

EL DORADO LAFCO

LOCAL AGENCY FORMATION COMMISSION

EXECUTIVE OFFICER'S REPORT

AGENDA OF OCTOBER 22, 2014

REGULAR MEETING

TO: Ken Humphreys, Chair, and
Members of the El Dorado County Local Agency Formation
Commission

FROM: José C. Henríquez, Executive Officer

PREPARED BY: Erica Sanchez, Policy Analyst

AGENDA ITEM #7: Shingle Springs Montessori School Annexation to the El
Dorado Irrigation District

LAFCO Project No. 2014-02

PROPONENTS: California Montessori Project

AGENT: Anthony Tassano, Warren Consulting Engineers

DESCRIPTION OF PROJECT

The California Montessori Project (CMP), owner of APN 319-220-57, is requesting annexation of the 10-acre parcel into the El Dorado Irrigation District (EID) in order to extend water and wastewater service to a new Shingle Springs Campus, a 350-student, K-8 charter school campus for the California Montessori Project. The new Shingle Springs Campus is a planned, upgraded facility for the approximately 350 students who currently attend the existing Shingle Springs Campus, which is adjacent to the project site. A map of the parcel proposed for annexation and current EID boundaries is included as 'Attachment A' at the end of this report.

LOCATION

The proposed school site is located at 4741 Buckeye Road in Shingle Springs, on the north side of Buckeye Road, approximately 800 feet east of its intersection with Shingle Springs Road.

PURPOSE

The California Montessori Project (CMP) is a tuition-free, K-8 public charter school. CMP operates a network of five Montessori school campuses in the greater Sacramento area, under the supervisory oversight of four different public school districts. The

Shingle Springs Campus is operated under the oversight of the Buckeye Union School District.

CMP received state funding to build a new Shingle Springs Campus, which is a planned upgraded facility to replace its existing Shingle Springs Campus. The existing campus is within the EID service area and is located adjacent to the new campus site. The old campus will remain open after the new campus is built; some students will move into the new campus but the old campus will be utilized as well. Current enrollment at the Shingle Springs Campus is approximately 310 students; the number of students who attend the new campus is not expected to exceed 350. The estimated opening date is January 2015.

Development of the site will consist of the construction of three new buildings, ranging in size from 6,300 - 9,500 square feet. The buildings will include 14 new classrooms and a multi-purpose room, to accommodate approximately 350 students and faculty/staff. The facility will also include 45-50 on-site surface parking spaces, exterior hard courts, athletic fields, and a fire and pick-up/drop-off lane. The multi-purpose and additional classroom space will eliminate the need for some of the existing portable classrooms.

BACKGROUND

CMP submitted the annexation petition to LAFCO in January 2014 after preliminary discussions with LAFCO staff dating back to 2012. However, as LAFCO staff processed the annexation application and CMP worked towards completing the final application requirements, it became evident that it was unlikely the annexation would be finalized prior to the anticipated completion date of the new campus, which at that time was expected to be as early as fall 2014.

Out-of-agency Service Agreement

As a temporary solution to meet its construction and school opening deadlines, CMP entered into an Out-of-agency Service Agreement (OASA) with EID on June 6, 2014. The OASA allows EID to provide water and sewer service to the new Shingle Springs Campus, currently outside of District boundaries, until the Commission takes action on the annexation. The OASA is a contract between EID and CMP; LAFCO is not a party to this agreement, but LAFCO approval is required per Government Code §56133. The Commission approved the OASA at its June 25, 2014 meeting.

The terms of the OASA (Attachment F) stipulate that EID will provide water and sewer service to the CMP Shingle Springs Campus (APN 319-220-57) at 1½ times District rates until LAFCO records the Certificate of Completion annexing the subject property into the District or until the Agreement is terminated. The Agreement is valid for a period of three years; if the annexation has not been completed by June 6, 2017, the OASA will be terminated and service discontinued.

Commission approval of the OASA and approval of the annexation are two separate and independent actions. Approval of the OASA does not automatically approve the annexation, nor does it compel the Commission to approve the annexation. Both of these actions are discretionary and should be considered on their own merits by the Commission. The Commission retains the authority to approve, deny, or conditionally approve the annexation.

Parcel Split

The proposed school site is 10 acres of undeveloped land, located adjacent to the existing Shingle Springs Campus at 4645 Buckeye Road. The subject parcel, APN 319-220-57 was split from APN 090-220-26 and merged through a record of survey with the site of the existing Shingle Springs Montessori School campus, APN 319-220-49 (5.22 acres) in January 2014. The two school site parcels are now merged into one; however, they have retained separate administrative APNs.

