## Staff Report

for the Administrative Practices Committee Meeting of October 6, 2020

**TO:** Administrative Practices Committee Members

**FROM:** Shannon Wood, Business Services Technician

Doug Roderick P.E., Engineering Manager

**DATE:** September 28, 2020

SUBJECT: Annexation – Alta Hill Area

**ENGINEERING** 

**RECOMMENDATION**: Review proposed annexation in the Alta Hill area, and make a recommendation to the Board of Directors.

**BACKGROUND**: On January 19, 2007, Nevada County Local Area Formation Commission (LAFCo) adopted Resolution No. 07-01 which adopted the Nevada Irrigation District Sphere of Influence (SOI) Plan 2006 Update. The major purpose of the SOI was to update the District's SOI in accordance with the requirement of the Cortese-Knox-Hertzberg Local Government Reorganization Act and identify horizons for annexation of "islands" within the District's service boundary.

Additionally, on November 21, 2019 LAFCo adopted Resolution 19-19 (Annexation – East Bennett Road Properties) which included a condition for the District to proceed with a subsequent annexation of an adjacent pre-existing island of property (Idaho-Maryland Road properties).

Initially, the focus was to initiate an annexation of the Alta Hill area. Staff consulted with Nevada County LAFCo Executive Officer, SR Jones, who reiterated the need to annex parcels that are excluded from, but surrounded by, the District's jurisdictional boundary. Therefore, the Hooper & Weaver Mortuary parcel, two parcels on Rough & Ready Road, and the Idaho-Maryland Road parcels were added to this proposed annexation, as they are all considered "islands" within District boundaries.

The proposed annexation consists of lands within the perimeter of the District's Sphere of Influence, but not included in the District's boundaries and represent interior exclusions or "islands". There are four (4) areas:

Alta Hill area	69 parcels	30.69 acres
Hooper & Weaver Mortuary	1 parcel	7.20 acres
Rough & Ready Hwy	2 parcels	.32 acres
Idaho-Maryland Road	5 parcels	5.55 acres

Of the 77 parcels proposed for annexation, the District currently serves treated water to 68 parcels. These 68 customers are currently being charged "Outside-District" rates, which are 25% higher than "Inside-District" rates. As indicated in the Plan for Providing Services, no NID waterline infrastructure is required to serve water to the remaining parcels should water service be requested, as they would be considered variance connections.

Letters were mailed to all property owners on August 14, 2020 with a request for response to gauge interest. Staff received 32 responses representing 42% of the total mailed. Twenty-five (25) property owners indicated support while seven (7) responses in opposition came from three separate property owners (one of whom owns four parcels and one of whom owns two parcels).

Staff has prepared a draft Resolution making application for the annexation should the Committee decide to recommend this action to the Board of Directors. As indicated in the draft Resolution, the territory is already within the District's service area, which qualifies the annexation for Categorical Exemption to the provisions of the California Environmental Quality Act under Class 19, Annexation of Existing Facilities and Lots for Exempt Facilities.

**BUDGETARY IMPACT**: Estimated cost of the annexation is approximately \$21,900 as outlined below. Remaining budget in 10114-52608 Annexation (Fees): \$20,000 and 10115-52603 Annexation (Consultant): \$30,000

- Nevada County LAFCo Annexation fee: \$2,500 Initial Deposit toward project cost (Fees)
- State Board of Equalization: \$2,500 approximately (Fees)
- Nevada City Engineering Proposal for Map/Legal Descriptions: \$16,869 (Consultant)

#### Attachments (5):

- Draft Resolution Making Application for Annexation
- Map of Proposed Annexation Parcels Alta Hill area (west of City of Grass Valley)
- Map of Proposed Annexation Parcels Idaho-Maryland Road area (east of City of Grass Valley)
- Nevada County LAFCo Plan for Providing Services
- Letter to Property Owners mailed August 14, 2020



#### OF THE BOARD OF DIRECTORS OF THE NEVADA IRRIGATION DISTRICT

## MAKING APPLICATION FOR ANNEXATION OF LAND TO NEVADA IRRIGATION DISTRICT – UNINCORPORATED NEVADA CO.

WHEREAS, the Nevada Irrigation District desires to initiate proceedings pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, commencing with Section 56000 of the California Government Code, for the annexation of EXCLUSIONS WITHIN THE UNINCORPORATED NEVADA COUNTY BOUNDARY; and

