
Fire protection?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Police protection?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Schools?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Parks?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other public facilities?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

The Contra Costa County Fire Protection Department (CCCFPD) provides fire and emergency services to residents of the City of Martinez as well as the unincorporated segments of the County. Fire service would not change upon annexation.

Upon annexation, police patrol and emergency response would be transferred from the County Sheriff's office to the City of Martinez Police department. The Sheriff's Office reported only 1 criminal incident in the beat which includes the project area in the six months from April 1, 2008 to September 30, 2008. Since crime statistics for the proposal area are low, the annexation is anticipated to result in a less than significant impact on City Police services. Police and emergency response times are expected to stay constant or slightly increase (Sergeant Walkup, 2008, personal communication). Police and emergency response personnel would need to obtain gate access codes for the gated communities in the proposal area.

The proposal area is already being served by Martinez Unified School District. School service provision would not change due to annexation.

Annexation would not directly affect parks or other public facilities.

See discussion under Population and Housing regarding the indirect effects of the proposed annexation potentially causing an increase in population that could result in an increased demand for public services.

XIV. RECREATION

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

a) See discussion under Population and Housing regarding the potential for the proposed annexation to accelerate the development of the remaining residential lots. An increase in residential development could result in an increased demand for recreational facilities such as Briones Regional Park or the John Muir National Historic Site. However, the increase in demand and use of recreational facilities is expected to be minimal and not significant.

b) No recreational facilities would be constructed or expanded as a result of the proposed project.

XV. TRANSPORTATION/TRAFFIC

Would the project:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
a) Cause an increase in traffic which is substantial in relation to the existing traffic load and capacity of the street system (i.e., result in a substantial increase in either the number of vehicle trips, the volume to capacity ratio on roads, or congestion at intersections)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Exceed, either individually or cumulatively, a level of service standard established by the county congestion management agency for designated roads or highways?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Result in inadequate emergency access?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) Result in inadequate parking capacity?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g) Conflict with adopted policies, plans, or programs supporting alternative transportation (e.g., bus turnouts, bicycle racks)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

a-g) The proposed annexation is a jurisdictional change that is anticipated to have no direct, physical effects on the environment. Construction is not part of the proposed annexation. Thus no impacts to transportation and traffic are anticipated to occur as a result of the proposed annexation.

If growth inducement occurs due to the development of vacant lots in the area, any additional traffic is expected to be minimal and not significant.

XVI. UTILITIES AND SERVICE SYSTEMS

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
Would the project:				
a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g) Comply with federal, state, and local statutes and regulations related to solid waste?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

a, b, d, e) The proposed annexation would not result in the construction of new wastewater treatment facilities nor would it result in exceeding wastewater treatment requirements of the San Francisco Bay Regional Water Quality Control Board (RWQCB). Wastewater services would remain under their current jurisdiction which includes individual property owners, Central Contra Costa Sanitation District (CCCSD), or Contra Costa County Sanitary District No. 6 (SD no. 6). The majority of the proposal area currently uses septic systems but properties are transitioning to CCCSD independent of the proposed annexation. CCCSD has the capacity to serve the proposal area and no new facilities beyond the current sewer service plan would be required (CCCSD, 2007).

The eastern half of the proposal area was annexed by CCCSD in 2007. CCCSD built a sanitary sewer trunk line along northern Alhambra Valley Road and is building main lines along Gordon Way, Millthwait Drive, and Alhambra Valley Road as far west as Quail Lane. Properties along these lines have begun to connect to them (see Attachment 2).

The Stonehurst subdivision, located off Vaca Creek Road, treats wastewater differently than the rest of the proposal area and has formed the County Sanitation District No. 6 (SD no. 6). Each parcel in SD no. 6 has a septic system but the effluent receives secondary treatment at a community plant and is discharged to a common leach field. When SD no. 6 was formed in 1992, San Francisco Bay Regional Water Quality Control Board (RWQCB) Waste Discharge Requirements (Order No. 91-096) specified that SD no. 6 serve the buildout period of the Stonehurst subdivision but that Stonehurst ultimately be connected to a sanitary sewer system when services “become available in the Alhambra Valley” (RWQCB, 1991; LAFCO, 2008(c)). Because the new CCCSD main line along Alhambra Valley Road is less than a mile from the Stonehurst subdivision, Stonehurst will likely be required to connect to it.