CEQA

The California Montessori Project, as the lead agency for the Shingle Springs Campus project, prepared and certified a Mitigated Negative Declaration (MND) for the project on November 6, 2012. Within the scope of this environmental review, the environmental impacts of the construction of the new school were addressed; however, LAFCO staff prepared a supplemental Addendum to provide a more robust analysis of specific areas within the MND that would require greater consideration by LAFCO in order to meet its obligations as a responsible agency under CEQA. Because LAFCO was not consulted as a responsible agency, nor given an opportunity to review and comment on the document when it was circulated for public and agency comments, LAFCO staff was unable to comment on the environmental review analysis at the appropriate time.

The Addendum focuses on the impacts to utilities and service systems, specifically water and wastewater service and new infrastructure systems, to confirm that the annexation will not result in any additional environmental impacts beyond those addressed in the MND. As documented within the Addendum, no new impacts would occur as a result of the annexation. The addendum will need to be accepted by the Commission along with the original MND; however, it does not require additional circulation for public comment. The MND and the Addendum can be reviewed in their entirety as Attachments D and E.

RECOMMENDATIONS

Staff recommends that the Commission take the following actions:

1. Recognize that the California Montessori Project, as the lead agency, has prepared a Mitigated Negative Declaration and CEQA determinations which, along with an accompanying Addendum prepared by LAFCO staff, have been found to be adequate and complete for the purposes of this annexation. Staff recommends that the Commission certify the Addendum and direct staff to file a Notice of Determination in compliance with CEQA and local ordinances implementing the same.
2. Adopt LAFCO Resolution L-2014-14 (Attachment G), adding any additional conditions the Commission finds appropriate and approve the Shingle Springs Montessori School Annexation to the El Dorado Irrigation District; LAFCO Project No. 2014-02.
3. Waive the Conducting Authority Proceedings subject to Government Code §56663 and local policies.

4. Direct the Executive Officer to complete the necessary filings and transmittals as required by law.
5. Determine the effective date of the approval of this agreement to be five (5) working days after recordation by the County Recorder of the Executive Officer's Certificate of Completion once the imposed conditions are met.

REASON FOR RECOMMENDATION

After careful consideration of the 28 factors listed in Government Code §56668 (see below) and LAFCO Policies, staff has concluded that annexation into EID is necessary to provide municipal water, wastewater and fire hydrant services to the proposed school site. The upgraded school facilities are needed to expand and eventually replace the existing Shingle Springs Campus facility.

SUMMARY OF STATUTORY AND POLICY CONSIDERATIONS

Government Code §56668 and LAFCO Policies require that the review of a proposal shall consider the following factors:

| FACTOR TO CONSIDER | POLICY / STATUTE CONSISTENCY | COMMENT |
|---|-------------------------------------|---|
| Need for organized services, probable future needs | 1 – Consistent | The future Montessori school campus is expected to serve up to 350 students and will require water and sewer services; there are no other feasible options for private/public services. Annexation is a condition of the OASA between CMP and EID. |
| Ability to serve, level and range of service, timeframes, conditions to receive service | 2 – Consistent | CMP will be required to construct various infrastructure extensions onto the subject site for water and sewer service and to provide the necessary fire flow for adequate fire protection, including: 55 linear feet of 6-inch water line, 1,050 linear feet of 10-inch water line, a sewer facility extension of 25 linear feet of 4-inch force main, and a new on-site sewer lift station, to be maintained by CMP. |

| FACTOR TO CONSIDER | POLICY / STATUTE CONSISTENCY | COMMENT |
|--|------------------------------|---|
| Timely availability of adequate water supply | 3 – Consistent | There are 1,935 EDUs of water available in the Western / Eastern supply area, 283 of which have been previously committed through contractual commitments. The new Shingle Springs Campus will require approximately 10 EDUs. |
| Alternatives to service, other agency boundaries, and local gov't structure | 4 – Consistent | There are no other reasonable public or private alternatives to provide water or wastewater services to the new school site. |
| Significant negative service Impacts | 5 – Consistent | There are not expected to be any negative impacts to the current level of service for existing EID customers. |
| Coordination of applications | 6 – Consistent | No other services appear to be needed to serve this property or any surrounding properties. |
| Present cost/adequacy of governmental services, including public facilities | 7 – Consistent | The applicant will be required to submit a Facility Plan Report to EID that addresses all on-site and off-site improvements. |
| Effect of proposal on cost & adequacy of service in area and adjacent areas | 8 – Consistent | The school site is non-taxable; however, facility connection charges and regular commercial water usage charges will support the cost of services. |
| Effect of alternative courses of action on cost & adequacy of service in area and adjacent areas | 9 – Consistent | There are no other municipal water or wastewater service providers in this area of the County. If the annexation has not been completed by June 6, 2017, the OASA will be terminated and service shall be discontinued. |

