

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
EXECUTIVE OFFICER'S REPORT

May 14, 2008 (Agenda)

LAFCO 07-23: Sky Ranch II Reorganization: Annexations to the City of Pittsburg, Contra Costa Water District (CCWD) and Delta Diablo Sanitation District (DDSD)

PROPONENT: City of Pittsburg – City Council Resolution 07-10826 adopted June 18, 2007

ACREAGE & LOCATION Approximately 160± acres to the City, CCWD and DDSD, generally located at the terminus of Ventura Drive, south of the existing Highlands Ranch subdivision and approximately one mile southwest of the Somersville Road/Buchanan Road intersection (APNs 089-050-042/066/067)

SYNOPSIS

The City filed an application with LAFCO to annex the properties to the City of Pittsburg, CCWD and DDSD in conjunction with the proposed Sky Ranch II Residential Subdivision. The purpose of the reorganization is to extend water, wastewater and other municipal services to a proposed development of 415 single-family dwelling units, detention basin and mini park.

DISCUSSION

The CKH Act sets forth factors that the Commission is required to consider in evaluating any proposed change of organization or reorganization as discussed below (Government Code §56668). In your Commission's review and evaluation, no single factor is determinative. In reaching your decision, each is to be evaluated within the context of the overall proposal.

1. Consistency with the Sphere of Influence of Any Local Agency:

LAFCO is charged with both regulatory and planning functions. Annexations are basically a regulatory act, while establishing spheres of influence (SOIs) is a planning function. The SOI is an important benchmark as it defines the primary area within which urban development is to be encouraged. In order for the Commission to approve an annexation, it must be consistent with the jurisdiction's adopted SOI.

The reorganization area is within the SOIs of the City of Pittsburg, CCWD and DDSD in accordance with the Commission action on April 9, 2008 to amend the CCWD and DDSD SOIs to include the proposal area. The reorganization area is also within both the City of Pittsburg and Contra Costa County Urban Limit Lines.

2. Land Use, Planning and Zoning - Present and Future:

The reorganization area consists of three parcels (APNs 089-050-042/066/067). The project site currently includes an existing City owned water tank and vacant grassland which is used for cattle grazing.

Surrounding land uses include single family residential to the east and north, and cattle grazing and vacant grassland to the west and south. Also, the Black Diamond Mines Regional Preserve lies to the south of the project site.

Among the factors LAFCO must consider in reviewing a proposal is "Consistency with city or county general and specific plans." (Government Code §56668)

The Contra Costa County General Plan designates the site as "Agricultural" and County zoning identifies the site as A-4 "Agricultural District." The City of Pittsburg's General Plan designates the site as Low Density Residential (3 dwelling units/acre); the City has rezoned the site as RS-6-O "Single Family Residential District."

The City has rezoned the property and approved a Vesting Tentative Map and associated home designs, subject to conditions, for the Sky Ranch II development project.

The proposed land uses are inconsistent with the County land use designations; however, they are consistent with the City's land use designations.

It should be noted that pursuant to the Government Code §56375(e), no subsequent change may be made to the general plan for the annexed territory or zoning that is not in conformance to the rezoning designations for a period of two years after the completion of the annexation, unless the legislative body for the city makes a finding at a public hearing that a substantial change has occurred in the circumstances that necessitate a departure from the rezoning in the application to your Commission.

3. The Effect on Maintaining the Physical and Economic Integrity of Agricultural Lands:

The properties proposed for annexation contain no prime farmland or land covered under Williamson Act Land Conservation Agreements.

Agricultural uses in the area include cattle grazing. A portion of the area is classified by the California Department of Conservation as Farmland of Local Importance. Agricultural-zoned or Williamson Act parcels remain under contract in the general Planning Area, but none are located on the project site.

4. Topography, Natural Features and Drainage Basins:

The general topography of the reorganization area is hillside land that consists of undeveloped grasslands. The existing elevation difference on the site ranges from approximately 200 feet at the lowest point to about 450 feet at the highest point. Modification to the existing topography will be needed in order to develop the 415 residential units. The City's Environmental Impact Report (EIR) and geotechnical reports provide analyses of these impacts, along with a number of mitigation measures.

The surrounding areas to the south and west of the proposal area are vacant hillside grasslands used for cattle grazing. To the north (City of Pittsburg) and east (City of Antioch) is single-family residential development.

The project site is located in the Kirker Creek and West Antioch Creek sub-basins. These sub-basins consist of multiple tributaries or smaller watersheds. The project area is outside the 100-year floodplain.

The region's flood control systems are under the purview of the Contra Costa County Flood Control and Water Conservation District (CCCFCWCD). During the Sky Ranch II project environmental review process, CCCFCWCD provided comments regarding the flood control and drainage system, acknowledging deficiencies in the Kirker Creek watershed downstream of the project site, along with other inadequacies. The City's EIR and geotechnical reports provide analyses of these impacts, along with a number of mitigation measures.

5. Population:

The site is currently vacant. The proposed development will provide approximately 415 new residential units, resulting in an estimated population of approximately 1,436 persons per the City of Pittsburg's adopted ratio of 3.46 persons per household.

6. Fair Share of Regional Housing:

Pursuant to §56668 of the CKH Act, LAFCO must consider in the review of a proposal the extent to which the proposal will assist the receiving entity in achieving its fair share of the regional housing needs as determined by the regional council of governments.

Regional housing needs are determined by the State Department of Housing and Community Development, and the various councils of government throughout the State allocate to each jurisdiction a "fair share" of the regional housing needs pursuant to Government Code §65584.

The Association of Bay Area Governments (ABAG) determines each city's fair share of regional housing needs. Each jurisdiction is required in turn to incorporate its "fair share of the regional housing needs into the housing element of its General Plan." ABAG is expected to approve its Regional Housing Needs Allocation (RHNA) for the period 2006-14 this year.

The proposed RHNA for the City of Pittsburg for the next round (2006 – 2014) calls for the City to generate the following: 322 units for "Very Low" income households (i.e., incomes under 50% of the regional median income), 223 units for "Low" income households (under 80% of the regional median), 296 units for "Moderate" income households (under 120% of the regional median income) and 931 units for households above median income.