Currently, the proposal area is served with treated water by the City of Martinez. The City would continue to serve the proposal area after annexation. A potential increase in the amount of treated water is expected to result from the proposed annexation and the City has the capacity to serve this growth.

c) The proposed annexation would transfer the jurisdiction for stormwater services from the County to the City but no new stormwater discharge facilities or infrastructure would be required.

f-g) The County currently has the solid waste franchise for the proposal area. After annexation, the City would have the right to request the transfer of the franchise to its jurisdiction. The request is likely since the County does not hold the franchise for any City property.

XVII. MANDATORY FINDINGS OF SIGNIFICANCE

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
a) Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

a) The proposed annexation is a jurisdictional change that is anticipated to have no direct, physical effects on the environment. Construction is not part of the proposed annexation.

b) The proposed annexation is only a jurisdictional change. The Alhambra Hills Specific Plan (AHSP) will remain the guiding planning document and the total number of residential units allowed under the AHSP will not change.

c) The proposed jurisdictional change would have no adverse effect on human beings.

References

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- Contra Costa County, 2005. *Contra Costa County General Plan, 2005 – 2020*. Contra Costa County Community Development Department. January 18, 2005.
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- LAFCO, 2008(c). Contra Costa County Local Agency Formation Commission. Water and Wastewater Municipal Service Reviews. Section 6: Contra Costa Sanitation District No. 6 Wastewater Service. April 9, 2008.
- Majors, 2008. Karen Majors, Assistant City Manager, City of Martinez personal communication to Loretta Meyer/CH2M HILL. November 6, 2008.
- RWQCB, 1991. California Regional Water Quality Control Board San Francisco Bay Region. Order No. 91-096. Waste Discharge Requirements for: Security Owners Corporation, Stonehurst Subdivision, Martinez, Contra Costa County.
- Sergeant Walkup, 2008. Sergeant Walkup, Martinez Police Department, personal communication to Loretta Meyer/CH2M HILL. November 17, 2008.

List of Preparers

The Preliminary Initial Study Checklist was prepared by CH2M HILL staff in consultation with the City of Martinez, as follows:

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CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

**Proposal Justification Questionnaire for Annexations,
Detachments and Reorganizations**

(Attach additional sheets as necessary)

1. Name of Application: (The name should match the title on the map and legal description; list all boundary changes that are part of the application)

Application for the Annexation of Alhambra Valley/Stonehurst to the City of Martinez

2. Describe the acreage and general location; include street addresses if known:

The proposal area consists of approximately 532 acres in the Alhambra Valley, a relatively rural area west of the City of Martinez (see Figure 1). The proposal area is roughly bounded by John Muir National Historic Site to the north, Briones Regional Park to the south, open space and rangeland to the north and west, and low density residential housing to the east. The proposal area boundary lines on the north, west, and south sides were chosen to conform to the City of Martinez Sphere of Influence (SOI) and the County Urban Limit Line (ULL) (see Figure 2). On the east side, the boundary was set at Alhambra Valley Road to avoid areas where there was community opposition to a previous annexation attempt. The proposal area is entirely within the City SOI and the County ULL and is contiguous with City limits on its north side.

The street addresses within the proposal area are listed in Table A.

3. List the Assessor's Parcels within the proposal area:

The Assessor's Parcels within the proposal area are listed in Table A.

4. Reasons for the proposal: (Why is this proposal being filed? Identify other actions that are part of the overall project, i.e., a tract map or development permit.)

The City of Martinez is providing water service to all properties in the proposal area. In 1987, the City adopted a resolution to require that any new properties developed outside City limits and intending to receive City water service must sign a deferred annexation agreement. As a result, several properties in the proposal area have deferred annexation agreements with the City. The City is proposing to annex them to fulfill the terms of these agreements (see Figure 2). In its 2008 review of City of Martinez Water Services, Contra Costa LAFCO identified annexation as a means "to clean up boundary issues" created by the deferred annexation agreements.

The proposed annexation does not include any proposed redevelopment activities, general plan amendments, zoning changes, or construction.

5. Land Use and Zoning - Present and Future

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A. Describe the existing land uses within the proposal area. Be specific.