| FACTOR TO CONSIDER | POLICY / STATUTE CONSISTENCY | COMMENT |
|---|------------------------------|---|
| Sufficiency of revenues, per capital assessed valuation | 10 – Consistent | The parcel has an assessed value of \$190,000; however, it is non-taxable. EID should receive sufficient revenue through user fees and connection charges. |
| Revenue producing territory | 11 – Consistent | Revenue collected through user charges and connection fees is expected to offset the cost of providing water and wastewater services to the school site; however, the revenue is not expected to exceed those costs. |
| 56668.3 best interest | 12 – Consistent | The annexation appears to be consistent with LAFCO, EID and BUSD policies and is in the best interests of the current and future Shingle Springs residents. |
| Boundaries: logical, contiguous, not difficult to serve, definite and certain | 13 – Consistent | The subject property is contiguous with EID boundaries on two sides and the annexation will not create an irregular service boundary for the District. The boundaries of the parcel to be annexed are definite and certain. |
| Topography, natural boundaries, drainage basins, land area | 14 – Consistent | There are no topographical features that will hinder service to this area. |
| Creation of islands, corridors, irregular boundaries | 15 – Consistent | The annexation will not create an irregular boundary, island, peninsula, cherry stem or flag configuration. |
| Conformance to lines of assessment, ownership | 16 – Consistent | The boundaries of the proposed annexation conform to the existing lines of assessment and ownership of the newly formed APN 319-220-57. |

| FACTOR TO CONSIDER | POLICY / STATUTE CONSISTENCY | COMMENT |
|---|------------------------------|--|
| Spheres of Influence | 17 – Consistent | The boundaries of the proposed annexation are fully contained within the EID sphere of influence. |
| Effect on adjacent areas, communities of interest | 18 – Consistent | The subject parcel is located in the northeastern portion of the Shingle Springs Community Region. The proposed Montessori school will primarily benefit current and future residents in the Shingle Springs area. |
| Information or comments from landowners or owners | 19 – Consistent | The California Montessori Project supports the annexation and has not indicated that any additional comments or information need to be given consideration beyond the customary application materials. |
| Effect on other community services, schools | 20 – Consistent | The proposed Montessori school is expected to have a positive impact on the surrounding area as a whole. There are no expected negative impacts to current service providers of the area. |
| Other agency comments, objections | 21 – Consistent | No agency comments or objections were received regarding the annexation. |
| Fair share of regional housing needs | 22 – N/A | The Montessori school project does not include any type of housing and will not assist the County in achieving its RHNA goals; however, the County may be able to meet these regional housing needs allocations elsewhere. |

| FACTOR TO CONSIDER | POLICY / STATUTE CONSISTENCY | COMMENT |
|--|------------------------------|--|
| Land use, information relating to existing land use designations | 23 – Consistent | The annexation and proposed development are consistent with the current zoning and land use designation. The subject territory is zoned RE-5 and has a land use designation of LDR, which permits school development. |
| Population, density, growth, likelihood of growth in, and in adjacent areas, over 10 years | 24 – Consistent | There are no registered voters residing in the proposal area. Extension of public water and sewer services will allow the construction of a K-8 elementary school, which is not expected to result in any projected population growth for the project site. |
| Proximity to other populated areas | 25 – Consistent | The area surrounding the school site consists of low density residential development, existing school facilities and vacant land. The existing Shingle Springs Montessori School Campus is located immediately to the west, Buckeye Road is located on the south, and low density residential development exists on all sides. |
| Consistency with General Plans, specific plans, zoning | 26 – Consistent | The proposed school site is consistent with the zoning (RE-5) and land use designation (LDR) of the subject parcel and with the surrounding existing school sites and residential development. |
| Physical and economic integrity of agriculture lands and open space | 27 – Consistent | The subject parcel is not utilized for any type of agricultural production, nor are any of the parcels adjacent to the project site. |

| FACTOR TO CONSIDER | POLICY / STATUTE CONSISTENCY | COMMENT |
|---|------------------------------|---|
| Optional factor: regional growth goals and policies | 28 – N/A | The proposed school does not include any type of housing development; therefore, it will not assist the County in achieving its RHNA goals. |

DETERMINATIONS

The Commission should review the factors summarized above and discussed below, then make its own determinations regarding the project. Staff recommends the following determinations based on project research, state law and local policies:

1. The subject territory is “uninhabited” per Government Code §54046. Application for this detachment is made subject to Government Code §56650 et. seq. by landowner petition.
2. The territory proposed for annexation is within the Sphere of Influence of the El Dorado Irrigation District and is contiguous to the existing boundary. The annexation will provide a more logical and orderly boundary.
3. The Mitigated Negative Declaration prepared for this project by the California Montessori Project, and accompanying Addendum prepared by LAFCO staff, satisfies the requirements of the California Environmental Quality Act.
4. The annexation will not result in negative impacts to the cost and adequacy of service otherwise provided in the area, and is in the best interests of the affected area and the total organization of local government agencies.
5. The annexation will not have an adverse effect on agriculture and open space lands.
6. The annexation will result in a decrease in water supply available for the build-out of regional housing needs determined by the Sacramento Area Council of Governments. The annexation will not, however, have a significant foreseeable effect on the ability of the County to adequately accommodate its fair share of those needs.

