FINAL
ENVIRONMENTAL IMPACT REPORT

FOR THE

SOUTHEAST GUSTINE MASTER PLAN PROJECT
in the City of Gustine, CA

January 2018

Prepared for:

CITY OF GUSTINE
Community Development Department
352 Fifth Street
GUSTINE, CA 95322
(209) 854-6471

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1.0 INTRODUCTION

This Final Environmental Impact Report (FEIR) describes the potential environmental effects that would result from the City of Gustine's approval of the Southeast Gustine Master Plan (SEGMP) project. The SEGMP project and CEQA requirements that will need to be met in conjunction with the City's consideration of the project are described in the following sections.

1.1 PROJECT BRIEF

The SEGMP project consists of the local government approvals required to permit planned residential development of undeveloped lands located within the 219.2-acre proposed annexation area. The annexation area (the "project site") is adjacent to and southeast of the City of Gustine city limits (Figures 1-1 through 1-3).

Local government approvals would include but not necessarily be limited to City approval of the SEGMP, filing and processing/approval of an annexation applications to the Merced County LAFCO, pre-zoning of the annexation area, and adoption of one or more development agreements between the City and the project applicants or future developers. Following annexation, the City anticipates submittal of Tentative Subdivision Maps consistent with the SEGMP that will permit planned residential development of the annexation area. The project is consistent with the Gustine General Plan.

The Draft EIR for the project was published in August 2016 and subject to public review from August 18, 2016 to October 3, 2016. As described in the Draft EIR, Phase 1 development of the annexation area by Rasmussen and Katakis includes up to 71 acres of land producing 282 residential units together with streets, utilities and an 11.7-acre park/detention basin; dedication and development of the required infrastructure elements be shared by two applicants: Katakis and Rasmussen. Phase 1 also includes the existing school and lands north of Sullivan Avenue in order to comply with LAFCO requirements. The remainder of the annexation area will be developed in the future by other owners.

Approval of the project as a whole is expected to result in near-term development of up to 282 residential units in the Phase 1 area proposed for immediate annexation. Potential future development of the entire project site could result in a total of up to 684 (vs. 676 previously) low-density residential units, including the 282 units in Phase 1. Planned residential development would include City streets, utilities and other infrastructure needed to serve future residents of each area proposed for annexation and development in accordance with the approved SEGMP. The SEGMP provides for development of an 11.7-acre park, which would be constructed using a combination or developer funding and park-in-lieu fees collected from homebuilders. The project does not include commercial or industrial development.

Chapter 2.0 Project Description of the Draft EIR has been revised to describe the above-summarized changes; the revised description is shown in Appendix B of this Final EIR. The potential environmental effects of the revised project have been considered in conjunction with the preparation of this Final EIR

1.2 SOUTHEAST GUSTINE ANNEXATION FINAL EIR

A Draft Environmental Impact Report (DEIR) for the SEGMP was prepared by the City of Gustine and circulated for a 45-day agency and public comment period extending from August 18, 2016 until October 3, 2016. Copies of the public review distribution list, legal notices and transmittal documents are shown in Appendix A.

The FEIR for the SEGMP project has been prepared pursuant to the requirements of CEQA and the CEQA Guidelines. CEQA Guidelines Section 15132 specifies the content of a Final EIR as:

- The Draft EIR or a revision of the draft
- Comments and recommendations received on the Draft EIR, either verbatim or in summary
- A list of persons, organizations, and the public agencies commenting on the Draft EIR
- The responses of the Lead Agency to significant environmental points raised in the review and consultation process
- Any other information added by the Lead Agency.

The DEIR, cited below, is hereby incorporated into the Final EIR by reference. Copies of the DEIR are available for review at the City of Gustine, 352 5th Street, Gustine, CA 95322.

> BaseCamp Environmental, Inc. Public Review Draft Environmental Impact Report for the Southeast Gustine Annexation Project. August 18, 2016. State Clearinghouse Number 2016021092.

This Final EIR contains a summary of the environmental effects of the project, which is drawn from the DEIR (Section 2.0). A list of comments received during the public review period and the City's responses to the comments received are shown in Section 3.0. The Errata Section 4.0 shows revisions to the DEIR that have been made in response to the comments received as well as any other minor changes and corrections to the document identified by City staff.

This Final EIR, when combined with the public review draft of the EIR, constitutes the complete environmental review document for the SEGMP Project. The Final EIR will be considered by the City of Gustine Planning Commission and City Council before the Commission and Council make their respective decisions on the project.

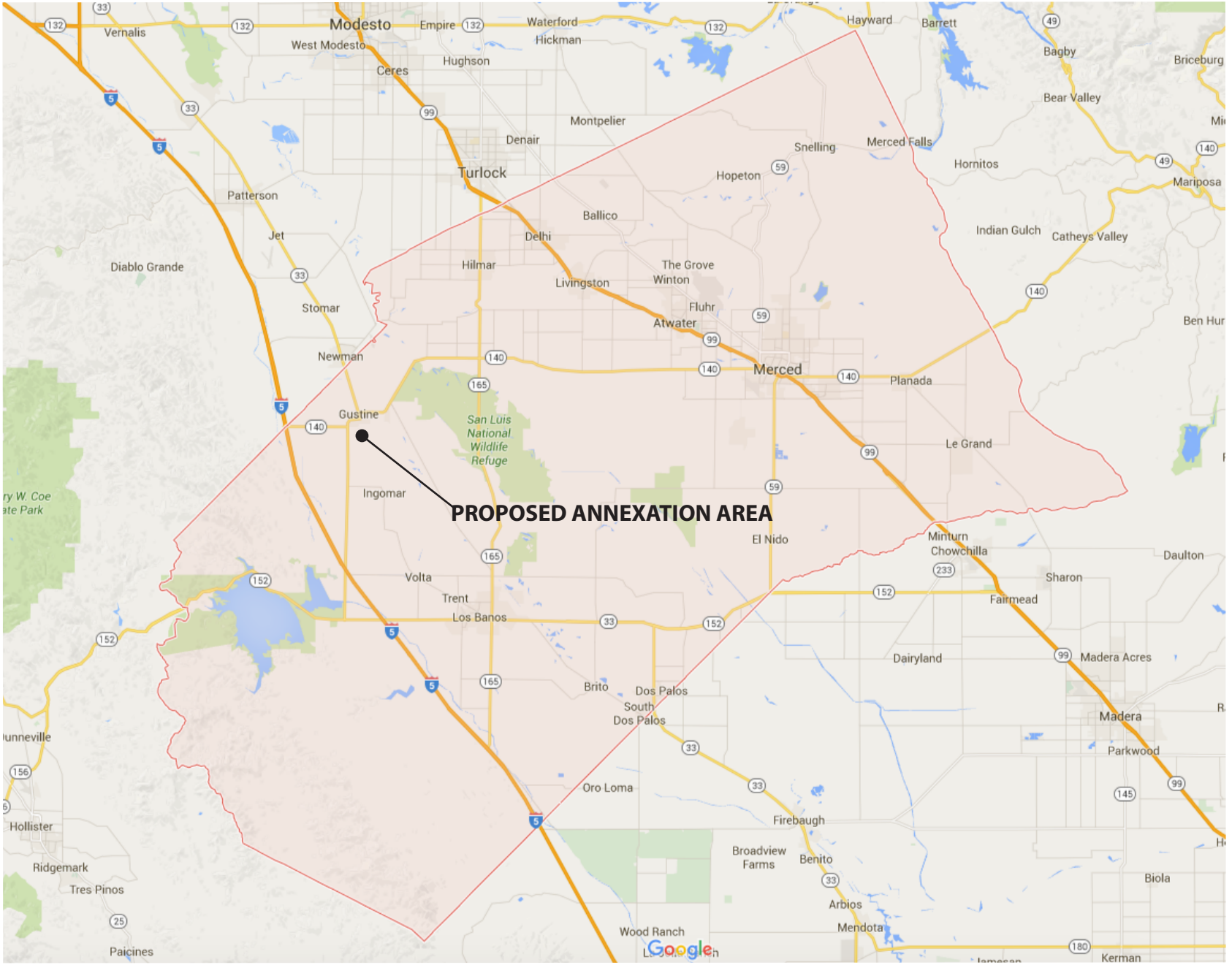
1.3 EIR RECIRCULATION

Section 15088.5 of the CEQA Guidelines provide that a lead agency is required to recirculate an EIR when significant new information is added to the EIR after notice of the public review but before certification. "Information" can include changes in the project or environmental setting as well as additional data or other information. New information added to an EIR is not "significant" unless the EIR is changed in a way that deprives the public of a meaningful opportunity to comment upon a substantial adverse environmental effect of the project or a feasible way to mitigate or avoid such an effect. Section 15088.5 outlines criteria that can be used to determine whether recirculation is required.