The City of Pittsburg is currently working on an update to its General Plan Housing Element to be completed in 2009.

The Sky Ranch II Residential Subdivision will add 415 residential dwelling units to the City's housing stock. Pursuant to the City's Inclusionary Housing Ordinance and development conditions, the developer shall contribute to the City's moderate or low income stock and will be required to enter into an affordable housing agreement to either 1) set aside 10% of the development units (i.e., 42) for moderate or low income residents and guaranteeing affordability for at least 45 years, or 2)

comply with the City's Municipal Code §18.83.080 by reserving and renting 21 units to very low income households, and setting the rent as affordable.

7. Governmental Services and Controls - Need, Cost, Adequacy and Availability:

In accordance with Government Code §56653, whenever a local agency submits a resolution of application for a change of organization or reorganization, the local agency must also submit a plan for providing services within the affected territory. The plan shall include all of the following information and any additional information required by the Commission or the LAFCO Executive Officer:

- (1) An enumeration and description of the services to be extended to the affected territory.
- (2) The level and range of those services.
- (3) An indication of when those services can feasibly be extended to the affected territory.
- (4) An indication of any improvement or upgrading of structures, roads, sewer or water facilities, or other conditions the local agency would impose or require within the affected territory if the change of organization or reorganization is completed.
- (5) Information with respect to how those services will be financed.

The City's "Plan for Providing Services" is attached which provides for a full complement of municipal services, along with associated infrastructure improvements. In accordance with this proposal, the City of Pittsburg will provide a range of municipal services, including general government, police, recreation, community development, and public works. As proposed, wholesale water service will be provided by CCWD, with the City of Pittsburg providing retail water; and sewer service will be provided by DDS as part of the reorganization. Fire services will continue to be provided by the Contra Costa County Fire Protection District (CCCFPD).

Fire Protection – Fire and emergency medical service are provided by CCCFPD and will continue to be provided by this agency upon annexation. The City's General Plan policies include service standards relating to response time (i.e. five minutes) and location of fire stations in proximity to developed areas (i.e., 1.5 miles). According to the City, the planned relocation of Fire Station 85 is likely to begin within the year. In addition, installation of residential fire sprinklers is required as a condition of approval.

Police Services – Law enforcement services are currently provided to the reorganization area by the Contra Costa County Sheriff's Department. Upon annexation, police services would be provided by the City of Pittsburg. The City's General Plan contains policies regarding ration of officers to residents and response times. It is the City's goal to achieve a ratio of 1.8 sworn officers per every 1,000 residents. Due to vacancies, the City currently maintains a ratio of 1.2 officers/1,000 residents. The Sky Ranch II project will generate a need for 2-3 additional sworn officers. As a condition of the City's approval, the developer will be required to annex to the City's Community Facilities District to fund costs associated with the added personnel and services.

Streets and Roadways – The Sky Ranch II project will result in the need for street and roadway improvements, including the construction of two outside lanes of the James Donlon Expressway/Buchanan Road Bypass, and the extension of Ventura Drive. The City requires the developer to fund costs associated with these roadway improvements.

Wastewater Services - Wastewater services to the project area will be provided by the City of Pittsburg and DDSD. The City provides local wastewater collection services. DDSD provides wastewater conveyance, treatment and disposal services. The City owns and operates the collection system (except in Bay Point); DDSD owns and operates the wastewater treatment plant.

DDSD's existing wastewater collection system consists of 49 miles of sewer main and five pump stations. The District's average dry weather flow is 14.2 million gallons per day (mgd), and the wastewater treatment plant capacity is 16.5 mgd (current design) and 22.7 mgd (ultimate capacity).

According to the EIR, projected average wastewater generation for the proposed development will be approximately 160,000 gallons per day. The project's wastewater would be conveyed by new sanitary sewer pipes to the existing Highlands Ranch system and from the Highlands Ranch system to the Pittsburg-Antioch Interceptor via a 15-inch diameter trunk main beneath Buchanan Road. Additional details regarding the sewer infrastructure are provided in the EIR. Costs associated with the sewer system are funded through service fee and Capital facilities capacity Charges.

DDSD has provided a letter indicating willingness and ability to serve the proposed development.

8. Timely Availability of Water and Related Issues:

In 2006, the City of Pittsburg updated its Urban Water Management Plan. This plan addresses overall water supply and future demand for the City. The City provides water treatment and distribution to its residents and businesses. The City obtains approximately 90% of its untreated water supply from CCWD through the U.S. Bureau of Reclamation (USBR) Central Valley Project (CVP); water supplies are supplemented by locally produced ground water.

The City currently serves approximately 15,100 connections. Major infrastructure includes 150 miles of main and five booster stations. The City's water treatment facilities currently operate at a peak rate of approximately 22 million gallon per day (mgd). It has a design capacity of 32 mgd, and is currently permitted by the State for 28 mgd.

As proposed, CCWD will provide wholesale water to the project area. The District provides both treated and untreated water throughout central and portions of east Contra Costa County. CCWD's untreated water service area includes Pittsburg and Bay Point.

CCWD is a CVP contractor and delivers untreated water through USBR CVP. The untreated water is conveyed through the Contra Costa Canal. The contract provides for a maximum delivery of 195,000 acre feet per year (174 mgd) with reductions in deliveries during water shortages including regulatory restrictions and drought. In addition to CVP water, CCWD has other water sources including various water rights and entitlements.

According to the City's EIR, the Sky Ranch II development will rely on CVP water subject to approval by CCWD and the USBR. Inclusion in the CVP service area is necessary to avoid potential overdraft of ground water from the two municipal wells. The City of Pittsburg's Urban Water Management Plan projects safe yields of well water through the planning horizon, 2020.

The proposed number of dwelling units is 415. The City estimates that the ultimate water demand for the project is 177,400 to 223,500 gallons per day (200 to 250 acre feet per year). The EIR indicates that although the City of Pittsburg municipal wells could supply water on an interim basis; the permanent water supply for this project is assumed to be purchased water from CCWD. Without inclusion approval by the USBR, municipal well water would be the sole source of water supply.