DISCUSSION

Government Code §56668 and LAFCO Policies require that the review of an annexation proposal shall consider the following factors:

(Numbered items 1-6 relate to services)

1. **NEED FOR ORGANIZED COMMUNITY SERVICES, PROBABLE FUTURE NEEDS:** Applicants shall demonstrate the need and/or future need for governmental services and that the proposal is the best alternative to provide service (Policies 3.1.4(b), 6.1.7; §56668(b)).

RESPONSE: The purpose of the annexation proposal is to annex 10 undeveloped acres into EID for the provision of water and wastewater services to support the construction of a new Montessori school campus. No other water purveyor provides service to this area of the County and private water and/or wastewater treatment systems are not feasible options for the planned school, given the scope of the future land use. The new charter school is expected to serve up to 350 students.

Construction is currently underway to extend water and wastewater facilities to the subject parcel, per an Out-of-agency Service Agreement (OASA) with EID on June 6, 2014. The OASA allows EID to provide water and sewer service to the new Shingle Springs Campus, outside of District boundaries, until the Commission takes action on this annexation. The Commission approved the OASA at its June 25, 2014 meeting. The OASA allows CMP to connect to EID facilities, and EID to provide water and sewer service to the new CMP Shingle Springs Campus at Outside District rates, until LAFCO records the Certificate of Completion annexing the subject property into the District or until the Agreement is terminated. The Agreement is valid for a period of three years; if the annexation has not been completed by June 6, 2017, the OASA will be terminated and service shall be discontinued.

2. **ABILITY TO SERVE, LEVEL AND RANGE OF SERVICE, TIMEFRAMES, CONDITIONS TO RECEIVE SERVICE:** Prior to annexation the applicants and proposed service providers shall demonstrate that the annexing agency will be capable of providing adequate services which are the subject of the application and shall submit a plan for providing services (Policy 3.3, §56668(j)).

RESPONSE: EID has affirmed that it is able to provide the necessary services to the new Shingle Springs Campus within the timeframe anticipated by the applicant. EID prepared *Facility Improvement Letter 1012-020* (FIL) for the Shingle Springs Montessori School project on October 31, 2012, which is valid for a period of three years. An FIL describes the existing infrastructure near the subject site, states the fire flow requirements from the local fire service provider and details the requirements for the landowner prior to receiving water service. Prior to receiving service, the FIL identified the following requirements for the applicant:

Water

An 8-inch water line exists in Buckeye Road and a 24-inch water line is located in Mother Lode Drive. The El Dorado County Fire Protection District has determined that the minimum fire flow for this project ranges from 875 to 1,250 gallons per minute for a two-hour duration while maintaining a 20-psi residual pressure. According to EID's hydraulic model, the existing system can deliver the required fire flow. In order to receive service, a looped water line extension connecting to both the existing 8-inch and 24-inch water lines must be constructed. Facilities required include approximately 55 linear feet of 6-inch water line and 1,050 linear feet of 10-inch water line.

Wastewater

There is an existing 12-inch sewer force main abutting the southern property line in Buckeye Road with adequate capacity to serve this project. In order to receive service from the Mother Lode Force Main, a 4-inch force main connection and a new private full sewage lift station must be constructed. Facilities required include approximately 25 linear feet of 4-inch force main sewer line and a new on-site sewage lift station, to be maintained by CMP.

3. **TIMELY AVAILABILITY OF ADEQUATE WATER SUPPLY:** The Commission shall consider the timely availability of water supplies adequate for projected needs (§56668(k)).

RESPONSE: According to the FIL, an estimated total of 10 Equivalent Dwelling Units (EDUs) will be required to serve the water and sewer needs of the Shingle Springs Montessori School, based on the landowner's request to utilize a 2 to 2½-inch meter for the site. An EDU is the annual water requirement for a single-family residential dwelling served by a ¾ -inch water meter; larger water meters require additional EDUs. This estimated usage is consistent with the current demand from the existing Shingle Springs Campus, which this new school will replace.

The school site is within EID's Western / Eastern Supply Area, which receives water provided by gravity flow from Project 184 and Jenkinson Lake. According to *EID's 2013 Water Resources and Service Reliability Report*, water meter availability in the Western / Eastern Supply Area is 1,935 EDU's. 283 EDUs have been previously committed through contractual commitments, leaving a total of 1,652 EDUs available for purchase in the Western / Eastern Supply Area. EID's policy is to sell meters on a first-come first-serve basis.

4. **ALTERNATIVES TO SERVICE, OTHER AGENCY BOUNDARIES, AND LOCAL GOVERNMENT STRUCTURE:** The Commission shall consider alternatives to the proposal, proximity of other agency boundaries and alternative courses of action. Where another agency objects to the proposal, LAFCO will determine the best alternative for service (Policies 3.3.2.2(g), 6.1.3).