Modification of the project description as described in the previous sections and Appendix B could be considered significant new information if it would meet the CEQA Guidelines criteria. The project modifications were reviewed for their potential to meet the CEQA Guidelines criteria during the preparation of this Final EIR. The project modifications would not result in new or substantially more severe environmental effects than were identified in the Draft EIR.

> The modified project would involve approximately the same potential for development as the project described in the Draft EIR, increasing potential development from 676 to 684 residential units an increase of 1.2%.
>
> The increase in development potential would not lead to any new environmental effects or any substantially more-severe environmental effects than were described in the Draft EIR, including potential effects on land use, population, housing, traffic and utilities.
>
> The proposed circulation system is essentially as described in the Draft EIR; changes are limited to internal modification of local street locations only.
>
> The proposed park/detention basin has been relocated and slightly increased in size. The new park location is more internalized and accessible to future residents of the proposed project. The Phase 1 project would set aside a park/detention area that exceeds its proportionate share of the park and drainage area requirement.

No new mitigation measures or alternatives have been identified or are necessary to address environmental effects, and no other substantial information has been made available that would substantially modify the environmental effects, or result in any new or substantially more severe environmental effects, than were identified in the Draft EIR. Comments received during the review of the Draft EIR did not identify any new or substantially more severe environmental effects that should be addressed in the EIR. A Water Supply Assessment has been prepared for the project that reinforces the findings of the Draft EIR that the project would not have a significant effect on groundwater or the Gustine potable water supply.