**WHEREAS**, notice of intent to adopt this Resolution of Application has not been given to each interested and subject agency; and

**WHEREAS**, a map depicting the boundaries of the territory is set forth in Exhibit A attached hereto and by this reference incorporated herein; and

**WHEREAS**, this proposal is consistent with the Sphere of Influence of the Nevada Irrigation District, as adopted by the Local Agency Formation Commission in 2006; and

**WHEREAS**, the final metes and bounds description of the proposed annexation may result in minor adjustments to the annexation boundaries. These minor adjustments may proceed forward as if fully contained herein; and

WHEREAS, the territory proposed for annexation contains 77 rural properties of which 68 currently receive District treated water service paying Outside-District rates and 9 do not currently receive District treated water service. Annexation will result in the opportunity for the 9 properties to establish treated water service, existing customers will realize a reduction in treated water rates, and will enable property owners to participate in District elections; and

**WHEREAS**, the properties that are located generally west of the City of Grass Valley which are surrounded by Division 5 will be assigned to Division 5 and the properties that are located generally east of the City of Grass Valley which are surrounded by Division 1 will be assigned to Division 1; and

WHEREAS, the Board of the Nevada Irrigation District has considered the proposed annexation of the subject territories and concluded the annexation of territory already within the District's service area qualifies for Categorical Exemption to the provisions of the California Environmental Quality Act under Class 19, Annexation of Existing Facilities and Lots for Exempt Facilities; and

Resolution No. 2020-?? Making Application for Annexation of Land to NID – Alta Hill Area, Nevada County Page 2

**WHEREAS**, this Board hereby adopts the plan for providing services to the affected territory required by Government Code Section 56653 and attached hereto as Exhibit B; and

WHEREAS, this Board certifies that, pursuant to Section 99(b) of the Tax and Revenue Code, that it remains in agreement with the Master Tax Exchange Agreement between the County of Nevada, Nevada Irrigation District, and the City of Grass Valley for Apportionment of Property Tax Revenues due to Jurisdictional Changes, approved on February 13, 1990 by the City of Grass Valley Resolution No. 88-48, and on February 28, 1990, by the Nevada Irrigation District Resolution 90-10.

**NOW, THEREFORE BE IT RESOLVED**, this Resolution of Application is hereby adopted and approved by the Board of Directors of the Nevada Irrigation District and the Local Agency Formation Commission of Nevada County is hereby requested to take proceedings for the annexation of the territory described in Exhibit A, according to the terms and conditions stated above, and in the manner provided by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

**BE IT FURTHER RESOLVED**, the above Recitals are true and correct and are incorporated as findings of the Board of Directors.

**BE IT FURTHER RESOLVED**, the Interim General Manager is directed and authorized to take such further action as necessary and reasonable to implement the terms of this Resolution and to file a Notice of Exemption citing Class 19, Sec. (15319) of the Public Resources Code.