Existing land use in the proposal area is primarily low-density residential. Lot sizes in the proposal area vary from approximately 20,000 ft² (0.5 acres) to approximately 700,000 ft² (16 acres). The smaller lot sizes are most common on the eastern side of the proposal area, along northern Alhambra Valley Road, Gordon Way, and Millthwait Drive. Mid sized lots are most common along the rest of Alhambra Valley Road and off Stonehurst Drive in the Stonehurst subdivision. The largest lots occur near Chelsea Drive in the Alhambra Valley Ranch subdivision and in the south part of Briones Road and Quail Lane. Several communities in the proposal area are on private drives, some of which are gated. The two largest communities, Alhambra Valley Ranch and Stonehurst, are gated.

Several properties in the proposal area contain some limited agricultural activity including small orchards, vineyards, or equestrian farms. The Stonehurst subdivision contains parcels that are designated Open Space.

B. Describe any changes in land uses that would result from or be facilitated by this proposed boundary change.

No changes in land uses would result from or be facilitated by the proposed boundary change.

C. Describe the existing zoning designations within the proposal area.

Four Contra Costa County zoning designations currently exist in the proposal area (see Figure 3 and Table A):

- Single Family Residential – 20,000 ft² minimum lot area (R-20) which includes a single family dwelling, related structures, and limited agricultural activities;
- Single Family Residential – 40,000 ft² minimum lot area (R-40) which includes a single family dwelling, related structures, and limited agricultural activities;
- Planned Unit District (P-1) which allows any land uses that are permitted by an approved final development plan that is consistent with the general plan;
- General Agricultural (A-2) which includes many agricultural activities as well as a single family dwelling.

D. Describe any proposed change in zoning for the proposal area. Do the existing and proposed uses conform with this zoning?

No change in zoning will be proposed for the proposal area.

E. (For City Annexations) Describe the prezoning that will apply to the proposal area upon annexation. Do the proposed uses conform with this prezoning?

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The proposal area is partially rezoned by the City of Martinez as indicated in Figure 4 and Table A. These designations include One-Family Residential - 40,000 ft² minimum lot area (RR-40) and One-Family Residential - 100,000 ft² minimum lot area (R-100). The R-100 properties are also rezoned as Environmental Conservation District (ECD) land.

Some existing uses do not conform with the rezoning designations. Several properties that are rezoned RR-40 do not conform to the minimum size requirement for this zoning designation of 40,000 ft². These properties are concentrated in the northeastern part of the proposal area around Gordon Way, Millthwait Drive, and the north part of Alhambra Valley Road. In addition, several of the properties that are rezoned R-100 do not conform to the minimum size requirement of 100,000 ft².

Areas that are not currently rezoned, would be rezoned with existing county designations prior to annexation.

- F. List all known entitlement applications pending for the property (i.e., zone change, land division or other entitlements).

APN	Entitlement Application	County File
365-090-010	Tree Permit	TP07-0010
365-110-017	Tree Permit	TP06-0022
367-130-033	Subdivision	SD02-8634
367-140-003	Zoning Investigation	ZI08-12204
367-140-010	Subdivision	SD05-8947
367-140-011	Zoning Investigation	ZI08-12188
367-140-012	Zoning Investigation	ZI08-12188
367-140-013	Zoning Investigation	ZI08-12188
367-140-016	Zoning Investigation	ZI08-12188
367-140-017	Zoning Investigation	ZI08-12204
367-150-015	Development Plan	DP07-3020
367-180-005	Tree Permit	TP07-0045
367-180-017	Zoning Investigation	ZI08-12360

6. Describe the area surrounding the proposal

In Table B at the end of this questionnaire, describe existing land uses, general plans and zoning designations for lands adjacent to and surrounding the proposal area. The application is incomplete without this table.

Refer to Table B.

7. Conformity with Spheres of influence

A. Is the proposal area within the sphere of influence of the annexing agency?

Yes, the proposal area is within the sphere of influence of the City of Martinez.

B. If not, include a proposal to revise the sphere of influence.

Not applicable.

8. Conformity with the County Urban Limit Line

Is the proposal area entirely within the County Urban Limit Line? If not, please explain.

Yes, the proposal area is within the County Urban Limit Line.