BaseCamp Environmental

Figure 1-1
Vicinity Map

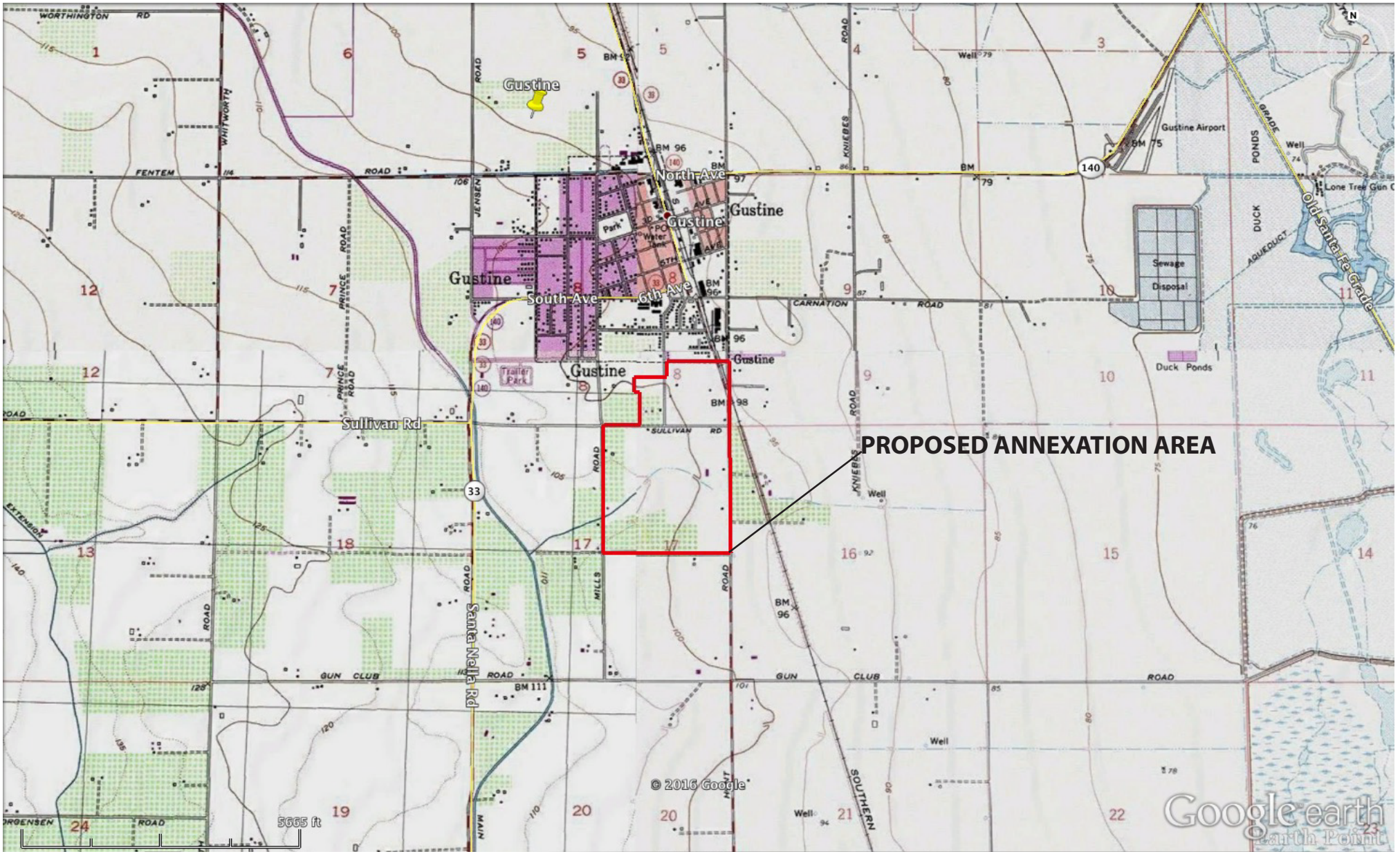


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Figure 1-2
USGS Map

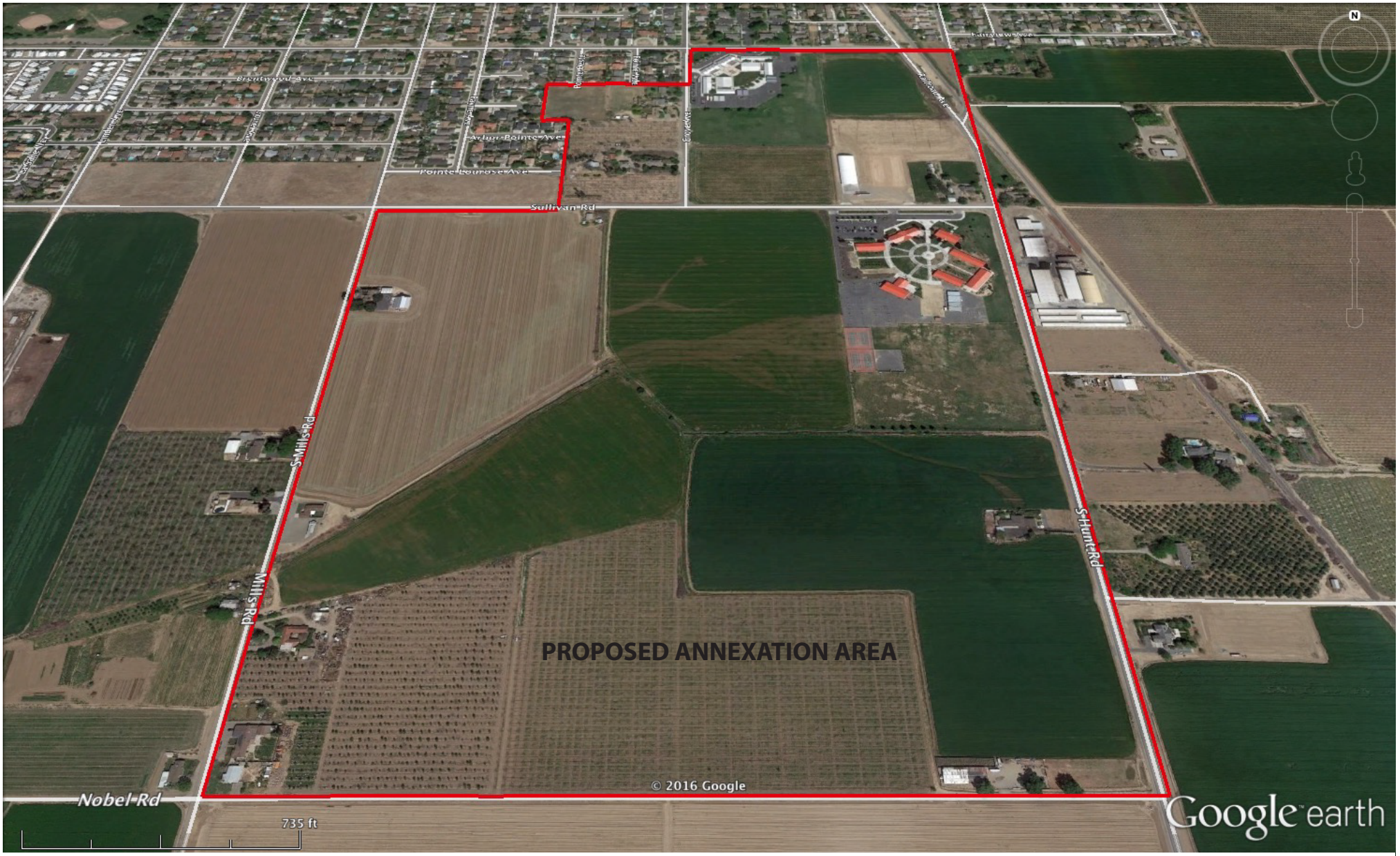

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Figure 1-3
Aerial Photo

2.0 SUMMARY TABLE

The following pages display Table 2-1, Summary of Impacts and Mitigation Measures. The table is drawn from the August 18, 2016 DEIR was circulated for public review; however, the table contains minor revisions needed to respond to any comments submitted by agencies and the public, or other changes directed by City staff. Any changes that have been made to the table since the publication of the DEIR on August 18, 2016 are shown in underline (additions) and ~~strikeout~~ (deletions). These changes are explained or documented as required in the subsequent sections of this Final EIR: Section 3.0 Responses to Comments and Section 4.0 Errata.

The potential environmental effects of the proposed project are summarized in the first column of this table. The level of significance of each of the potential environmental effects is indicated in the second column, mitigation measures proposed to minimize the impacts are shown in the third column, and the significance of the impact, after mitigation measures are applied, is shown in the fourth column.

As described in Chapter 1.0 Introduction, the project has been subject to modifications since the publication of the Draft EIR. As documented in Section 1.3, the modifications of the project are not substantial and would not result in any new or more severe environmental effects than were addressed in the Draft EIR. As a result, the Draft EIR Summary Table has not been modified.

TABLE 2-1

SUMMARY OF IMPACTS AND MITIGATION MEASURES

Potential Impact	Significance Before Mitigation Measures	Mitigation Measures	Significance After Mitigation
AESTHETICS/VISUAL RESOURCES			
Impact AESTH 1: Effects on Scenic Routes, Vistas or Resources	LS	None required.	
Impact AESTH 2: Aesthetic Effects of Proposed Urban Development	LS	None required.	
Impact AESTH 3: Light and Glare	LS	None required.	
AGRICULTURAL RESOURCES			
Impact AGRI 1: Conversion of Agricultural Land	S	1. Developers of lands within the annexation area shall pay the agricultural mitigation fee, should it be adopted by the City of Gustine prior to filing of each Final Map.	S
Impact AGRI 2: NPSP/Agriculture Land Use Conflicts	LS	None required.	
Impact AGRI 3: NPSP/Conflicts with Williamson Act Contracts	LS	None required.	
Impact AGRI 4: Forestry Impacts	NE	None required.	
AIR QUALITY			
Impact AQ 1: Project Construction Emissions	LS	None required.	
Impact AQ 2: Project Operational Emissions	LS	None required.	
Impact AQ 3: Toxic Air Contaminants	LS	None required.	
Impact AQ 4: Odors	LS	None required.	

S = Significant, PS = Potentially Significant, LS = Less than Significant, CS = Cumulatively Significant, NE = No Effect, NI = No Impact

TABLE 2-1

SUMMARY OF IMPACTS AND MITIGATION MEASURES

Potential Impact	Significance Before Mitigation Measures	Mitigation Measures	Significance After Mitigation
BIOLOGICAL RESOURCES			
Impact BIO 1: Removal of Existing Vegetation	LS	None required.	
Impact BIO 2: Loss of Special-Status Plants	LS	None required.	
Impact BIO 3: Impacts on Special-Status Wildlife Species	PS	BIO 3.1 If construction work on a project commences between March 1 and September 15, a pre-construction survey for nesting Swainson's hawks within 0.5 miles of the construction site shall be conducted by the project applicant prior to the start of construction work. If active nests are found, a qualified biologist shall determine the need (if any) for temporal restrictions on construction or other protective measures. The determination shall be pursuant to criteria set forth by CDFW in its Staff Report regarding Mitigation for Impacts to Swainson's Hawks (*Buteo swainsoni*) in the Central Valley of California (1994). The project shall incorporate all recommended measures, including any temporal restrictions.	LS
		BIO 3.2 If construction work on a project commences between February 1 and August 31, a pre-construction survey for burrowing owls within 250 feet of the construction site shall be conducted by the project applicant prior to the start of construction work. If occupied burrows are found, a qualified biologist shall determine the need (if any) for temporal restrictions on construction or other protective measures. The determination shall be pursuant to criteria set forth by CDFW in its Staff Report on Burrowing Owl Mitigation (2012). The project shall incorporate all recommended measures,	

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TABLE 2-1

SUMMARY OF IMPACTS AND MITIGATION MEASURES

Potential Impact	Significance Before Mitigation Measures		Mitigation Measures	Significance After Mitigation
			including any temporal restrictions.	
Impact BIO 4: Impacts on Other Protected Bird Species	PS	BIO 4.1	If construction work on a project commences during the general avian nesting season from March 1 through July 31, a pre-construction survey for nesting birds shall be conducted by the project applicant prior to the start of construction work. If active nests are found, work in the vicinity of the nest shall be delayed until the young fledge.	LS
Impact BIO 5: Impacts on Wetlands and Waters of the U.S.	NI	None required.		
CULTURAL RESOURCES				
Impact CULT 1: Potential Impacts on Historic Resources	PS	CULT 1.1	For any future urban development projects that propose the demolition of any of the pre-1965 structures located within the annexation area north of Sullivan Road, the Community Development Director may require these structures evaluated by a qualified historian to determine eligibility for listing on the National Register of Historic Places and/or the State Register of Historic Resources.	LS
		CULT-1.2	So that potential archaeological or paleontological materials encountered during construction activity can be identified, the developer or contractor shall provide training of field personnel in identification procedures prior to construction work. The training would consist of a mandatory pre-field meeting in which a professional archaeologist would review with equipment operators the natural and cultural history of the annexation area, archaeological sensitivity, the most likely locations of buried	

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TABLE 2-1

SUMMARY OF IMPACTS AND MITIGATION MEASURES

Potential Impact	Significance Before Mitigation Measures	Mitigation Measures		Significance After Mitigation
			cultural materials, if any, and what kinds of cultural materials would be seen if prehistoric materials are in fact unearthed and specifically how to address such discoveries and what immediate actions to take, particularly if human remains are found.	
Impact CULT 2: Potential Impacts on Prehistoric Cultural Resources	PS	CULT-2.1	As parcels located north of Sullivan Road are proposed for future development, they shall be subject to cultural resource survey by a qualified archaeologist. If important archaeological resources as defined by CEQA are identified, the archaeologist's recommendations for avoidance or mitigation to a less than significant level shall be made a requirement of future projects.	LS
		CULT-2.2	So that potential archaeological materials encountered during construction activity can be properly identified, the developer or contractor shall provide training of field personnel in identification procedures prior to construction work. The training would include a mandatory pre-field meeting in which a professional archaeologist would review with equipment operators the natural and cultural history of the annexation area, archaeological sensitivity, the most likely locations of buried cultural materials, if any, and what kinds of cultural materials would be seen if prehistoric materials are in fact unearthed and specifically how to address such discoveries and what immediate actions to take, particularly if human remains are found.	