CCWD is the inclusion applicant to the USBR. In January 2008, CCWD staff submitted to the USBR a CVP inclusion request for the Sky Ranch II project. On April 30, the CCWD Board of Directors adopted Resolution 08-09 concurring with the proposed annexation of the Sky Ranch II area into the CCWD service area boundary as submitted to LAFCO. The CCWD resolution indicates that before water service can be provided to Sky Ranch II, the project proponent must meet all specified conditions in the City's EIR, inclusion into the CVP service area, payment of all fees and charges due to CCWD, and receipt of a confirmatory letter from CCWD to the City of Pittsburg.

With regard to infrastructure, the City's EIR and water planning documents, the Sky Ranch II project will require the addition of new water distribution mains, pump stations, reservoirs, a storage tank and ancillary improvements. Funding for water related infrastructure will be provided primarily by the developer, with some costs shared by the City subject to future agreements between the parties. Additional information regarding water service and infrastructure is provided in the attached service plan.

9. Assessed Value, Tax Rates and Indebtedness:

The reorganization area is within tax rate area 86010. The assessed value for the parcels is \$1,756,265 (2007-08 roll). The territory being annexed shall be liable for all authorized or existing taxes comparable to properties presently within the annexing agencies.

10. Environmental Impact of the Proposal:

In October 2006, the City of Pittsburg, as Lead Agency, adopted an EIR for the Sky Ranch II Residential Subdivision. Subsequently, the City adopted a Statement of Facts, a Finding of Overriding Considerations and a Mitigation Monitoring and Reporting Program for the Sky Ranch II development. In February 2008, the City adopted an Addendum to the previously certified Sky Ranch II EIR. The purpose of the Addendum was to include in the project description specific reference to the CCWD and DDSO SOI amendments, and clarify that annexation of the City owned water tank is included in the reorganization proposal.

The Sky Ranch II EIR evaluated the potential environmental impacts of including the project area in the CCWD and DDSO boundaries. The EIR identifies potentially significant environmental effects, for which mitigation measures have been adopted. In addition, the EIR identifies potentially significant unavoidable environmental effects, for which the City adopted Findings and Statement of Overriding Considerations.

11. Landowner Consent and Consent by Annexing Agency:

The area proposed for annexation is considered uninhabited, as there are fewer than 12 registered voters in the proposal area.

The City indicates that the affected landowner and annexing agencies have consented to the reorganization and waiver of the conducting authority (protest) proceedings.

12. Boundaries and Lines of Assessment:

There are no conflicts with lines of assessment or ownership. A map to implement this change is subject to approval by the County Surveyor.

13. Environmental Justice:

Beginning January 1, 2008, Government Code §56668(o) requires that LAFCO consider the extent to which proposals for changes of organization or reorganization will promote environmental justice. As defined by statute, "environmental justice" means the fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provision of public services.

The proposed annexation is not expected to promote or discourage the fair treatment of minority or economically disadvantaged groups.

ALTERNATIVES FOR COMMISSION ACTION

After consideration of this report and any testimony or additional materials that are submitted the Commission should consider taking one of the following options:

Option 1 Approve the reorganization as submitted.

- A. Determine that the City of Pittsburg, as Lead Agency, adopted an Environmental Impact Report for the Sky Ranch II Residential Subdivision, Statement of Facts, a Finding of Overriding Considerations, a Mitigation Monitoring and Reporting Program, along with an Addendum to the previously certified Sky Ranch II EIR.
- B. Certify that the Commission has reviewed and considered the information contained in the CEQA documents prepared by the City of Pittsburg. Adopt the Findings and Statement of Overriding Considerations as approved by the City of Pittsburg per Resolution No. 07-10789.
- C. Adopt this report and approve the proposal, to be known as the Sky Ranch II Reorganization: Annexations to the City of Pittsburg, Contra Costa Water District, and Delta Diablo Sanitation District, subject to the following terms and conditions:
 - 1. The territory being annexed to DDSD shall be included in Zone 2.
 - 2. The territory being annexed shall be liable for the continuation of any authorized or existing special taxes, assessments and charges comparable to properties presently within the annexing agencies.

3. Prior to recordation, the applicant shall deliver an executed indemnification agreement providing for the applicant to indemnify LAFCO against any expenses arising from any legal actions challenging the reorganization.

D. Find that: 1) the subject territory is uninhabited, 2) all affected landowners have consented to the annexation and 3) the annexing agencies have consented to the waiver of conducting authority proceedings.

E. Waive conducting authority proceedings and direct the staff to complete the proceeding.

Option 2 Adopt this report and DENY the proposal.

Option 3 If the Commission needs more information, CONTINUE this matter to a future meeting.