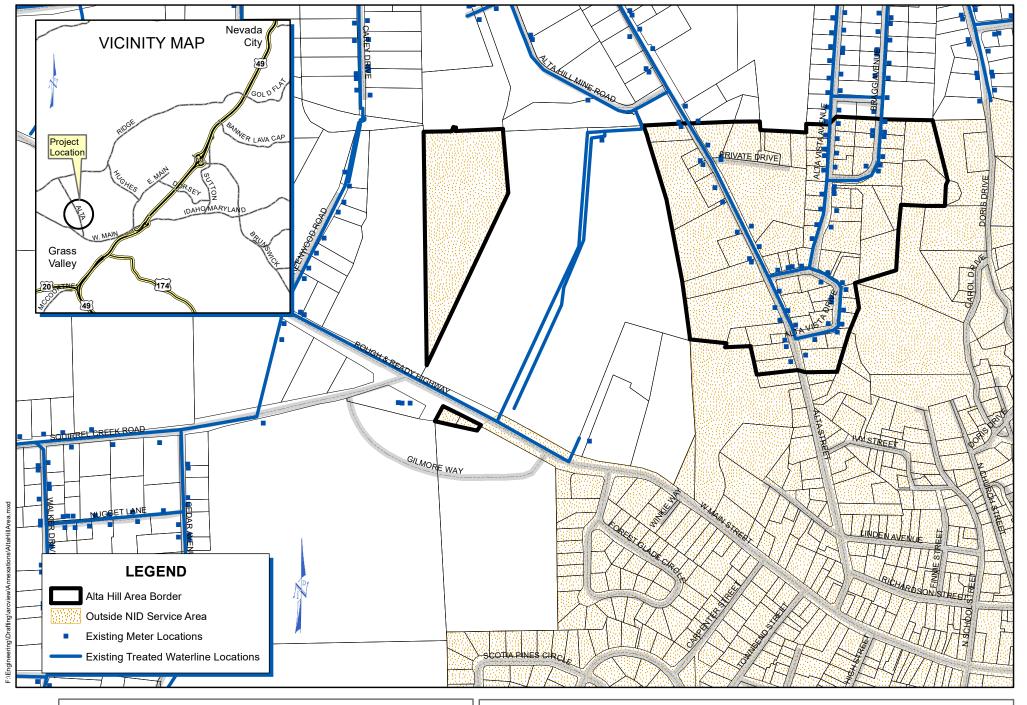
PASSED AND ADOPTED by the Board of Directors of the Nevada Irrigation District at a regular meeting held on the \_\_\_\_\_ day of\_\_\_\_\_\_, 2020 by the following vote:

AYES: Directors:
NOES: Directors:
ABSENT: Directors:
ABSTAINS: Directors:

President of the Board of Directors

Attest:

Secretary to the Board of Directors





### NEVADA IRRIGATION DISTRICT

NEVADA COUNTY -- PLACER COUNTY GRASS VALLEY, CALIFORNIA

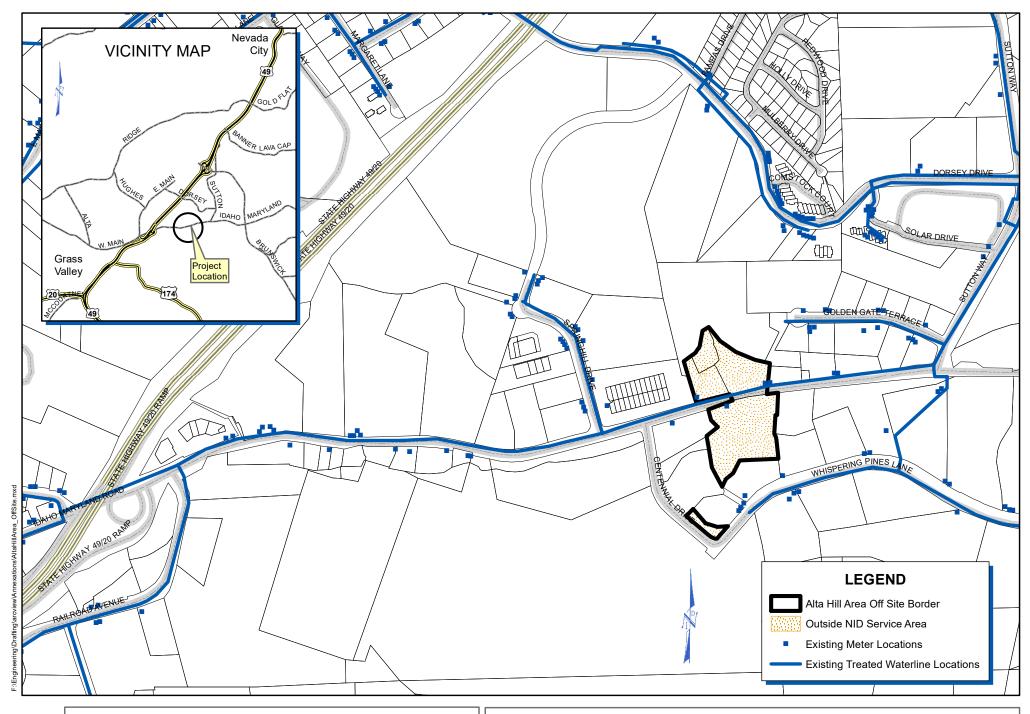
## ALTA HILL AREA ANNEXATION PROPOSED DIVISION 5

Drawn By: D. HUNT

Date: 9/30/2020

Scale: 1"=500' @ 8-1/2x11

Sheet: \_1\_ of \_1\_





### NEVADA IRRIGATION DISTRICT

NEVADA COUNTY -- PLACER COUNTY GRASS VALLEY, CALIFORNIA

## ALTA HILL AREA ANNEXATION - OFF SITE IDAHO MARYLAND PARCELS - PROPOSED DIVISION 1

Drawn By: D. HUNT Date: 9/30/2020 Scale: 1"=500' @ 8-1/2x11 Sheet: 1 of 1

# PLAN FOR PROVIDING SERVICES IN CONNECTION WITH THE ANNEXATION OF 77 Parcels in the Alta Hill Area, on Rough & Ready Hwy and Idaho-Maryland Road

The Nevada Irrigation District will provide services to the subject territory as outlined below:

1. Enumerate and describe the services to be extended to the affected territory.

Treated water mains currently exist in Alta Street, Alta Vista Avenue, Bragg Avenue, Rough & Ready Hwy, and Idaho-Maryland Road. Of the 77 parcels, 68 are customers of NID and are being charged Outside-District rates. Upon completion of the annexation, customers will be billed at Inside-District rates. Additionally, the balance of the parcels would be eligible to receive treated water if requested.

2. Specify the level and range of those services.

See above #1

- 3. *Indicate when those services can feasibly be extended to the affected territory.* N/A. Customer rates will be adjusted after annexation to the District is complete.
- 4. Indicate any improvement or upgrading of structures, roads, sewer or water facilities, or other conditions the local agency would impose or require within the affected territory if the change of organization or reorganization is completed.

  No NID waterline improvements are necessary.
- 5. Provide information about how each of those services will be financed.

  In the case of the nine (9) properties which are presently not receiving treated water service from the District, the property owner is responsible for cost of connection, if requested.



## **NEVADA IRRIGATION DISTRICT**

1036 W. Main Street, Grass Valley, CA 95945-5424 (530) 273-6185 ~ Fax: (530) 477-2646 ~ www.nidwater.com

August 14, 2020

«OwnerName» «MailingAdd» «MailingCit», «MailingZip»

Re: Proposed Annexation to Nevada Irrigation District

Nevada County Assessor's Parcel Number: «APNumber»

#### Dear Property Owner:

The Nevada Irrigation District (NID or District) is initiating an annexation of parcels in the area of Alta Street, Alta Vista Avenue, Bragg Avenue and Private Drive. The District currently serves treated water to most of the properties in this vicinity, which pay "Outside District" rates that reflect a 25% surcharge. The District will cover the cost of annexing these properties and there will be no cost to the landowners. Once completed, the 25% "Outside District" rate surcharge would be eliminated. Annexation will also permit the voters residing on these properties to participate in District elections.

It is Nevada County Local Area Formation Commission's (Nevada LAFCo) policy to avoid piecemeal annexations by encouraging the District to annex as many adjoining properties as reasonably possible. Therefore, the District would also like to include, at its own cost, a few additional properties on Rough & Ready Hwy and Idaho Maryland Road that are also adjacent to the District's water lines and may or may not currently receive water service.

Properties that are not currently receiving treated water from NID will not be required to connect to the District's water lines as a result of the annexation.

Understandably, the annexation process can be complex and unfamiliar. Should you have any questions or concerns, please feel free to contact me at 530-273-6185 ext. 240 or via email at wood@nidwater.com.

Sincerely,

Shannon Wood Business Services Technician

#### Enclosures (3):

- Map of Alta Hill area
- Map of Idaho-Maryland Road area
- Questionnaire Request for Response

## **Request for Response regarding Annexation**

Please choose one option and return this form by September 11, 2020.

	Yes, I support the Nevada Irrigation District annexing my parcel into the NID boundaries.
	No, I am opposed to the Nevada Irrigation District annexing my parcel into the NID boundaries
Proper	rty Address:
If you	would like to ask questions or get clarification prior to submitting a response, please contact

Shannon Wood at 530-273-6185 ext. 240 or via email at wood@nidwater.com

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