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SUMMARY OF IMPACTS AND MITIGATION MEASURES

Potential Impact	Significance Before Mitigation Measures	Mitigation Measures	Significance After Mitigation
		CULT-2.3 If any subsurface cultural resources are encountered during future project construction, all construction activity in the vicinity of the encounter shall cease until a qualified archaeologist examines the materials, determines their significance, and recommends mitigation measures that would reduce potentially significant impacts to a less than significant level, in accordance with CEQA. The City of Gustine shall be immediately notified of the discovery and the developer or its contractor shall be responsible for retaining a qualified archaeologist and for implementing recommended mitigation measures.	
		CULT-2.4 If human remains are encountered at any time during future project construction, all construction activity in the vicinity of the encounter shall cease, and the County Coroner and the City of Gustine shall be notified immediately. The Coroner will contact the Native American Heritage Commission if the remains have been identified as or are suspected of being of Native American descent. The City shall require the developer or its contractor to implement the requirements of the CEQA Guidelines with respect to human remains of Native American origin. The City of Gustine shall require the developer or its contractor to retain a qualified archaeologist to evaluate the archaeological importance of the find and recommend any mitigation measures needed to reduce any potentially significant effects to a less than significant level under CEQA. The developer shall be required to implement those recommendations.	

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TABLE 2-1

SUMMARY OF IMPACTS AND MITIGATION MEASURES

Potential Impact	Significance Before Mitigation Measures	Mitigation Measures	Significance After Mitigation
Impact CULT 3: Impacts on Paleontological Resources	PS	CULT-3.1 If paleontological resources are encountered during project construction, construction activity in the vicinity of the encounter shall cease until a qualified paleontologist examines the materials, determines their significance under CEQA, and recommends mitigation measures that would be necessary to reduce potentially significant effects to a less than significant level, in accordance with CEQA. The City of Gustine shall be immediately notified of the discovery. The developer or its contractor shall be responsible for retaining a qualified paleontologist and for implementing recommended mitigation measures.	LS
GEOLOGY AND SOILS			
Impact GEO 1: Exposure of Proposed Improvements and Future Residents to Geologic Hazards	LS	None required	
Impact GEO 2: Other Geologic Hazards	LS	None required	
Impact GEO 3: Exposure of Development to Soil Constraints	PS	GEO 3.1. The owners, developers and/or successors-in-interest shall have a licensed geotechnical or soils engineer prepare a soils report for proposed subdivisions prior to City approval of improvement plans. The report shall identify engineering limitations of the site soils and recommend measures to ensure that planned improvements will not be damaged by these limitations. GEO 3.2.Subdivision improvements and future residential development shall conform to applicable specifications of the soils report.	LS

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TABLE 2-1

SUMMARY OF IMPACTS AND MITIGATION MEASURES

Potential Impact	Significance Before Mitigation Measures	Mitigation Measures	Significance After Mitigation
Impact GEO 4: Effects on Mineral Resources	LS	None required.	
Impact GEO 5: Impacts on Soil Erosion	PS	Implement mitigation measures described in Chapter 11.0, Hydrology and Water Quality	LS
GREENHOUSE GAS EMISSIONS			
Impact GHG 1: Project Construction Greenhouse Gas Emissions	LS	None Required.	
Impact GHG 2: Project Operations Greenhouse Gas Emissions	PS	GHG-1: The project developer shall implement the following greenhouse gas emission reduction measures: The project shall install only natural gas hearths in residences. Residences on the project site shall exceed Title 24 energy efficiency targets by at least 15%	LS
Impact GHG-3: Consistency with Applicable GHG Plans and Policies	LS	None required	
HEALTH AND SAFETY			
Impact HAZ 1: Transportation Hazards	PS	HAZ-1.1: Subdivision improvement plans for residential properties adjoining the railroad right-of-way shall consider the need for safety setbacks from the railroad, based on distance. HAZ-1.2: The applicant and/or City shall comply with any applicable standards and requirements of the Gustine Airport Land Use Compatibility Plan, including notification to the Merced County Airport Land Use Commission and Federal Aviation Administration as required, in conjunction with City review and	LS

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SUMMARY OF IMPACTS AND MITIGATION MEASURES

Potential Impact	Significance Before Mitigation Measures	Mitigation Measures	Significance After Mitigation
		approval of subdivision maps within the annexation area.	
Impact HAZ 2: Hazardous and Toxic Materials and Sites	~~LS~~PS	~~None required.~~ HAZ 2.1: Excavation within the former Chevron pipeline right-of-way shall be preceded by environmental testing to determine whether contaminated materials are located within the excavation zone. If so, then grading plans shall be modified to avoid contaminated materials or two remediate and protect any potential contamination encountered.	LS
HYDROLOGY AND WATER QUALITY			
Impact HYDR 1: Direct Impacts on Surface Water Feature and Flows	LS	None required	
Impact HYDR 2: Exposure of Proposed Development to Flooding Hazards	LS	None required.	
Impact HYDR 3: Surface Water Quality Degradation	LS	None required.	
Impact HYDR 4: Effects on Groundwater Quality	LS	None required.	
Impact HYDR 5: Potential Project Effects on Groundwater Quality	LS	None required.	
LAND USE AND PLANNING			
Impact LU 1: Impacts Associated with Proposed Changes in Land Use	LS	None required.	
Impact LU 2: Consistency with Gustine General Plan and Land Use Designations	LS	None required.	

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Potential Impact	Significance Before Mitigation Measures	Mitigation Measures	Significance After Mitigation
Impact LU 3: Conflict with Habitat or Natural Community Conservation Plans	LS	None required.	
NOISE			
Impact NOISE 1: Highway Traffic Noise	LS	None required.	
Impact NOISE 2: Local Street Noise	PS	None required.	
Impact NOISE 3: Railroad Noise and Vibration Impacts	LS	None required.	
Impact NOISE 4: Airport Noise	NE	None required.	
Impact NOISE 5: Construction Noise	S	NOISE 14.1 Hours of operation for noise-generating construction equipment shall be restricted to 7:00 AM to 7:00 PM Monday through Friday, 8:00 AM to 7:00 PM Saturday, and Sundays with authorization from the City Council or Planning Commission 9:00 AM to 5:00 PM, when such equipment is to be used near noise-sensitive land uses.	LS
Impact NOISE 6: Noise Impacts from Parks and Schools	LS	None required.	
POPULATION AND HOUSING			
Impact POP 1: Annexation Effects on Population Growth	LS	None required.	
Impact POP 2: Annexation Effects on Housing	LS	None required.	

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SUMMARY OF IMPACTS AND MITIGATION MEASURES

Potential Impact	Significance Before Mitigation Measures	Mitigation Measures	Significance After Mitigation
Impact POP 3: Disadvantaged Communities	NE	None required.	
PUBLIC SERVICES			
Impact SERV 1: Impacts on Police Protection Services	PS	SERV 1.1 The ODS shall incorporate police protection and emergency response standards into future project design and improvement plans. Design and improvement plans that promote citizens' safety shall be developed in consultation with the Gustine Police Department.	LS
Impact SERV 2: Impact on Fire Protection Services	LS	None required.	
Impact SERV 3: Project Impacts on Schools	LS	None required.	
Impact SERV 4: Project Impacts on Parks and Recreation	LS	None required.	
TRAFFIC			
Impact TRANS 1: Existing Plus Project on Intersection Level of Service.	S	TRANS 1.1: The City of Gustine shall modify its capital fee program to incorporate the street, intersection and railroad crossing improvements necessitated by the project prior to the filing of the first final map within the annexation area.	LS
		TRANS 1.2: Developers of land within the annexation area shall pay their proportionate share of improvements needed at the 6th Avenue (SR 33 / 140 / 5th Street intersection via the City's capital fee program prior to Final Map approval.	