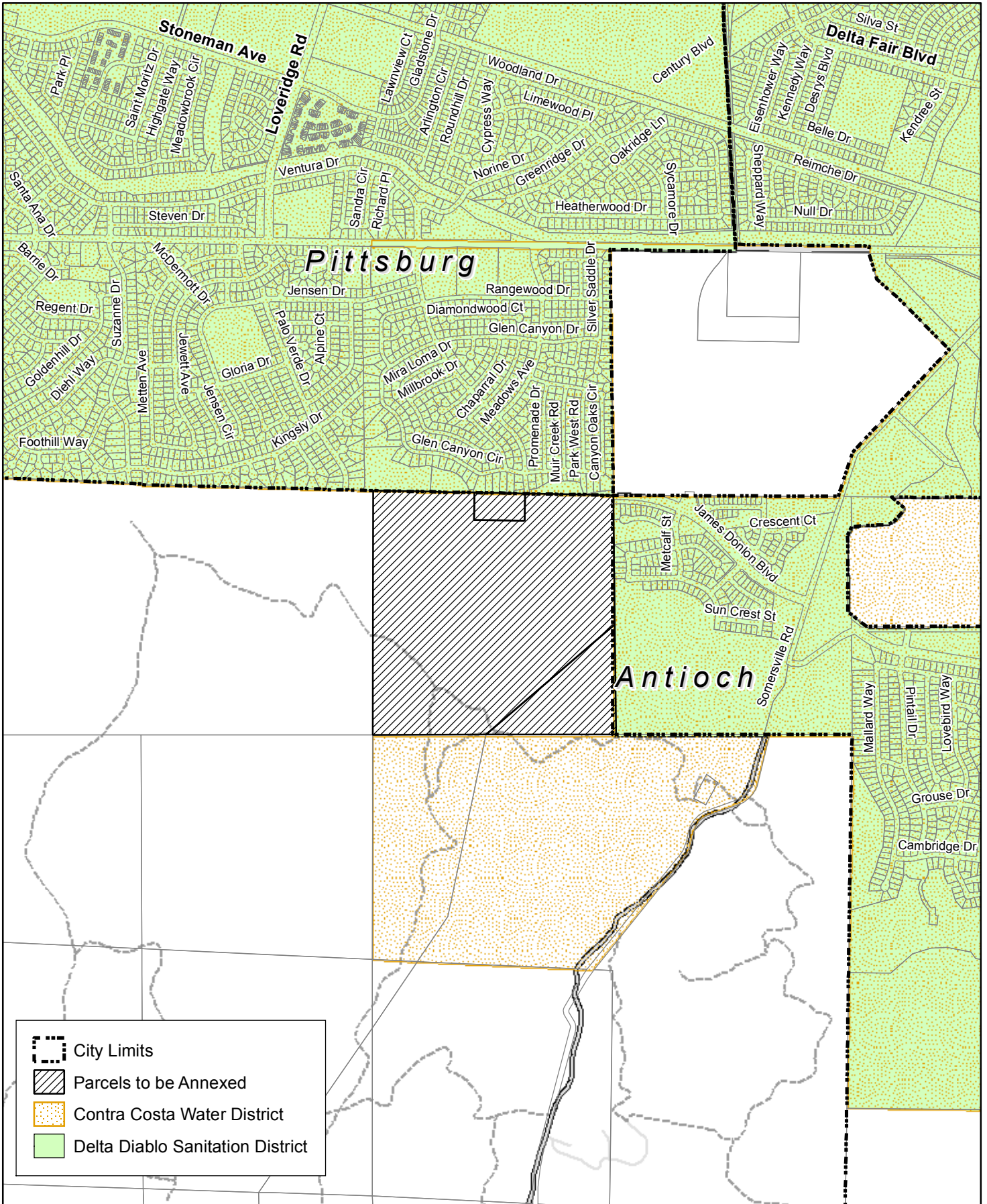
RECOMMENDED ACTION:

Approve Option 1.

LOU ANN TEXEIRA
EXECUTIVE OFFICER, LOCAL AGENCY FORMATION COMMISSION

Attachments (Vicinity Map and Plan for Providing Service)
c: Distribution

LAFCO 07-23-- Sky Ranch II Reorganization: Annexations to the City of Pittsburg, Delta Diablo Sanitation District, and Contra Costa Water District



	City Limits
	Parcels to be Annexed
	Contra Costa Water District
	Delta Diablo Sanitation District



Plan for Providing Services

Sky Ranch II Reorganization

This "Plan for Providing Services" and the supporting attachments describe public services to be extended to the Sky Ranch II Reorganization area. The Plan for Providing Service demonstrates how the proposed new primary service provider (City of Pittsburg) would provide needed public services in the reorganization area.

I. Description of the Project

The proposed reorganization request includes an application for annexation of approximately 160 acres into the City of Pittsburg's municipal boundary, into the Delta Diablo Sanitation District (DDSD) service boundary, and into the Contra Costa Water District (CCWD) service boundary in order to facilitate the construction of 415 single family homes. The project site is located approximately two miles south of State Highway 4 and approximately a half mile south of Buchanan Road, on the southeastern edge of the city.

The project site is generally characterized as hillside land that consists of undeveloped vacant grasslands. The existing elevation difference on the site ranges from approximately 200 feet at the lowest point to about 450 feet at the highest point. The proposed residential project would be constructed with a total of 415 single family homes on lots ranging from 8,000 sq. ft. to approximately 11,000 sq. ft. Included with the development proposal are an approximate 3.5 acre mini-park, two new water tanks (one on-site and one off-site to the south), and a portion of the Buchanan Road/James Donlon Bypass (as it would extend across the project site only).

Area surrounding the project site can be described as vacant, hillside, cattle grazing grasslands to the south and west, with existing single family homes to the north (within the Pittsburg City Limits), and existing and approved hillside single family residential development (still under construction) to the east (within the Antioch City Limits).

II. Enumeration of Services

Service	Current Provider	Proposed Provider
Water	None – Land is vacant	CCWD & City of Pittsburg
Wastewater Treatment (sewer)	None – Land is vacant	DDSD & City of Pittsburg.

Police Protection	Contra Costa Sheriff's Department	City of Pittsburg Police Department
Fire Protection	Contra Costa County Fire Protection District (CCCFPD)	Same – No change
Streets/ Roadways	None – Land is vacant	City of Pittsburg
Refuse/ Solid Waste Disposal	None – Land is vacant	Pittsburg Disposal
Parks/ Recreation & Schools	None – Land is vacant	City of Pittsburg, Parks & Recreation Department and PUSD

III. Discussion of Services

A. Water Service

As of April 9, 2008, the project site is located within the CCWD SOI; however, annexation to CCWD's service area is still required. As stated in the table above, there is no existing water service for the site. The water needed for the project has been proposed to be supplied by CCWD (subject to the projects inclusion into the Bureau of Reclamation's CVP) and the water would be treated and conveyed by the City of Pittsburg.

Water Availability: CCWD currently provides approximately 195,000 AFY of raw water (untreated) throughout its entire service boundary, of which approximately 10,000 AFY of raw water currently is supplied to the City of Pittsburg. Raw water supplied to the City generally is blended from the Delta intake, Old River intake, and Los Vaqueros Reservoir.

In February 2006, the City of Pittsburg updated its Urban Water Management Plan. Part of this Updated Urban Water Management Plan addressed service provision to all properties in Pittsburg's planning area, including the Buchanan Planning subarea (where the Sky Ranch II development would be located). Section 3 of this recently updated Urban Water Management Plan identifies future water demand. The plan states that, "By the time that the City is "built-out" it is expected that there will be...about 7,000 dwelling units added in the southern portion of the City... (Section 3 – 2)." Furthermore, the Urban Water Management Plan indicates that the City of Pittsburg obtains 85% to 90 % of their water from CCWD (Page 2, 2005 Updated Urban Water Management Plan). Based on projected population growth over the next 25 years, water provision from CCWD to Pittsburg is adequate.