9. Conformity with County and City General Plans

A. Describe the existing County General Plan designation for the proposal area.

The Contra Costa County General Plan contains four land use designations for the proposal area:

Single Family Residential – Low Density (SL) which allows between 1.0 and 2.9 single family units per acre, population density would average 2 to 7.5 persons per acre.

Single Family Residential – Very Low Density (SV) which allows a maximum of 0.9 single family units per acre, population density would average between one to three persons per acre.

Open Space (OS) which includes publicly owned, open space lands that are not designated Public and Semi-Public, Watershed, or Parks and Recreation. The Open Space designation also includes privately owned properties for which future development rights have been deeded to a public or private agency.

Agricultural Land (AL) which includes most of the privately owned rural lands in the County, excluding those composed of prime soils or those located in or near the Delta. Most of these lands are in hilly portions of the County and are used for grazing livestock or dry grain farming.

The Alhambra Valley Specific Plan (Plan) covers the proposal area and was adopted by the County in 1992. It established goals, policies, plan elements, development guidelines, and standards specific to the proposal area. The Plan was developed after the area had become primarily low-density residential and the

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Plan's policies seek to preserve it as such and to protect the scenic values of the ridgelines from the valley floor. The proposed annexations are consistent with the Plan.

B. (For City Annexations) Describe the City general plan designation for the area.

The City General Plan, adopted in 1973, designated the proposal area as part of the Alhambra Valley Policy Zone and designated it as "Open Space/Conservation Use." Policies promote the preservation of open space and subordinate uses such as agriculture, recreation, and low density residential uses. It also emphasizes preservation of the Alhambra Creek watershed and the conservation of natural habitat and scenic values. A 1987 amendment clarified that residential units of up to 1 per acre are permitted for future development.

C. Do the proposed uses conform with these plans? If not, please explain.

There are no conflicts between the City and County General Plans and the proposed annexation project.

10. Topography and Natural Features

A. Describe the general topography of the proposal area and any significant natural features that may affect the proposal.

The proposal area is located in the relatively rural Alhambra Valley and Alhambra Creek watershed just east of the City of Martinez. The proposal area is characterized by both gently and steep sloping hills and, aside from residential landscaping and small vineyards or orchards, is vegetated with native oak woodland and annual grasses. Alhambra Valley Creek roughly parallels Alhambra Valley Road through the proposal area.

B. Describe the general topography of the area surrounding the proposal.

The proposal area is located in the San Francisco Bay Area approximately 3.75 miles south of Suisun Bay and the Carquinez Strait. The proposal area is situated within the Briones Hills which are part of the Northern California Coast Range province.

11. Impact on Agriculture

A. Does the property currently produce a commercial agricultural commodity?

Many of properties in the proposal area contain small vineyards, small orchards, or horse farms, but this agricultural activity is not considered commercial.

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B. Is the property fallow land under a crop rotational program or is it enrolled in an agricultural subsidy or set-aside program?

No.

D. Is the affected property Prime Agricultural Land as defined in Government Code?

No.

E. Is any portion of the proposal area within a Land Conservation (Williamson) Act contract?

No.

1) If "yes," provide the contract number and date the contract was executed.

Not applicable.

2) If "yes", has a notice of non-renewal be filed? If so, when?

Not applicable.

3) If this proposal is an annexation to a city, provide a copy of any protest filed by the annexing city against the contract when it was approved.

Not applicable.

12. Impact on Open Space

Is the affected property Open Space land as defined in Government Code Section 65560?

Portions of the proposal area within the Stonehurst subdivision are designated Open Space by Contra Costa County General Plan as defined by Section 65560 (see Figure 5). The proposed annexation would not affect the Open Space land.

13. Relationship to Regional Housing Goals and Policies (City annexations only)

If this proposal will result in or facilitate an increase in the number of housing units, describe the extent to which the proposal will assist the annexing city in achieving its fair share of regional housing needs as determined by ABAG.

The proposed annexation, in conjunction with the 2007 annexation of part of the proposal area by Central Contra Costa Sanitary District (CCCSD) (see Attachment 2), could remove obstacles to future development and could facilitate an increase in housing units. However, any increase in residential housing units in the proposal area is unlikely to meet

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regional housing needs under ABAG since the minimum lot size of the housing units would be approximately half an acre.