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TABLE 2-1

SUMMARY OF IMPACTS AND MITIGATION MEASURES

Potential Impact	Significance Before Mitigation Measures	Mitigation Measures	Significance After Mitigation
		TRANS 1.3: Developers of land within the annexation area shall install four-way stop facilities at the Sullivan Avenue / Grove Road intersection prior to the first Final Map approval.	
Impacts TRANS 2: Need for Traffic Signals.	LS	None required.	
Impact TRANS 3: Roadway Segment Level of Service.	LS	None required.	
Impact TRANS 4: Railroad Crossing Impacts	LS	None required.	
Impact TRANS 5: Impacts to Alternative Transportation Modes.	LS	None required.	
UTILITIES AND ENERGY			
Impact UTIL 1: Wastewater Treatment Facility Effects	LS	None required.	
Impact UTIL 2: Wastewater Collection System Capacity and Availability	PS	UTIL 2.1. The developer shall design and construct the remaining portions of "Southern Bypass" as required to serve the proposed project. Cost distribution, sharing and/or reimbursement will be addressed in the Development Agreement.	LS
Impact UTIL 3: Water Supply Requirements	LS	None required.	
Impact UTIL 4: Effects on Potable Water Distribution System	LS	None required.	
Impact UTIL 5: Availability of Urban Storm Drainage Services	PS	UTIL 5.1. The developer shall design and construct storm drainage systems as required to serve planned development. Storm drainage improvements shall be constructed in conjunction with subdivision	LS

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SUMMARY OF IMPACTS AND MITIGATION MEASURES

Potential Impact	Significance Before Mitigation Measures	Mitigation Measures	Significance After Mitigation
		improvements, and in conformance with applicable City of Gustine standards. UTIL 5.2. Storm drainage improvement plans, and any necessary revisions to City storm drainage master plans, shall be subject to the review and approval of the City Engineer.	
Impact UTIL 6: Consistency with Storm Water Quality Regulations	LS	None required.	
Impact UTIL 7: Effects on Irrigation Systems	PS	UTIL 7.1: The boundaries of the initial annexation shall be modified to temporarily exclude owners that intend to continue in agriculture for the foreseeable future, subject to the review and approval of the Merced County LAFCO. To the degree that the potential environmental effects of annexing these lands are addressed by this EIR, additional CEQA environmental review for subsequent annexations may be foregone.	LS
Impact UTIL 8: Solid Waste Generation	LS	None required.	
Impact UTIL 9: Demands on Public Utilities	LS	None required.	
Impact UTIL 10: Impacts on Existing Utilities	LS	None required.	
Impact UTIL 11: Energy Impacts	LS	None required.	
CUMULATIVE IMPACTS			
Cumulative Impacts on Aesthetics	LS	None required.	
Cumulative Impacts on Agricultural Resources	Considerable and	As required in Chapter 5.0, the annexation area will pay agricultural mitigation fees. Otherwise, no mitigation measures	Considerable and

TABLE 2-1

SUMMARY OF IMPACTS AND MITIGATION MEASURES

Potential Impact	Significance Before Mitigation Measures	Mitigation Measures	Significance After Mitigation
	Unavoidable	are available for this impact.	Unavoidable
Cumulative Impacts on Air Quality	Less than Considerable	None required.	
Cumulative Impacts on Biological Resources	Less than Considerable	None required.	
Cumulative Impacts on Cultural Resources	Less than Considerable	None required.	
Cumulative Impacts on Geology and Soils	Less than Considerable	None required.	
Cumulative Impacts on Global Climate Change	Less than Considerable	None required.	
Cumulative Impacts on Hazards and Hazardous Materials	Less than Considerable	None required.	
Cumulative Impacts on Hydrology and Water Quality	Less than Considerable	None required.	
Cumulative Impacts on Land Use and Planning	Less than Considerable	None required.	
Cumulative Impacts on Noise	Less than Considerable	None required.	
Cumulative Impacts on Population and Housing	Less than Considerable	None required.	
Cumulative Impacts on Public Services	Less than Considerable	None required.	
Cumulative Impacts on Transportation	S	TRANS 19-1.1: The project will be responsible for payment of proportionate share costs of	Cumulatively Considerable

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TABLE 2-1

SUMMARY OF IMPACTS AND MITIGATION MEASURES

Potential Impact	Significance Before Mitigation Measures	Mitigation Measures	Significance After Mitigation
		improvements to the following intersections through the City's capital fee program, which is to be modified to incorporate these improvements as described in Mitigation Measure TRANS-1.1. 4th Street (SR 33 / 140) / 1st Avenue South Avenue (SR 140) / West Avenue 6th Avenue (SR 140) / 5th Street / Grove Avenue SR 33 / 140 / Sullivan Road Sullivan Road / Grove Street	and Unavoidable
		TRANS 19-1.2: The project will be responsible for improvements to the Sullivan Road / West Avenue intersection, as described in the KDAnderson TIS shown in Appendix G.	
Cumulative Impacts on Utilities and Services	Less than Considerable	None required.	

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3.0 COMMENTS ON THE EIR AND THE LEAD AGENCY'S RESPONSES TO COMMENTS

The City of Gustine received a total of ten (10) comment letters from agencies and members of the public during the public review period for the SEGMP DEIR. The comment letters are reproduced later in this section; the agencies and persons that submitted comment letters are listed below.

1. State Clearinghouse
2. California Department of Transportation (Caltrans)
3. Merced County Economic Development
4. Merced County LAFCO
5. Chevron
6. Barbara Adams
7. Frank and Olivia Amaral (August 22, 2016)
8. Frank and Olivia Amaral (September 29, 2016)
9. Tom Azevedo
10. Carl Hughes

Each of the comment letters are is displayed on the following pages in the order listed above; each comment letter is followed by the Lead Agency's responses to the comments. Each comment letter is assigned a number ("1, 2, 3 ...") code, as listed above, and each substantive comment within each comment letter is assigned a letter ("A, B, C ...") code. Thus, each comment has a unique code made up of the letter number and the comment letter code ("2A, 2B, 4A, etc."). For example, comment "2A" is the first comment made by Caltrans.

The Lead Agency's responses to each commenter are shown following each comment letter. The Lead Agency's responses are keyed to the respective unique comment code.

STATE OF CALIFORNIA

GOVERNOR'S OFFICE *of* PLANNING AND RESEARCH

STATE CLEARINGHOUSE AND PLANNING UNIT

EDMUND G. BROWN JR.
GOVERNOR

KEN ALEX
DIRECTOR

October 4, 2016

Sean Scully
City of Gustine
352 Fifth Street
Gustine, CA 95322

Subject: Southeast Gustine Annexation
SCH#: 2016021092

Dear Sean Scully:

The State Clearinghouse submitted the above named Draft EIR to selected state agencies for review. On the enclosed Document Details Report please note that the Clearinghouse has listed the state agencies that reviewed your document. The review period closed on October 3, 2016, and the comments from the responding agency (ies) is (are) enclosed. If this comment package is not in order, please notify the State Clearinghouse immediately. Please refer to the project's ten-digit State Clearinghouse number in future correspondence so that we may respond promptly.

Please note that Section 21104(c) of the California Public Resources Code states that:

> "A responsible or other public agency shall only make substantive comments regarding those activities involved in a project which are within an area of expertise of the agency or which are required to be carried out or approved by the agency. Those comments shall be supported by specific documentation."

These comments are forwarded for use in preparing your final environmental document. Should you need more information or clarification of the enclosed comments, we recommend that you contact the commenting agency directly.

This letter acknowledges that you have complied with the State Clearinghouse review requirements for draft environmental documents, pursuant to the California Environmental Quality Act. Please contact the State Clearinghouse at (916) 445-0613 if you have any questions regarding the environmental review process.