According to CCWD's Urban Water Management Plan, which was adopted in December 2005, CCWD was able to demonstrate it can

maintain 100% reliability in meeting direct consumptive demand under a normal hydrologic year, the single-driest hydrologic year, and the first year of a series of multiple dry years through 2030, for its entire service area, including Pittsburg (Sec. 7, Table 7-1; Section II – 2). Policy II-G-1 states that, “Available water supply and distribution capacity grow proportionally with development patterns and water usage trends.” The Pittsburg General Plan and the recently adopted Urban Water Management Plan clearly anticipate urbanization of the Buchanan Planning subarea, which includes the development of the Sky Ranch II property. Also, as required by LAFCO, CCWD is in the process of having a resolution approved by its board to support water service for the proposed project. The “will serve letter” (or resolution in this case), will be heard before CCWD board on April 30, 2008, and it is anticipated that the board will approve the resolution, subject to the conditions of approval relating to CVP inclusion. This executed resolution (which should be available after April 30, 2008) will act as the “will-serve” letter for the project, as required by LAFCO.

Water Treatment, Storage, and Conveyance: The City of Pittsburg provides water to properties within the City limit, and operates its own water treatment plant and distribution facilities. At present, the City’s water treatment plant has a hydraulic design capacity of 32 million gallons per day (mgd), which exceeds the 2020 estimated water requirement of 30.5 mgd (as identified in the Pittsburg General Plan, page 11-3). Treated water is then distributed throughout Pittsburg via a 122-mile system of pipeline. Water storage is provided by seven reservoirs located throughout the City, which have a combined storage capacity of 16.9 mgd.

As stated in the City’s 2000 Water System Master Plan, Amendment No. 3¹, a preliminary analysis of the Sky Ranch project was done to determine the impact that 420 dwelling units (now only 415 units) would have on the Southeast Hills, with 40 of those units to be serviced by Pressure Zone II (Section 6.3). Since the pressures in the southeast hills are currently lower than desired during normal day demand, there was a concern that adding the 40 units to the Pressure Zone II might not yield adequate water pressure for the new homes and may have an adverse impact (reduce pressure) on the existing homes in Highlands Ranch (immediately north of the project site).

The study evaluated pressures at three service elevations. The first location was in the southeastern part of Highlands Ranch, at an approximate elevation of 190 feet. The second was in Sky Ranch’s new “K” Street, at an approximate elevation of 231 feet. The final location was in Sky Ranch’s M/N courthouse at an approximate elevation of 287 feet.

¹ A copy of the City’s 2000 Water System Master Plan, Amendment No.3 was previously submitted to LAFCO on September 28, 2007 with the original project application.

The study concluded that construction of the Sky Ranch project without additional infrastructure would, 1) reduce the pressure to Highlands Ranch by approximately 10 psi under maximum day conditions; and 2) Sky Ranch's new "K" street, though it can be serviced by Zone II, will result with a negative impact on current customer's service pressures. In response, the following improvements were recommended for implementation before the development of the Sky Ranch project:

- New transmission main on Buchanan Road from the water treatment plant to Ventura Road.
- New Pressure Zone II Highlands Ranch reservoir.

The proposed Sky Ranch site's water system plan includes the addition of new water distribution mains, pump stations, and reservoirs for Zones II and IV. The design of this water infrastructure will be consistent with the recommendations identified above (from Section 6.3 of the 2000 Water Master Plan Amendment No.3). A Water storage tank will be constructed that will service Zone III & IV. Additionally there is an existing Zone II tank on the site that is not at a high enough elevation to adequately serve its users (as discussed above), so a new tank will be constructed nearby on the project site. A 20" water transmission line from the Water Treatment Plant along Crestview Drive will also be constructed². This transmission line will lead to Railroad Avenue/Kirker Pass Road and will then continue east along Buchanan Road as a 16" main ending near the existing pump station. Detailed information on this water transmission line is discussed in Section 5.2.1 of the 2000 Water Master Plan Amendment No. 3. Funding for this specific infrastructure and all other water related infrastructure, will be primarily provided by the developer in accordance with the conditions of approval from Planning Commission Resolution No. 9711 (previously submitted to LAFCO on September 28, 2007) but may also be shared by the developer and the City of Pittsburg subject to future agreements.

B. Wastewater Treatment (Sewer Service)

As of April 9, 2008, the project site is located within the DDSD SOI; however, annexation to DDSD's service area is still required. As stated in the table above, there is no existing wastewater service for the site; however, it has been proposed that the wastewater be conveyed through the City of Pittsburg and the City of Antioch sewer mains, to the DDSD wastewater treatment plant, where the treatment would be handled by DDSD. The majority of the sanitary sewer pipes proposed throughout the

² Maps of the proposed locations of water transmission lines are not included as exhibits to this report, as they are all contained within the 2000 Water System Master Plan, Amendment No. 3, which was previously submitted to LAFCO on September 28, 2007.

site (serving approximately 381 of the proposed homes) would be routed to an existing sewer main located at Glen Canyon Circle, within the Highlands Ranch Subdivision (City of Pittsburg). This connection will be made in the approximate location of lot 86 of the adjacent Highlands Ranch subdivision (see Exhibit A). The additional (approximate) 34 lots will connect to a sewer stub in Markley Creek Drive which is in the adjacent Black Diamond Ranch subdivision in Antioch. If the City of Antioch will not allow this sewer connection, a private sewer pump station will be designed and installed to service these 34 lots in the southeast portion of the site and funds will have to be provided by the developer, in perpetuity, to maintain and replace the facility, per condition of approval No. 62³.

The wastewater treatment providing agency, DDS D, recently adopted a new district Master Plan that addresses anticipated future capacity needs, as identified by the Pittsburg General Plan. There is an existing agreement between DDS D and the City of Pittsburg that provides a mechanism for concurrent annexation of property into both DDS D and City of Pittsburg boundaries. The City has authorization from DDS D to collect fees on DDS D's behalf. DDS D has issued a will serve letter, dated August 6, 2007 (previously submitted to LAFCO on September 28, 2007), which states that the district has "both constructed and planned capacity in its conveyance and treatment systems to service the development."