14. Population

A. Describe the number and type of existing dwelling units within the proposal area.

There are approximately 200 dwelling units within the proposal area. They are all single family homes on low-density residential lots that range from 20,000 ft² to 700,000 ft².

B. How many new dwelling units could result from or be facilitated by the proposal?

Single-family _____ see below _____ Multi-family _____ see below _____

Up to 150 additional housing units may be developed in the Alhambra Valley Specific Plan area. The Alhambra Valley Specific Plan (1992) specified that “no more than 231 additional housing units will be developed from the date of adoption of this plan.” The Plan applies to an area larger than the proposal area. Between 1992 and 2007, 81 dwelling units were built in the area covered by the Plan, leaving a maximum of 150 units to be built (CCCSD, 2007).

C. What is the projected population growth due to the proposal?

The proposed annexation, in conjunction with the 2007 annexation of part of the proposal area by Central Contra Costa Sanitary District (CCCSD) (see Attachment 2), could remove obstacles to future development and could facilitate an increase in housing units. According to the Alhambra Valley Specific Plan (1992), a maximum of 150 units could be built in and around the proposal area (refer to 14B above). The County considers the average household to consist of 2.5 people. Therefore the maximum population growth in and around the proposal area is 375 people.

15. Plan for Providing Services - Government Services and Controls (per §56653)

A. Describe the services to be extended to the affected territory by this proposal.

The following agencies would retain their services in the proposal area upon annexation:

- Water services would remain under the jurisdiction of the City of Martinez. See Attachment 1 for existing water conveyance system plans.
- School services would remain under the jurisdiction of Martinez Unified School District.
- Fire protection services would remain under the jurisdiction of Contra Costa County Fire Protection District.

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- Wastewater services would remain under their current jurisdiction which is either that of individual property owners, Central Contra Costa Sanitation District (CCCSD), or Contra Costa County Sanitary District No. 6 (SD no. 6) (which serves the Stonehurst subdivision only). Most properties in the proposal area use individual septic systems. However, this is changing because the eastern half of the proposal area was annexed by the CCCSD in 2007. CCCSD completed a sanitary sewer trunk line down northern Alhambra Valley Road in early 2008 and is building main lines along Gordon Way, Millthwait Drive, and Alhambra Valley Road as far west as Quail Lane. Properties along these lines are in the process of connecting to them. See Attachment 2 for existing wastewater conveyance system plans.

The Stonehurst subdivision, located off Vaca Creek Road, treats wastewater differently than the rest of the proposal area and has formed the County Sanitation District No. 6 (SD no. 6). Each parcel in SD no. 6 has a septic system but the effluent receives secondary treatment at a community plant and is discharged to a common leach field. When SD no. 6 was formed in 1992, San Francisco Bay Regional Water Quality Control Board (RWQCB) Waste Discharge Requirements (Order No. 91-096) specified that SD no. 6 serve the buildout period of the Stonehurst subdivision but that Stonehurst ultimately be connected to a sanitary sewer system when services “become available in the Alhambra Valley” (RWQCB, 1991; LAFCO, 2008(c)). Because the new CCCSD main line along Alhambra Valley Road is less than a mile from the Stonehurst subdivision, Stonehurst will be likely required to connect to it by RWQCB.

Upon annexation, jurisdiction over the following services would change:

- Stormwater jurisdiction would transfer from the County to the City and the City would be required to maintain the existing public infrastructure. Private properties would continue to use natural drainage features, such as creeks. **No** new stormwater infrastructure is anticipated to be required or constructed as a result of the proposed annexation. See Attachment 3 for existing stormwater conveyance system plans. **[City to confirm]**
- The County currently has the solid waste franchise for the proposal area. After annexation, the City would have the right to request the transfer of the franchise to its jurisdiction (Dingman, 2008, personal communication). The request is likely since the County does not hold the solidwaste franchise for any City property.
- Police patrol and emergency response services would be transferred from the County Sheriff’s office to the City of Martinez Police department.

B. Describe the level and range of the proposed services.

City police services would be provided to the proposal area. The Office of the Sheriff (2008) reported only one incident in the beat that includes the proposal area from April 1, 2008 to September 30, 2008. The Martinez Police Department

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estimates that with the annexation of the proposal area, response times would stay constant or increase slightly (Sergeant Walkup, 2008, personal communication).