RESPONSE: EID is the only public water and wastewater service provider for the subject area; there are no other public alternatives for the provision of water or wastewater service to the school site. Given the size of the school facilities, the expected demand is too great for private wells or septic systems to be feasible options. The school is expected to serve approximately 350 students at full build-out.

5. **SIGNIFICANT NEGATIVE SERVICE IMPACTS:** Services provided to the territory will not result in a significant negative impact on the cost and adequacy of services otherwise provided (Policy 6.2.4, §56668.3(b)).

RESPONSE: The service impacts to other EID customers are expected to be minor. Before each FIL is generated, EID staff conducts an analysis of the infrastructure capacity and compares it to the total expected demand from existing

and projected customer use. This is done to ensure that neighboring EID customers will not have any negative impacts to their current level of service. EID regulations provide safeguards to ensure that new development does not result in the over-allocation of water. The developer is responsible for construction and financing of all water transmission lines and distribution facilities to receive EID service. No negative fiscal, service or other impacts have been identified by EID.

6. **COORDINATION OF APPLICATIONS:** If a project site can be anticipated to require additional changes of organization in order to provide complete services, the proposal shall be processed as a reorganization (Policy 3.1.10). Where related changes of organization are expected on adjacent properties, petitioners are encouraged to combine applications and LAFCO may modify boundaries, including the addition of adjacent parcels to encourage orderly boundaries (Policy 3.1.9).

RESPONSE: The annexation area is within the El Dorado County Fire Protection District for fire suppression and emergency medical services, and El Dorado County's Service Area 9, Zone 17 – Ponderosa Recreation Zone for parks and recreation services. No other services appear to be needed to serve this property.

When APN 319-220-57 was split from APN 090-220-26 and merged with APN 319-220-49 (the existing Shingle Springs Montessori School campus), it also created APN 319-220-66, the 13.35-acre remnant. APN 319-220-66 remains outside of EID's service area; however, it is currently undeveloped and is not anticipated to require any additional services in the near future.

(Numbered items 7-12 relate to cost and revenues)

7. **PRESENT COST/ADEQUACY OF GOVERNMENTAL SERVICES, INCLUDING PUBLIC FACILITIES:** The Commission shall consider existing government services and facilities, cost and adequacy of such services and facilities (§56668(b), Policy 3.3). If service capacity and/or infrastructure will be expanded, the applicant will submit cost and financing plans (Policy 3.3.2.2).

RESPONSE: According to EID's 2013 *Water Resources and Service Reliability Report*, EID's Western / Eastern water supply region has sufficient EDUs available to serve this project (see #3 for a more detailed analysis of the water meter availability in this region). The applicant will be required to submit a Facility Plan Report to EID that addresses all on-site and off-site improvements. As stated above, EID meters are available for purchase by any qualified customer on a first-come first-serve basis. EID does not appear to have any current service deficiencies that indicate annexation of the school site would result in any negative cost or service impacts to present customers.

8. **EFFECT OF PROPOSAL ON COST & ADEQUACY OF SERVICE IN AREA AND ADJACENT AREAS:** The Commission shall consider existing and proposed government services and facilities, the cost and adequacy of such services and facilities and probable effect of the proposal on the area and adjacent areas (§56668(b) and Policy 3.3). LAFCO will discourage projects that shift the cost of

service and/or service benefits to others or other service areas (Policy 6.1.8).

RESPONSE: EID has negotiated and approved a property tax increment agreement with the County for the annexation territory (see Section 10 below for more information). The school site is non-taxable; however, facility connection charges and regular commercial water usage charges will support the cost of services. Prior to annexation, EID will prepare a cost benefit analysis for the project to analyze the long-term costs to the district.

9. **EFFECT OF ALTERNATIVE COURSES OF ACTION ON COST & ADEQUACY OF SERVICE IN AREA AND ADJACENT AREAS:** The Commission shall consider the cost and adequacy of alternative services and facilities (§56668).

RESPONSE: EID is the most logical water and sewer service provider for the proposed school; at this time, there are no other municipal water or wastewater service providers in this area of the County. The alternative for providing potable water to the school site is via a private well or transported water. A private well is not a viable option given the size of the school facilities and water transportation would be very costly and inconvenient.

CMP's Shingle Springs Campus has an OASA with EID to receive water and sewer service at 1½ times District rates, until LAFCO approves the annexation and records the Certificate of Completion annexing the subject property into the District or until the Agreement is terminated. The Agreement is valid for a period of three years; if the annexation has not been completed by June 6, 2017, the OASA will be terminated and service shall be discontinued.

10. **SUFFICIENCY OF REVENUES, PER CAPITA ASSESSED VALUATION:** 56668(j)

RESPONSE: APN 319-220-57 is an inactive, non-taxable parcel, owned by the California Montessori Project, which is a nonprofit public benefit corporation under the umbrella of the Buckeye Union School District.

