ATTACHMENT A



Carmel Area Wastewater District

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May 31, 2016

Nick Chiulos, Assistant County Administrative Officer County of Monterey 168 W. Alisal Street Salinas, CA 93901

RE: Request for County Approval of a Zero Property Tax Transfer for the Proposed Annexation into the Carmel Area Wastewater District

Dear Mr. Chiulos,

Carmel Area Wastewater District (CAWD) has submitted an application for a proposed annexation and understands that the County is currently processing the request for a property tax transfer agreement, to be considered and approved by both the District Board of Directors and the County Board of Supervisors.

The District is requesting the County Approve a Zero Property Tax Transfer for the proposed annexation into the Carmel Area Wastewater District.

The District contracted with Denise Duffy & Associates (DD&A) to prepare the environmental documentation and application package to LAFCO. Whitson Engineers also prepared pertinent engineered maps for the annexation and the existing Sphere of Influence (SOI) areas. I've attached some pertinent figures.

While 3000 acres will be added to the District service area, the majority of this area is in open space or park designation, is already developed, or is approved for development. Over 800 acres of the area proposed for annexation is attributed to Point Lobos State Parks lands which are already served by the District and over 875 acres of the remaining area make up the approved September Ranch development (95 lot subdivision approved with a can and will serve letter from the District). An additional 425 acres (shown on Figure 5 of the Initial Study/Negative Declaration (IS/ND) and also in the application package) include the Rancho Canada Golf Course and Quail Lodge Golf Course. These properties are currently developed with golf courses or open space designations. Recent information assumes a major portion of

the Rancho Canada area will be sold to the Trust for Public Land and be permanent open space/parkland. Lots containing existing golf course and open space designations have been included primarily due to service trunk lines and District structures being currently existing on these lots, or there is a potential for the District to extend service for restroom facilities or maintenance facilities (also existing facilities).

The remaining area includes 900 acres; the developed portion of this area and the entirety of the proposed SOI and Annexation area are shown on the figures in the Initial Study/Mitigated Negative Declaration. Figure 5a (attached) shows the SOI and Annexation area and identifies vacant lots or undeveloped lots. The map supports the statement on Page 14 of the Initial Study that most of the area proposed for annexation is developed. The areas designated for low density residential uses are also identified. These areas are also shown on Figure 4 of the Initial Study. Figure 5a shows the number undeveloped legal lots of record that could be served under the proposal. Figures in the IS/ND show the Quail Lodge residential area - this area is included in the proposal for annexation and the residential lots located there are served by septic systems. Approximately 250-300 smaller lots (.5 acre) in this area of Carmel Valley are on septic systems. A primary purpose of this annexation is to provide wastewater collection service areas to reduce the number of lots on septic in the alluvial area of Carmel Valley of the valley (due to the potential for nitrate loading contamination and potential for septic system failure in this area). This is consistent with goals of the Carmel Valley Plans for reduction of septic systems and provision of services for wastewater/management. Additionally, the other lots in the hills of Carmel Valley that are serviced by septic systems are included in the proposal for annexation in order to allow for service to this area. There are of smaller lots that are all on septic and the District has experienced a number of requests in these areas due to failing systems.

The annexation request is also supported by the Municipal Services Review (2016 Draft) conducted by LAFCO. We have worked directly with LAFCO staff throughout our environmental review process and application and Darren McBain may have some additional comments to add or can send you the Municipal Services Review (currently in Draft form). If you would like a link to the IS/ND or a copy of the LAFCO application package, please let us know.

Thank you again for your interest and help on this proposal.

Barbra Buikema, General Manger

Cc: Darren McBain, LAFCO