Responsibility for maintenance of the stormwater system would be transferred from the County to the City upon annexation. The level of stormwater maintenance in the proposal area would be low because much of the area drains into creeks on private properties. The publicly maintained stormwater facilities in the proposal area are limited to culverts (see Attachment 3).

C. Indicate when the services can feasibly be provided to the proposal area.

City police services and stormwater services would be provided to the proposal area upon annexation. Solid waste services may be transferred from the County to the City at the City's request.

D. Indicate any improvements or upgrading of structures, roads, sewers or water facilities or other conditions that will be required as a result of the proposal.

No improvements or upgrading of structures, roads, sewers, water facilities, or other conditions would be required as a result of the proposed annexation. Extension of sanitary sewer services by CCCSD to the Alhambra Valley area is independent of the proposed annexation and will continue with or without it.

E. Identify how these services will be financed. Include both capital improvements and ongoing maintenance and operation.

Not applicable.

F. Identify any alternatives for providing the services listed in Section (A) and how these alternatives would affect the cost and adequacy of services.

[To be completed by City]

16. Ability of the annexing agency to provide services

Attach a statement from each annexing agency describing its ability to provide services that are the subject of the application, including the sufficiency of revenues (56668j).

[City to provide statements to affirm that Police, stormwater, and solidwaste services would be provided to the proposal area]

17. Dependability of Water Supply for Projected Needs (56653)

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If the proposal will result in or facilitate an increase in water usage, attach a **statement** from the retail water purveyor that describes the timely availability of water supplies that will be adequate for the projected needs.

The proposed annexation could potentially facilitate an increase in water usage if it removes obstacles to development in the proposal area.

[City to provide statement]

18. Bonded indebtedness and zones – These questions pertain to long term debt that applies or will be applied to the affected property.

[City to respond]

- A. Do agencies whose boundaries are being changed have existing bonded debt?
_____ If so, please describe.
- B. Will the proposal area be liable for payment of its share of this existing debt?
_____ If yes, how will this indebtedness be repaid (property taxes, assessments, water sales, etc.)
- C. Should the proposal area be included within any 'Division or Zone for debt repayment? _ If yes, please describe.
- D. (For detachments) Does the detaching agency propose that the subject territory continue to be liable for existing bonded debt? _____. If yes, please describe.

19. Environmental Impact of the Proposal

- A. Who is the "lead agency" for this proposal? City of Martinez
- B. What type of environmental document has been prepared?

Categorically Exempt -- Class ____ EIR ____ Negative Declaration ____ Mitigated
ND (anticipated) Subsequent Use of Previous EIR _____ Identify the prior
EIR _____
- C. If an EIR has been prepared, provide 13 copies of the Final EIR and one copy of the lead agency's resolution listing significant impacts, mitigation measures and, if adopted, a statement of overriding considerations.

Not applicable.

20. Boundaries

- A. Why are these particular boundaries being used? Ideally, what other properties should be included in the proposal?

The City intends to annex all areas with deferred annexation agreements. The boundaries of this proposal were drawn to capture all properties with deferred annexation agreements that were also within the City Sphere of Influence (SOI) boundary and the County Urban Limit Line (ULL). Ideally, all properties with deferred annexation agreements would be included in the proposal area once they are incorporated into the SOI and ULL.

- B. If any landowners have included only part of the contiguous land under their ownership, explain why the additional property is not included.

Not Applicable.

21. Final Comments

- A. List any conditions LAFCO should include in it's resolution of approval.

None.

- B. Provide any other comments or justifications regarding the proposal from any affected local agency, landowner or resident.

None.

- C. Enclose all pertinent staff reports and supporting documentation related to this proposal. Note any changes in the approved project that are not reflected in these materials.

[City to provide]

22. Notices and Staff Reports - List up to three persons with mailing addresses to receive copies of the LAFCO notice of hearing and staff report.

Rob Schroder, Mayor
Philip Vince, City Manager
Karen Majors, Assistant City Manager

Address: City of Martinez – City Hall; 525 Henrietta Street; Martinez, CA 94553

Who should be contacted if there are questions about this application?

Preliminary Draft
for Discussion Only

Name

Address

Phone

Karen Majors, Assistant City Manager, 525 Henrietta Street, Martinez, CA 94553, 925-372-3514

Signature _____

Date _____