In January 2014, APN 319-220-57 was split from APN 090-220-26 and merged through a record of survey with APN 319-220-49, which is the site of the existing Shingle Springs Montessori School campus. The two merged parcels have retained separate administrative APNs, but both are non-taxable.

APN 319-220-57 was assigned an assessed value of \$190,000 by the County Assessor when the parcel was created for the purpose of annexation. However, because it is non-taxable, the total local agency share of property tax revenue from the parcel is estimated at \$0, so each agency's share remains a percentage of zero.

Although the redistribution of the property tax increment will have a minimal monetary impact to any local agency at this time, the negotiation of property tax increment is required by Revenue and Taxation Code Sections 99 and 99.01. Therefore, the County and EID negotiated a property tax revenue sharing agreement, based upon the Chief Administrative Officer's proposal (Attachment C), with EID receiving 2.667% of the property tax revenue for the annexation area.

Prior to annexation, EID will prepare a cost benefit analysis of the proposed school project and expects to receive sufficient long-term revenue for providing service through connection fees, user charges and CMP's responsibility for covering the cost of extending necessary infrastructure.

11. **REVENUE PRODUCING TERRITORY:** The proposed annexation shall not represent an attempt to annex only revenue-producing territory (Policy 6.1.1).

RESPONSE: The project site is non-taxable; therefore, EID will not collect property tax revenue through this annexation. Revenue collected through connection fees and user charges are expected to cover the cost of service provision.

12. **best interest:** The Commission shall consider whether the proposed annexation will be for the interest of landowners or present or future inhabitants within the district and within the territory proposed to be annexed to the district (§56668.3).

RESPONSE: The annexation appears to be consistent with LAFCO, EID and Buckeye Union School District policies and is in the best interests of the current and future Shingle Springs residents. Absent Commission approval of the annexation and a recorded Certificate of Completion by June 6, 2017, the OASA between CMP and EID will expire.

(Numbered items 13-17 relate to boundaries)

13. **BOUNDARIES: LOGICAL, CONTIGUOUS, NOT DIFFICULT TO SERVE, DEFINITE AND CERTAIN:** The proposed boundary shall be a logical and reasonable expansion and shall not produce areas that are difficult to serve (§56001). Lands to be annexed shall be contiguous (Policy 3.9.3, §56741-cities) and should not create irregular boundaries, islands, peninsulas or flags (Policy 3.9.4). The boundaries of the annexation shall be definite and certain and conform to existing lines of assessment and ownership (Policy 3.9.2, §56668(f)).

RESPONSE: The subject property is contiguous with EID boundaries on two sides and the annexation will not create an irregular service boundary for the District. Water and sewer lines are nearby and can be extended to the subject area without any foreseeable problems.

Prior to requesting annexation, APN 319-220-57 was split from APN 090-220-26 and merged through a record of survey with APN 319-220-49 (site of the existing Shingle Springs Montessori School campus, 5.22 acres); the two merged parcels have retained separate administrative APNs. The boundaries of the parcel to be annexed are definite and certain.

14. **TOPOGRAPHY, NATURAL BOUNDARIES, DRAINAGE BASINS, LAND AREA:** Natural boundary lines which may be irregular may be appropriate (Policy 3.9.6). The resulting boundary shall not produce areas that are difficult to serve (Policy 3.9.7).

RESPONSE: The project site is currently undeveloped, vacant land. Vegetation is comprised of Annual Grassland and Blue Oak Woodland habitat with a few notable oak trees on the site. The site also contains an ephemeral creek and a seasonal wetland swale. Topography on-site is relatively flat. There are no topographical features that will hinder service to this area.

15. **CREATION OF IRREGULAR BOUNDARIES:** Islands, peninsulas, "flags", "cherry stems", or pin point contiguity shall be strongly discouraged. The resulting boundary shall not produce areas that are difficult to serve. The Commission shall determine contiguity (Policies 3.9.3, 3.9.4, 3.9.7).

RESPONSE: The annexation will not create an irregular boundary, island, peninsula, cherry stem or flag configuration.

16. **CONFORMANCE TO LINES OF ASSESSMENT, OWNERSHIP:** The Commission shall modify, condition or disapprove boundaries that are not definite and certain or do not conform to lines of assessment or ownership (Policy 3.9.2).

RESPONSE: The boundaries of the proposed annexation conform to the existing lines of assessment and ownership of the newly formed APN 319-220-57. The proposal map has been reviewed by the County Surveyor and has been found to be definite and certain.

17. **SPHERES OF INFLUENCE:** Commission determinations shall be consistent with the spheres of influence of affected local agencies (Policy 3.9.1).

RESPONSE: The boundaries of the proposed annexation are fully contained within the EID sphere of influence.

(Numbered items 18-21 relate to potential effect on others and comments)

18. **EFFECT ON ADJACENT AREAS, COMMUNITIES OF INTEREST:** The Commission shall consider the effect of the proposal and alternative actions on adjacent areas, mutual social and economic interests and on the local governmental structure of the county (§56668(c)).