Sincerely,

Scott Morgan
Director, State Clearinghouse

Enclosures
cc: Resources Agency

Document Details Report
State Clearinghouse Data Base

SCH# 2016021092
Project Title Southeast Gustine Annexation
Lead Agency Gustine, City of

Type EIR Draft EIR

Description The proposed project involves annexation of approx. 219.2 acres to the City of Gustine, with LAFCo approval of prezoning. Existing roads surrounding the project area provide access to planned residential and park development; new roads and utility lines will be extended into the project area to serve residential units.

Lead Agency Contact

Name Sean Scully
Agency City of Gustine
Phone 209-854-6471 **Fax**
email
Address 352 Fifth Street
City Gustine **State** CA **Zip** 95322

Project Location

County Merced
City Gustine
Region
Lat / Long 37° 14' 37" N / 120° 59' 54" W
Cross Streets Sullivan Road and Hunt Road
Parcel No.
Township 8S **Range** 9E **Section** 8,9,16 **Base** MDBM

Proximity to:

Highways 33 and 140
Airports Gustine Airport
Railways UPRR
Waterways Main Canal of CCID
Schools Gustine ES MS
Land Use Primarily agricultural, minimal industrial and rural residential, two schools/PD Planned Development/PD Planned Developemnt

Project Issues Agricultural Land; Air Quality; Archaeologic-Historic; Biological Resources; Drainage/Absorption; Flood Plain/Flooding; Geologic/Seismic; Noise; Population/Housing Balance; Public Services; Recreation/Parks; Schools/Universities; Sewer Capacity; Soil Erosion/Compaction/Grading; Solid Waste; Toxic/Hazardous; Traffic/Circulation; Vegetation; Water Quality; Water Supply; Wetland/Riparian; Growth Inducing; Landuse; Cumulative Effects; Aesthetic/Visual

Reviewing Agencies Resources Agency; Department of Conservation; Department of Fish and Wildlife, Region 4; Cal Fire; Department of Parks and Recreation; Department of Water Resources; Caltrans, Division of Aeronautics; California Highway Patrol; Caltrans, District 10; Native American Heritage Commission; Public Utilities Commission; Regional Water Quality Control Bd., Region 5 (Fresno)

Date Received 08/18/2016 **Start of Review** 08/18/2016 **End of Review** 10/03/2016

Note: Blanks in data fields result from insufficient information provided by lead agency.

Lead Agency Responses to Comment Letter #1, State Clearing House, October 2016

Response 1A: This comment advises the City of Gustine of the close of the public review period for state agencies, identifies the state agencies involved in the review and transmits comment letters collected by the State Clearinghouse from state agencies. The letter advises the City that CEQA public review requirements have been met and that the CEQA review process is complete on the state level. The letter makes no substantive comment on the EIR, and no further response is required.

DEPARTMENT OF TRANSPORTATION
DISTRICT 10 DIRECTOR
P.O. BOX 2048
(1976 E. DR. MARTIN LUTHER KING JR. BLVD. 95205)
STOCKTON, CA 95201
PHONE (209) 948-7943
FAX (209) 948-3670
TTY 711
www.dot.ca.gov

Serious Drought.
Serious drought.
Help save water!

September 29, 2016

10-MER-140-PM 004.354
Southeast Gustine Annexation
DEIR
SCH 2016021092

Mr. Sean Scully
City Manager
City of Gustine
352 5th Street
Gustine, CA 95322

Dear Mr. Scully:

The California Department of Transportation appreciates the opportunity to have reviewed the Draft Environmental Impact Report for the Southeast Gustine Annexation Project. The project proposes the annexation of 219.2 acres southeast of Gustine for the development of 282 residential units and a neighborhood park. The Department has the following comments:

- The Department recommends the inclusion of pedestrian and bicycle facilities to provide connectivity between the proposed residences, the proposed park, and the existing schools nearby. We also recommend that the lead agency provide bicycle racks at the proposed park and coordinate with the schools to provide bicycle racks on their grounds. 2A
- The Department agrees with the Mitigation Measures proposed under Impact TRANS 1 and Impact TRANS 2. 2B
- The City should collect impact fees on a fair share basis from this and future developments toward the future installation of a traffic signal at the intersection of SR 33, SR 140, and Sullivan Road. While this development alone does not necessitate the installation of a traffic signal at this intersection, the cumulative impacts of this and future developments may trigger the need for a signal. 2C
- Any work within the State Right-of-Way will require an Encroachment Permit. 2D

If you have any questions or would like to discuss our comments in more detail, please contact Nicholas Fung at (209) 948-7190 or me at (209) 941-1921.

Sincerely,

TOM DUMAS, CHIEF
OFFICE OF METROPOLITAN PLANNING

"Provide a safe, sustainable, integrated and efficient transportation system to enhance California's economy and livability"

COMMENT NO. 2
CALTRANS

Lead Agency Responses to Comment Letter #2, California Department of Transportation (Caltrans)

Response 2A: Caltrans provides its recommendation regarding the location of pedestrian and bicycle facilities linking the project, the proposed park and the existing school. The project includes pedestrian sidewalks on all improved streets, which will provide the recommended connectivity. The project includes Class I and other bicycle facilities consistent with City standards and with the Gustine Bicycle Master Plan.

Response 2B. Caltrans indicates its agreement with the mitigation measures in Chapter 17 of the EIR. No response is necessary.

Response 2C. Caltrans recommends that the City include impact fees for specified traffic improvements, including the intersection of us are 33, SR1 40 and Sullivan Road. The City is in the process of studying its capital facility fees, including fees for public street improvements. This recommendation will be taken into account during that effort.

Response 2D. Caltrans identifies its requirement for an encroachment permit for work within the state highway right-of-way. The City is familiar with this requirement and will obtain encroachment permits for future road improvements affecting State highway facilities.

MERCED COUNTY

COMMUNITY AND ECONOMIC DEVELOPMENT DEPARTMENT

Mark J. Hendrickson
Director

Steve Maxey
Deputy Director, Planning

2222 "M" Street
Merced, CA 95340
(209) 385-7654
(209) 726-1710 Fax
www.co.merced.ca.us

Equal Opportunity Employer

October 1, 2016

Mr. Sean Scully, City Manager
City of Gustine
352 Fifth Street
Gustine, CA 95322

RE: Merced County Comments on SE Gustine Annexation Draft Environmental Impact Report

Dear Mr. Scully:

The Merced County Community and Economic Development Department appreciates the opportunity to comment on the SE Gustine Annexation Draft Environmental Impact Report (DEIR). The County has reviewed the report, and has the following comments:

Agriculture
Mitigation Measure AGRI 1.1: *Developers of land within the annexation area shall pay the agricultural mitigation fee, should it be adopted by the City of Gustine, prior to filing of each Final Map.*

The County commends the City and the project applicant for including this mitigation measure and mitigating for the loss of prime land on the Valley floor. The County recommends that the City include an alternative mitigation measure that would mitigate for the loss of this farmland if the mitigation fee has yet to be established by the City at the time of final map adoption. 3A

The language for this mitigation measure in the DEIR would result in this significant impact going unmitigated, which would conflict with the City's General Plan "Urban Growth" Policy 1. In addition, the City should articulate a timeline for adoption of an agricultural mitigation fee, if possible. The Merced County Planning Department is happy to provide information and resources that would aid in this effort.

Park Location

The DEIR lacks discussion of the proposed park and ball fields and consistency with a Parks and Recreation Master Plan (Gustine General Plan Policy 10.2.1.a). The proposed location of the park and ball fields (at the southern boundary of the project area, adjacent to Noble Road) appears to represent a regional park that is not included in the City's General Plan. The proposed location of the park appears to be the result of accommodating project-generated storm water. While this is a reasonable "dual purpose" for a recreational facility, the location may not serve the existing community as well as a more northerly location due to its "further" distance from established neighborhoods which may require residents to drive to use these facilities. 3B

Again, we thank you for the opportunity to comment on the project, and look forward to the Final EIR. If you or your staff have any questions regarding the above comments, please contact Steve Maxey, Deputy Director of Planning at (209)385-7654 or via email at smaxey@co.merced.ca.us.