C. Police Protection

The reorganization area is currently under the jurisdiction of the Contra Costa County Sheriff's Department. Upon annexation, police services would be provided by the City of Pittsburg Police Department. According to the City's General Plan, it is a goal for the City's Police Department (PD) to maintain a ratio of 1.8 sworn officers for every 1,000 residents. Because of several vacancies, the City's PD maintains a current ratio of 1.2 sworn officers for every 1,000 residents (the recruitment process is open and on-going). Also, General Plan Policy 3-S-1 establishes an emergency service response time for police of 3 to 5 minutes. The proposed project would become part of the beat defined by Railroad Avenue on the west, the Pittsburg-Antioch city limit on the east, Yosemite Drive and Ventura Drive on the north, and the southern hills to the south; therefore, addition of a substation would not be necessary to maintain response times for the new development.

³ Conditions of approval referenced are from approved Planning Commission Resolution No. 9711, previously submitted to LAFCO on September 28, 2007.

The City Police Department staffing level is currently at 74 sworn officers. Based on the General Plan staffing standard, this staffing level is projected to increase by 64 additional sworn officers, to 138 sworn officers, during 2005-2020. The proposed project would add to the need for 2 to 3 of these additional sworn officers. Per condition of approval No. 41, the developer is required to annex the entire property into the Community Facilities District (CFD) 2005-1, which collects fees to provide funding for an increase of police needed to provide coverage within the project area. The rate of the CFD fee is subject to City council Ordinance No. 05-1246 (Exhibit B).

D. Fire Protection

Fire Protection within the entire annexation area is currently provided by the Contra Costa County Fire Protection District (CCCFPD) and since the City of Pittsburg does not have its own fire department, the project area would continue to be served by CCCFPD upon annexation. General Plan Policies 3-S-3 and 3-S-4 are service standards to ensure that CCCFPD can respond to an emergency call within 5 minutes and locate a fire station within 1.5 miles of all development. The planned relocation of Station 85 to Loveridge Road/East Leland Road, as approved by the County Board of Supervisors, would place the project site within 1.5 mile response radii from Station 85 (see Exhibit C, General Plan Fig. 11-2). The proposed project is among the past, approved and future land development projects that contribute to a need for relocation of Fire Station 85.

In addition, per condition of approval No. 154 (and Mitigation Measure MM-K3) all residences will be constructed with residential fire sprinklers to aid in the protection of individual homes from fire hazards.

E. Streets & Roadways

The developer will be responsible for financing and constructing all local roadways proposed within the Sky Ranch II residential development. In addition, in order to access the project from the east, the developer will be responsible for constructing the two outside lanes of the James Donlon Expressway/Buchanan Road Bypass (see condition of approval No. 59). This expressway will be constructed through the project and will run east/west. Intersections of this expressway will be built so that access may be provided to the residential units on both the north and south side of the James Donlon Expressway. Final location and design of the roadway improvements are subject to approval by the City Engineering department.

In addition, Ventura Drive which currently runs north/south through the Highlands Ranch residential development (immediately north of the site), will be extended south through the project to provide additional access in and out of the site (through the residential neighborhood to the north).

F. Refuse/Solid Waste Disposal

Solid waste collection and disposal for the City of Pittsburg is provided by the Pittsburg Disposal Services. Residential and commercial solid waste is disposed at Potrero Hills Landfill, located in Solano County east of Suisun City.

Potrero Hills landfill is a class III landfill that was opened in 1986. According to an 'Existing Conditions' report that was done for the Pittsburg General Plan update in 1998, the projected life of this landfill (as of 1998) is 17-20 years (to the year 2018). According to the Potrero Hills Landfill Chief Engineer, an expansion for the landfill is currently in the planning process. The current total estimated permitted capacity for this landfill is 21.5 million cubic yards, with 7.7 million cubic yards (36 percent) used and 13.8 million cubic yards (64 percent) remaining (CIWMB, 2004); therefore, there would be adequate room at the existing landfill to serve the solid waste disposal needs that would be generated from this project. Also, the projected remaining lifespan of 17 to 20 years would be without the planned expansion; however, the proposed expansion would increase the disposal life of the landfill by approximately 35 years.

Solid waste collection service (provided by Pittsburg Disposal) is financed through monthly service fees billed directly to the residents.

G. Parks/Recreation & Schools

As part of the proposed project, the developer will construct a 3.5 acre park within the project area. In addition, the project area is currently located outside of the City of Pittsburg's Landscaping & Lighting District No. 88-01 (CFD 2007-1) which finances park maintenance within the City. Upon annexation and in accordance with conditions of approval No.39 & 40, the properties within the project area would be brought within the City's Landscaping and Lighting District and those individual property owners would be required to pay an annual tax to the City's Landscaping & Lighting District.