RESPONSE: The subject parcel is located within the northeastern portion of the Shingle Springs Community Region. The proposed Montessori school will primarily benefit current and future residents in the Shingle Springs area.

19. **INFORMATION OR COMMENTS FROM THE LANDOWNER OR OWNERS:** The Commission shall consider any information or comments from the landowner or owners.

RESPONSE: The California Montessori Project supports the annexation and has not indicated that any additional comments or information need to be given consideration beyond the customary application materials.

- 20. EFFECT ON OTHER COMMUNITY SERVICES, SCHOOLS:** LAFCO's review of services refers to governmental services whether or not those services are provided by local agencies subject to the Cortese-Knox-Hertzberg Act, and includes public facilities necessary to provide those services.

RESPONSE: There are no negative impacts expected for other public service providers in the area. The following identifies the current public service providers and the expected impacts:

Fire Protection: The Montessori school site is within the El Dorado County Fire Protection District (EDCFPD). The nearest structural fire station is EDCFPD's Station 28 at 3860 Ponderosa Road, which is approximately 2.3 miles west from the project site. The level of service provided to the area will not change as a result of the annexation.

Police Protection: The El Dorado County Sheriff's Department would continue to provide police services for the annexation area after the charter school is constructed. Response times to the area would depend on the location of the nearest unit at the time of dispatch.

Park and Recreation Services: The subject parcels are currently within El Dorado County's Service Area 9, Zone 17 – Ponderosa Recreation Zone for park and recreation services, which is not requested to change as a part of this proposal. The El Dorado County Parks and Recreation Department is responsible for providing recreation areas and parks within the unincorporated areas not in Community Service Districts. The proposed school will add additional recreational opportunities for the community in the form of additional playing fields, hard court areas and playground equipment.

Schools: The project site is located within the Buckeye Union School District, the El Dorado Union High School District and the Los Rios Community College District. Construction of the new Montessori school will accommodate existing students currently attending the existing Shingle Springs Montessori School, as well as provide additional capacity for up to 350 students.

- 21. OTHER AGENCY COMMENTS, OBJECTIONS:** All affected and interested agencies are provided application related material and notified of the proposal and proposed property tax redistribution plan. Comments have been requested and shall be considered (Policy 3.1.4 (l), §56668(i)).

For district annexations and city detachments only, the Commission shall also consider any resolution objecting to the action filed by an affected agency (§56668.3(4)). The Commission must give great weight to any resolution objecting to the action which is filed by a city or a district. The Commission's consideration shall be based only on financial or service related concerns expressed in the protest (§56668.3(5b)).

RESPONSE: The following agencies were provided an opportunity to comment on this proposal:

- Buckeye Union School District
- El Dorado County Assessor's Office
- El Dorado County Auditor's Office
- El Dorado County Chief Administrative Office
- El Dorado County Department of Agriculture
- El Dorado County Elections Department
- El Dorado County Emergency Services Authority
- El Dorado County Fire Protection District
- El Dorado County Office of Education
- El Dorado County Planning Department
- El Dorado County Representing CSAS 7, 9, 9 Zone 17, 10 and 10 Zone H
- El Dorado County Resource Conservation District
- El Dorado County Sheriff's Department
- El Dorado County Surveyor's Office
- El Dorado County Water Agency
- El Dorado Irrigation District
- El Dorado Union High School District
- Farm Bureau
- Los Rios Community College District

As part of the standard notification process, LAFCO sent a project notice requesting agency comments to all affected agencies in February 2014 and a project hearing notice in September 2014. No agency comments or objections were received.

(Numbered items 22-26 relate to land use, population and planning)

22. FAIR SHARE OF REGIONAL HOUSING NEEDS: The Commission shall review the extent to which the proposal will assist the receiving entity in achieving its fair share of regional housing needs as determined by Sacramento Area Council of Governments (SACOG) (§56668(I)).

RESPONSE: In February of 2008, the Sacramento Area Council of Governments (SACOG) Board of Directors adopted their 2006-2013 Regional Housing Needs Plan (RHNP), which allocates to SACOG cities and counties their "fair share" of the region's projected housing needs. Each city and county in the RHNP receives a Regional Housing Needs Allocation (RHNA) of total number of housing units that it must plan for within a 7.5 year time period through their General Plan Housing Elements. Allocations are distributed within four economic income categories; very low, low, moderate and above moderate. Allocation goals for the unincorporated portion of El Dorado County are as follows:

MHI = Median Household Income

| 2006-2013 Total RHNA Allocation | | | | |
|--|--------------------------------|-----------------------------|-----------------------------------|---------------------------------------|
| Total Units | Very Low <50% of MHI | Low 50-80% of MHI | Moderate 80-120% of MHI | Above Moderate 120+% of MHI |
| 15,993 (100%) | 4,818 (30.1%) | 3,456 (21.6%) | 3,002 (18.8%) | 4,717 (29.5%) |

The proposed Montessori school project does not include any type of housing development. As proposed, the project will not assist the County in achieving its Regional Housing Needs Assessment (RHNA) goals and will contribute to a decrease in the total available land for all housing categories; however, the County may be able to meet these regional housing needs allocations elsewhere.