Sincerely,

Mark J. Hendrickson
Director

COMMENT NO. 3
MERCED COUNTY COMMUNITY AND ECONOMIC DEVELOPMENT DEPARTMENT

Lead Agency Responses to Comment Letter #3, Merced County Economic Development

Response 3A: The City of Gustine understands that the recommended mitigation measure of paying an agricultural mitigation fee would not avoid potential impacts of the project on agricultural land or reduce them to a less than significant level. The EIR reaches this conclusion on page 5-4.

As is provided in the Merced County agricultural mitigation ordinance, provision of conservation easements over and equivalent amount of agricultural land of comparable value would be an alternative to payment of an agricultural mitigation fee. The mitigation measures included in the Draft EIR is modified to identify this option as follows:

> AGRI 1.1: Developers of lands within the annexation area shall pay the agricultural mitigation fee or provide conservation easements protecting equivalent amount of agricultural land, should an agricultural mitigation ordinance be adopted by the City of Gustine, prior to filing of each Final Map.

The mitigation measure shown in the Draft EIR and as modified above cannot be more strongly worded until the City adopts an agricultural mitigation requirement. The City's reasoning is discussed in more detail below.

Gustine has experienced only minimal residential growth over the last 15 years, which has had substantial economic impacts on the City. Revenues from new development have been limited while the expectations and responsibilities of local governments have grown substantially. Lack of development has inhibited growth in small business and taxable sales further restricting City revenues. New development is seen as a critical means of meeting growing capital water, sewer, and storm drain costs. The project would provide enough vacant residential land for measured residential expansion over the next 5-10 years and contribute substantially to the City's financial sustainability.

The adoption of an agricultural mitigation fee applicable to residential development projects is not considered feasible at this time. Costs of agricultural mitigation would substantially affect the costs of subdivision development and inhibit or prevent new residential development. This would result from increased absolute costs of new residences as well as increased costs relative to development in other nearby cities that do not have agricultural mitigation requirements.

Should an agricultural fee not be adopted by the City prior to its consideration of the project, the City may yet approve the project. In this instance, the City will need to adopt a Statement of Overriding Considerations, which will provide further detail as to its reasoning for not imposing this agricultural mitigation measure on the proposed project.

The City disagrees that non-payment of an agricultural mitigation fee would conflict with the City's urban growth policies. These policies, found on page 4-7 of the General Plan, are oriented toward providing a compact urban form and an efficient urban service area. Other than in Policy 4.2.1.b, which establishes the City's policy to "Explore techniques to preserve areas of significant agricultural soils, buffers, etc.," the Urban Expansion Goals, Policies and Actions do not address mitigation for conversion of agricultural land. The project is consistent with the provisions of the Urban Expansion provisions in that it is located within the City's Sphere of Influence, it is

adjacent to existing development and will provide the urban infrastructure needed to support urban development. The project will limit development-related impacts on agricultural land by limiting annexation to lands presently needed for urban development.

Response 3B: This comment expresses the agency's opinion related to the location of the proposed park on Nobel Road. The proposed park location has been reviewed by City staff and decision-makers during their review of the project. The proposed park would provide storm drainage detention benefits, and while another location could be more accessible to the City as a whole, the park is a "neighborhood" park intended to serve development in the southern portion of the City rather than a "community" park intended to serve the City as a whole. The proposed park would involve a considerable contribution to the City's parks system. Upon review of the referenced General Plan policies, the City finds that no conflict between the proposed park location and the applicable policies.

LAFCo
of Merced County

Local Agency Formation Commission
2222 M Street
Merced, CA 95340
Phone (209) 385-7671 / Fax (209) 726-1710
www.lafcomerced.org

October 3, 2016

Sean Scully, City Manager
City of Gustine
352 Fifth Street
Gustine, CA 95322

RE: Southeast Gustine Master Plan and Annexation Draft EIR Comments

Dear Mr. Scully:

Thank you for forwarding Merced LAFCO notice of the Draft Environmental Impact Report (Draft EIR) for this 219.2 acre Southeast Gustine Master Plan and annexation project. It appears the Draft EIR evaluates the environmental impacts of the entire 219.2 acre area although it is anticipated that the area may be annexed in two phases as described in Chapter 3.4 and identified on Figure 3-2. Almost all of the area is prezoned as Planned Development (PD) for single family residential development. LAFCO will consider the EIR document in its role as a "responsible agency" under CEQA. Therefore, please consider these comments which will help clarify the environmental record when the project reaches the Commission.

Under Section 5.0 "Agriculture and Forestry," the Draft EIR identifies that 83% of the undeveloped land is designated as "Prime Farmland" in the State Department of Conservation's Mapping and Monitoring Program, and that 153 acres would be converted. The Draft EIR is very clear in the analysis that this conversion is a significant impact which can be partially mitigated through the acquisition of open space easements over agricultural land, or the payment of a fee to obtain easements at a 1:1 ratio. It also clearly states that the City has not previously required this type of mitigation, nor has any other city in Merced County, and that the City adopted a statement of overriding considerations for the loss of agricultural land when adopting the City's General Plan.

While the requirement to obtain agricultural conservation easements or pay an "in-lieu" fee is presented as a policy decision for the City, it is also an important determination to ensure compliance with CEQA. In addition to Merced County, Stanislaus County has adopted agricultural land mitigation requirements similar to Merced County, and projects in the neighboring City of Newman would be subject to mitigation during the annexation process with Stanislaus LAFCO. However, if the City Council decides to adopt a statement of overriding considerations again, there needs to be specific reasons to support this action based on information in the Final EIR or other information in the record (section 15093(b) of the CEQA Guidelines). The Draft EIR does not present the reasons for overriding this impact. For LAFCO to rely on the City's overriding considerations, the City should clearly identify the basis of these considerations as required under section 15091 which include: "Specific economic, legal, social, technological, or other considerations, including provision of employment opportunities for highly trained workers, make infeasible the mitigation measures or project alternatives identified in the final EIR."

4A

COMMENT NO. 4
LAFCO OF MERCED COUNTY

In terms of the overall Southeast Gustine Master Plan, it is commendable that the City took such a comprehensive approach to identifying the area for ultimate annexation to the City. At the same time, it appears based on the information in Section 3.4 of the Draft EIR that only a portion of this area will be proposed for annexation in the near future. While not necessarily part of the EIR analysis, LAFCO will review the proposal against its locally adopted policies which include a consideration of how much vacant residentially designated land is available within the current city limits in conformance with Section C, Policy 7, which reads:

> *Consider the amount of existing vacant land within the City that is available for similar types of development to the proposed annexation. Make a comparison of existing vacant and available land to the amount of land needed to accommodate growth needs over a ten year period as established in the City's General Plan or other official projection such as that adopted by the Merced County Association of Governments. The City must provide evidence why the consideration of existing vacant land is not appropriate based on such factors as location, limitations to infrastructure, development constraints, agricultural viability, economic market conditions, or unique characteristics of the annexation project.*

4B

The City has a limited supply of vacant residential land within the current city limits, but it also has a slow historic growth rate. The Master Plan and other application materials should include reference to the characteristics of the project that provide evidence of compliance with this implementation measure. Is should be noted that LAFCO Policy No. 8 encourages larger comprehensive development proposals which involve phased annexations. The Southeast Gustine Master Plan may conform to this policy, depending on the documents submitted with the future annexation. Policy 8 reads as follows:

> *In the case of large comprehensive development proposals, annexation should be phased whenever feasible. The Commission may approve annexation of all the subject territory if it finds the territory is likely to be developed within a reasonable period of time and if the City has adopted a phasing plan for the territory and policies for ensuring adequate facilities will be available once development occurs. Adoption of a specific plan for the territory by the City would be the most desirable means to ensure LAFCO policies are satisfied.*

4C

In terms of adequate public services and facilities, Public Services (Chapter 16) of the Draft EIR identifies an increase in need for police and fire services and personnel resulting from growth within the Southeast Gustine Master Plan area. No existing City development impact fees for either service are referenced, and the increase in staffing levels are dependent on future City Council budget decisions to allocate a portion of future property and sales taxes to support these services. These increases are not quantified, beyond reference to the General Plan goal to provide 2.0 police officers per 1,000 in population. Based on this estimate, the annexation area would require two additional officers. When the City submits the future annexation application to LAFCO, one of the requirements is to submit a "plan for