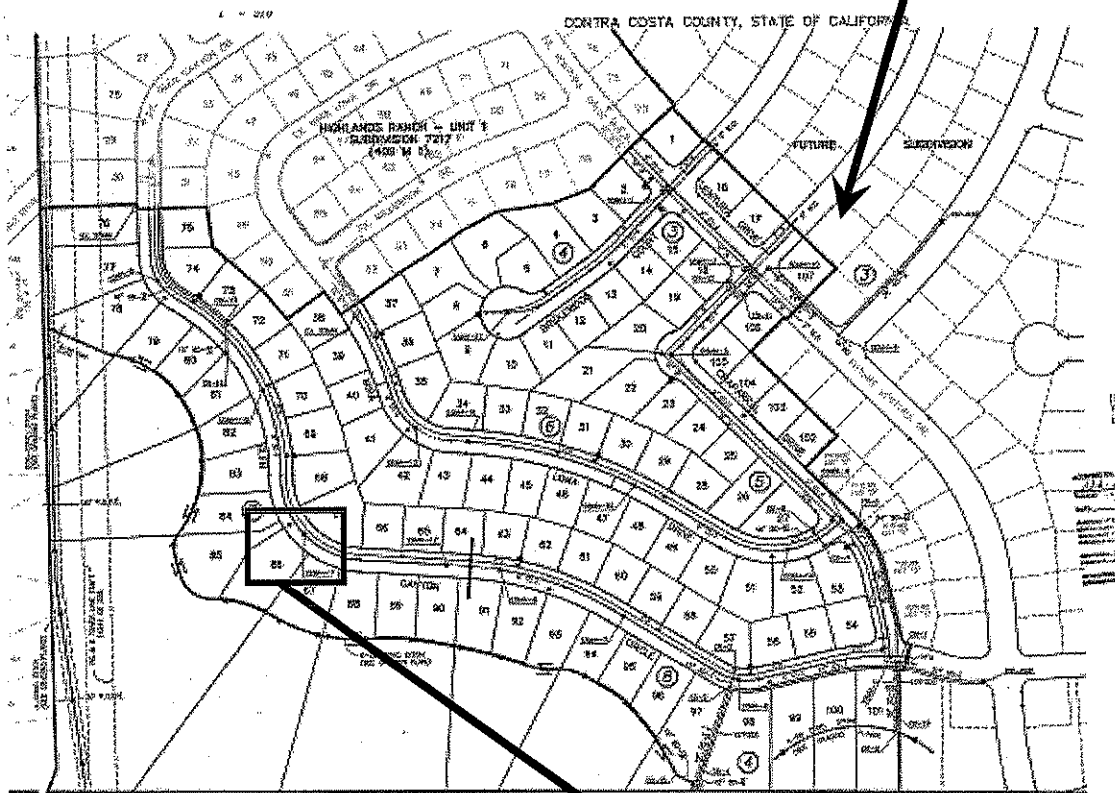
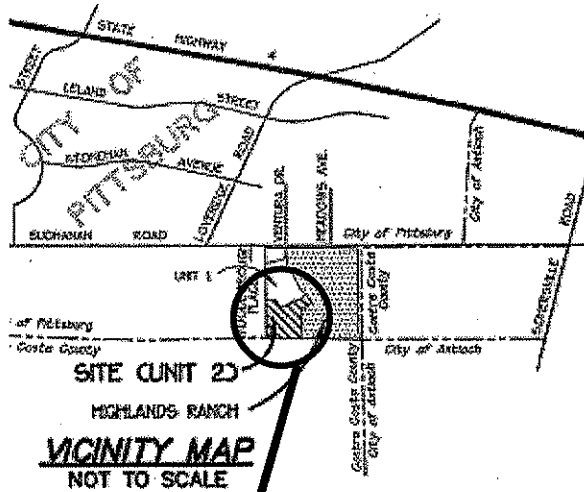
With regards to schools, the proposed annexation area is currently within the Pittsburg Unified School District boundaries. The proposed project would add 415 dwelling units and future year 2020 student enrollment from the project would be approximately 211 pupils in grades K-12. Total

enrollment in the PUSD in 2020 is projected to be 11,610 pupils. The project's student yield represents 2 percent of projected district enrollment of 11,610 pupils and 10 percent of the projected additional enrollment 2,010 pupils.

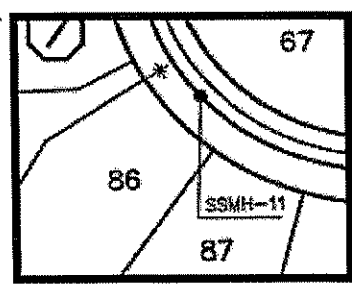
Measure E, approved by 78 percent of voters in November 2004, is a \$40.5 million school bond measure that will finance construction of a new elementary school and a new junior high school within the PUSD. The fiscal impact of the District bond on individual property owners will be \$41 a year per \$100,000 of assessed valuation. Under Proposition 39, unified school districts are permitted to levy up to \$60 per \$100,000 of assessed valuation.

Measure E funds would be used to construct a junior high school and an elementary school. Assuming a 1,200-student junior high school and a 700-student elementary school, the addition of new schools would enable PUSD to house 10,747 pupils at design capacity, or 11,500 pupils above capacity. Existing and Measure E schools would be sufficient to house 93 to 99 percent of the forecast enrollment of 11,610 pupils.

Sky Ranch II Reorganization
 Plan for Providing Services
“Exhibit A”



*Sky Ranch Development
 to be located immediately
 south of Highlands Ranch
 (shown above)



Existing sewer
 main location

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

An Ordinance of the City Council of the City of)	
Pittsburg Levying a Special Tax for the Fiscal Year)	
2005-2006 and Following Fiscal Years Solely)	ORDINANCE NO. 05-1246
Within and Relating to the City of Pittsburg)	
Community Facilities District No. 2005-1 (Public)	
<u>Safety Services)</u>)	

The City Council of the City of Pittsburg DOES ORDAIN as follows:

SECTION 1. Pursuant to Government Code Sections 53328 and 53340, and in accordance with the Rate and Method of Apportionment of Special Tax as shown in Exhibit B to Resolution No. 10342, Establishing the City of Pittsburg Community Facilities District No. 2005-1 (Public Safety Services) adopted by the City Council (the "Council") of the City of Pittsburg (the "City") on August 1, 2005 (the "Resolution"), a special tax is hereby levied on all taxable parcels within the City's Community Facilities District No. 2005-1 (Public Safety Services), for all fiscal years in the amount of the maximum authorized tax; provided, that the amount of special tax levied in each year may be adjusted annually as provided in Section 2 of this Ordinance, subject to the maximum authorized special tax limit.

SECTION 2. The City Manager of the City is authorized and directed, with the aid of the appropriate officers and agents of the City, to determine each year, without further action of the Council, the Calculation of Special Taxes as provided in Exhibit B of the Resolution, to prepare the annual special tax roll in the amounts specified in said Exhibit B and, without further action of the Council, to provide all necessary and appropriate information to the Contra Costa County Auditor in proper form, and in proper time, necessary to effect the correct and timely billing and collection of the special tax on the secured property tax roll of the County; provided, that as provided in the Resolution and Section 53340 of the California Government Code, the Council has reserved the right to utilize any method of collecting the special tax which it shall, from time to time, determine to be in the best interests of the City, including but not limited to, direct billing by the City to the property owners and supplemental billing.