- 23. LAND USE, INFORMATION RELATING TO EXISTING LAND USE DESIGNATIONS:** The Commission shall consider any information relating to existing land use designations (§56668(m)).

RESPONSE: The current zoning for the annexation site is Residential Estate 5-Acre (RE-5) and the land use designation is Low Density Residential (LDR). School districts are not subject to the same siting designations for zoning as the general public; a school district is permitted to use a Residential zoned parcel of land for the purpose of a school site; therefore, the annexation and proposed Montessori school are consistent with the current zoning and land use designation.

- 24. POPULATION, DENSITY, GROWTH, LIKELIHOOD OF GROWTH IN AND IN ADJACENT AREAS OVER 10 YEARS:** The Commission will consider information related to current population, projected growth and number of registered voters and inhabitants in the proposal area.

RESPONSE: There are no registered voters residing in the proposal area and the subject territory is considered uninhabited per Government Code 56046, which states, "*Inhabited territory*" means territory within which there reside 12 or more registered voters...All other territory shall be deemed "*uninhabited*."

Extension of public water and sewer services will allow the construction of a K-8 elementary school, which is not expected to result in any projected population growth for the project site. However, the presence of the Montessori school could potentially indirectly influence population growth in the area by offering attractive amenities for developers and home buyers.

- 25. PROXIMITY TO OTHER POPULATED AREAS:** The Commission shall consider population and the proximity of other populated areas, growth in the area and in adjacent incorporated and unincorporated areas during the next 10 years (Policy 3.1.4 (a)).

RESPONSE: The area surrounding the project site consists of low density residential development, existing school facilities and vacant land. The existing Shingle Springs Montessori School Campus is located immediately to the west (merged with the subject parcel through a record of survey), Buckeye Road is located on the south, and low density residential development exists on the remaining sides. The proposed school campus will conform to the surrounding zoning and land use designations (refer to Section 26).

- 26. CONSISTENCY WITH GENERAL PLANS, SPECIFIC PLANS, ZONING:** The Commission shall consider the general plans of neighboring governmental entities (Policy 3.1.4(g)).

RESPONSE: The proposed school site is zoned for estate residential use (RE-5), which allows the development of public school facilities with an approved special use permit. The school is also consistent with the zoning and land use designations of the subject parcel and surrounding existing school sites and residential development.

| Surrounding Area | Zoning | General Plan Land Use | Current Land Use |
|-------------------------------------|--------|-----------------------|---|
| Project Site: 319-220-57 | RE-5 | LDR | Vacant: Split from APN 090-220-26, merged with APN 319-220-49 |
| North: | RE-5 | LDR | Residential: 5-acre parcels |
| West: | RE-5 | LDR | Residential: 5-acre parcel Schools: Existing Shingle Springs Montessori School Campus (APN 319-220-49) Buckeye Elementary School Shingle Springs Drive |
| East: | RE-5 | LDR | Residential: 13.35-acre parcel, split from APN 090-220-26 Residential: 5-acre parcels |
| South: | RE-5 | LDR | Residential: 0.5 to 2.26-acre parcels Buckeye Road |

27. PHYSICAL AND ECONOMIC INTEGRITY OF AGRICULTURE LANDS AND OPEN SPACE LANDS: LAFCO decisions will reflect it's legislative responsibility to maximize the retention of prime agricultural land while facilitating the logical and orderly expansion of urban areas (Policy 3.1.4(e), §56016, 56064).

RESPONSE: The subject parcel is comprised of both choice and non-choice soils, but the site is not utilized for any type of agricultural production, nor are any of the parcels adjacent to the project site. The parcel is within the Shingle Springs Community Region and is surrounded by residential development and two elementary school campuses. The proposed school will not result in a loss of productive agricultural land or conflict with nearby agricultural uses.

28. OPTIONAL FACTOR: REGIONAL GROWTH GOALS AND POLICIES: The Commission may, but is not required to, consider regional growth goals on a regional or sub-regional basis (§56668.5).

RESPONSE: The annexation and construction of the new Shingle Springs Montessori School Campus does not include any type of housing development; therefore, it will not assist the County in achieving its RHNA goals. See Section 22 for more detail regarding SACOG's RHNA goals.

ATTACHMENTS

- Attachment A: Project Map
- Attachment B: California Montessori Project Annexation Application
- Attachment C: BOS AB-8 Resolution
- Attachment D: California Montessori Project Mitigated Negative Declaration
- Attachment E: Supplemental Addendum to the Mitigated Negative Declaration
- Attachment F: Out-of-agency Service Agreement between CMP and EID, dated June 6, 2014
- Attachment G: LAFCO Draft Resolution L-2014-14