SECTION 3. The appropriate officers and agents of the City are authorized to make adjustments to the special tax roll prior to the final posting of the special taxes to the County tax roll each fiscal year, as may be necessary to achieve a correct match of the special tax levy with the assessor's parcel numbers finally utilized by the County in sending out property tax bills.

SECTION 4. The City agrees that, in the event the special tax is collected on the secured tax roll of the County, the County may deduct its reasonable and agreed charges for collecting the special tax from the amounts collected, prior to remitting the special tax collections to the City.

SECTION 5. Taxpayers who have requested changes or corrections of the special tax and who are not satisfied with the decision of the City Manager (whether the City Manager simply disagrees with the taxpayer or feels the City Manager is not authorized to consider the change requested) may appeal to the Council. The appeal must be in writing and fully explain the grounds of appeal, and must be based solely on the correction of mistakes in the levy based upon the status of the property, and no other appeals will be allowed. The City Manager shall schedule the appeal for consideration within a reasonable time at a Council meeting.

SECTION 6. If for any cause any portion of this ordinance is found to be invalid, or if the special tax is found inapplicable to any particular parcel by a court of competent jurisdiction, the balance of this ordinance, and the application of the special tax to the remaining parcels, shall not be affected.

SECTION 7. This ordinance shall take effect and be in force immediately as a tax measure. The City Clerk shall either (a) have this ordinance published once within fifteen (15) days after adoption in a newspaper of general circulation, or (b) have a summary of the ordinance published twice in a newspaper of general circulation, once five (5) days before its adoption and again twenty (20) days after its adoption.

The foregoing ordinance was introduced at a meeting of the City Council of the City of Pittsburg held on the 1st day of August, 2005, and was adopted and ordered published at a meeting of the City Council held on the 15th day of August, 2005, by the following vote:

AYES: Council Members Casey, Glynn, Johnson, Kee and Mayor Parent

NOES: None

ABSTAINED: None

ABSENT: None


Nancy L. Parent, Mayor

ATTEST:


Lillian J. Pride, City Clerk

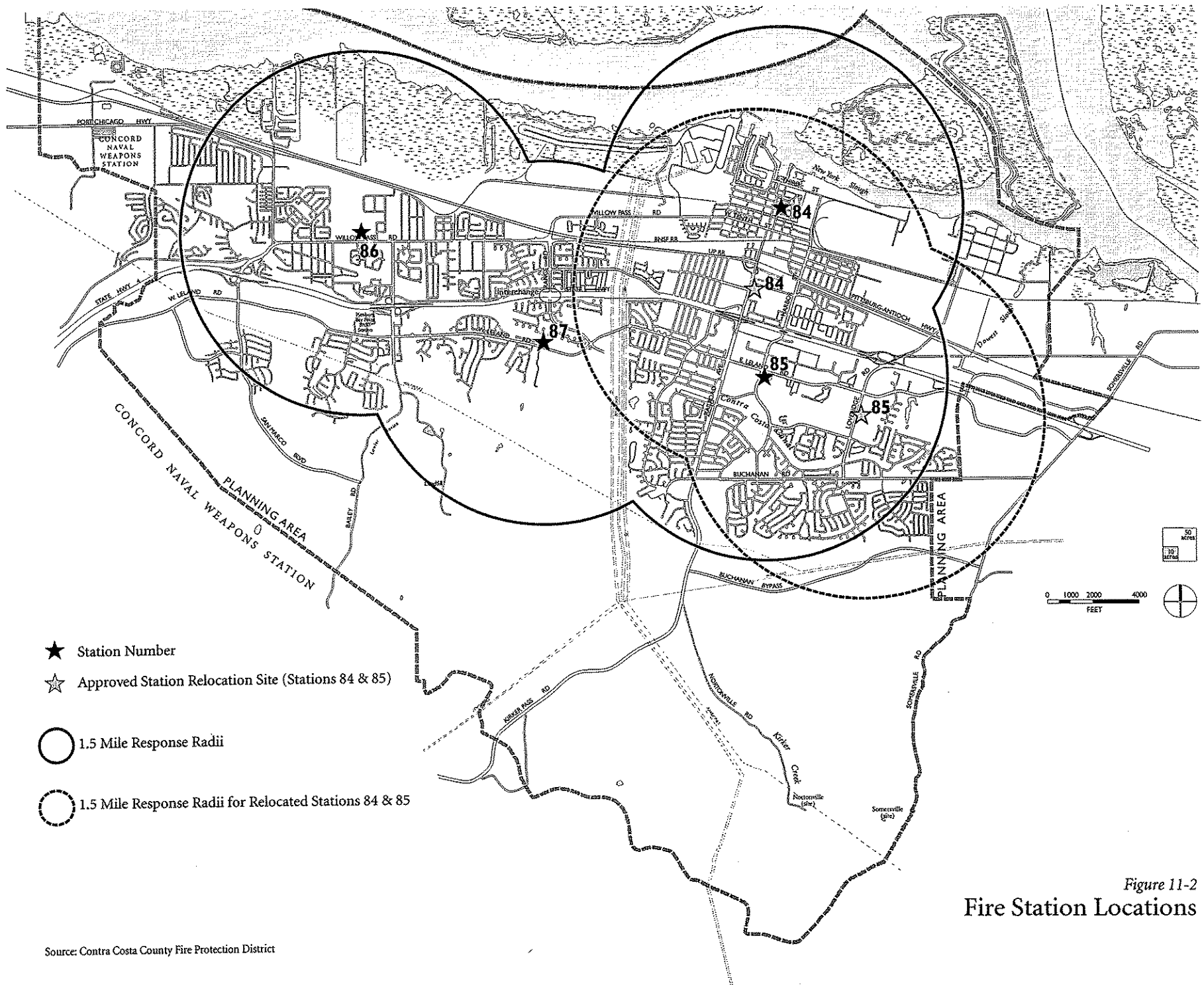


EXHIBIT C

Figure 11-2
Fire Station Locations

Source: Contra Costa County Fire Protection District