4D

COMMENT NO. 4
LAFCO OF MERCED COUNTY

services" in compliance with Government Code section 56653(b). The Commission will work with City staff to ensure this plan is completed in compliance with the Government Code requirements. 4D

Under Chapter 17, Transportation, the City correctly proposes to annex the full rights of way of all adjacent existing roads with each phase of future annexation. This is consistent with LAFCO policy. 4E

In the Utilities and Services Chapter (Chapter 18), the Draft EIR concludes that a "water supply assessment" conforming with SB 610 (in the State Water Code) is not required as the "project" for water supply purposes is only defined as the Phase I annexation area (involving 282 new dwellings) and not the Southeast Gustine Master Plan area which involves over 500 new connections. Even though it is unclear how this part of the Draft EIR analysis can have a different definition of "project" from the balance of the EIR, the 282 units in the Phase I annexation area represents an increase of more than 10% of the City's current 1,850 water connections which would qualify as a "project" for systems with less than 5,000 connections under section 10912(b). Further, while the City's water system may not be defined as a "public water system" due to its small size, Section 10910(b) of the Water Code would require the city to prepare the water supply assessment rather than the "public water system" – the Code does not exempt the city from this requirement. 4F

Assuming the Draft EIR's interpretation of SB 610 is correct, LAFCO still needs information on adequate water supplies for the annexation. Specifically, Government Code section 56668(l) requires the Commission to consider as one of the factors for review, the "timely availability of water supplies adequate for projected needs as specified in section 65352.5." The Draft EIR discusses groundwater as the source of supply for the project (Page 12-5), it notes that the area is presently served primarily by surface irrigation water from CCID. While the EIR does identify the need for a new well which would be located in the new park adjacent to Nobel Road, it does not quantify the amount of water needed to serve the annexation or Master Plan area, and how this relates to overall groundwater supply. LAFCO will request this information as part of the "Plan for Services" as referenced earlier in accordance with Government Code section 56653(b). 4G

This completes the LAFCO comments on the Draft EIR. Please let me know if you have any questions or would like to discuss any issues raised in this letter.

Sincerely,

Bill Nicholson,
Executive Officer

cc: LAFCO Commission
LAFCO Counsel

X:\LAFCO\Corresp\Gustine Southeast Annex.DEIR Comments.docx

COMMENT NO. XX
LAFCO

Lead Agency Responses to Comment Letter #4, LAFCO, Merced County

Response 4A: In its first paragraph, this comment affirms information included in the Draft EIR. No response is necessary. In the second paragraph, LAFCO notes that agricultural land impacts and mitigation are important CEQA concerns. Agreeable mitigation language for agricultural land conversion impacts is included in this Final EIR and addressed in the proposed CEQA findings, which include a Statement of Overriding Considerations.

Response 4B: This comment explains LAFCO annexation policy and procedure related to the supply of land available for residential development. This comment does not necessarily bear on or make any comment on the issues addressed by or other content of the EIR. No further response is necessary.

Response 4C: This comment elaborates further on LAFCO annexation considerations, noting that the project may comply with these considerations. The applicant, City and LAFCO have met subsequent to receipt of this letter to discuss annexation phasing. The City will be submitting an initial annexation proposal for a portion of the Master Plan area consistent with these discussions.

Response 4D: This comment expresses the concern that the DEIR does not identify development impact fees for Police and/or Fire services. Note that the EIR on pages 16-2 and 16-4 does mention City capital fees for police and fire services that must be paid by the developer. The EIR also notes that police and fire staffing needs will need to be addressed by the City as these needs are realized. Economic and fiscal effects are not to be considered environmental effects under CEQA and are therefore not addressed further in the EIR. As the commenter notes, these concerns are required to be and will be addressed in the LAFCO Plan for Services.

Response 4E: In this comment, LAFCO indicates that plans to include roadway rights-of-way in the annexation are consistent with LAFCO policy. No response is required.

Response 4F and 4G: A Water Supply Assessment has been prepared for consideration by the City and LAFCO and is incorporated in this Final EIR as Appendix C.

Mike N. Oliphant
Project Manager
Mining and Specialty
Portfolio

Chevron Environmental Management Company
P.O. Box 6012
San Ramon, CA 94583
Tel (925) 842 9922
mike.oliphant@chevron.com

September 22, 2016

Stakeholder Communication – City of Gustine

Mr. Sean Scully
City Manager
City of Gustine
352 Fifth Street
Gustine, California 95322

Subject: **Comments on the Public Review Draft Environment Impact Report for the Southeast Gustine Annexation Project**
Chevron Environmental Management Company
Historical Pipeline Portfolio–Bakersfield to Richmond

Dear Mr. Scully:

On behalf of Chevron Environmental Management Company (CEMC), Leidos, Inc. (Leidos; CEMC contract consultant) recently reviewed the Public Review Draft Environment Impact Report for the Southeast Gustine Annexation Project (proposed project). The information contained in this letter may help you in planning this project and to understand something about Chevron's former pipeline operations in Merced County, as residual weathered crude oil, abandoned pipeline, and asbestos-containing materials (ACM) could potentially be encountered during subsurface construction activities in the vicinity of this former pipeline location within the existing former pipeline right of way (ROW).

A portion of the former Tidewater Associated Oil Company (TAOC) pipeline existed in the vicinity of the proposed project area. This formerly active pipeline was constructed in the early 1900s and carried crude oil from the southern San Joaquin Valley to the San Francisco Bay Area. Pipeline operations for the TAOC ceased in the 1970s, at which point the pipeline was taken out of commission. The degree and method of decommissioning varied: in some instances the pipeline was removed, while in others it remains in place. Because this pipeline has been decommissioned, with the majority of pipeline having been removed, it is not readily identified as underground utilities through the Underground Service Alert North System or utility surveys. Figure 1 illustrates the location of the former TAOC ROW with respect to proposed project area. The location of the pipeline shown on Figure 1 is based on historical as-built drawings and the approximated positional accuracy of the alignments is generally +/- 50 feet. The TAOC pipeline was installed at depths of up to 10 feet below ground surface. The steel pipeline was typically encased in a protective coating composed of coal tar and ACM.

Working under the direction of State regulatory agencies, CEMC conducted risk assessments at numerous locations with known historical crude-oil release points along the former TAOC pipeline. Analytical results from these risk assessments indicated that the crude-contaminated soil was non-hazardous. Accordingly, it is likely that if soil affected by the historical release of crude oil from this former pipeline is encountered during construction activities it may be reused as backfill on site. Properly abandoned crude-oil pipeline may be left in the ground. Parties

5A

COMMENT NO. 5
CHEVRON

5A

conducting construction activities in the vicinity of this former pipeline ROW may wish to use the information provided in this letter to help prepare for the possibility of encountering abandoned pipeline and pipeline-related ACM during the course of their work.

For more information regarding this historic pipeline, please visit http://www.hppinfo.com/. If you would like additional information, or would like to request more detailed maps, please contact Leidos consultants Mike Hurd (michael.t.hurd@leidos.com) at (510) 466-7161 or Daniel Anzelon (daniel.b.anzelon@leidos.com) at (858) 826-3316.

Sincerely,

Mike Oliphant

MO/klg

Enclosure:
Figure 1. Historical Pipeline Right of Way – Southeast Gustine Annexation Project

cc: Mr. Mike Hurd – Leidos
475 14th Street, Suite 610, Oakland, California 94612

COMMENT NO. 5
CHEVRON

Lead Agency Responses to Comment Letter #5, Chevron

Response 5A: The Chevron Environmental Management Company calls attention to an abandoned crude oil pipeline located along the railroad in the north eastern portion of the project site. Oil–contaminated soil and asbestos-containing materials could potentially be encountered during excavation in this area. Chevron reports that, while some environmental testing has been conducted that indicates that soil contamination from the pipeline is benign, the potential for exposure of construction workers or future residents and users of this portion of the project site to hazardous materials cannot be ruled out.

This potential risk is not identified in the draft EIR. The EIR is amended via Final EIR Section 4.0 Errata to incorporate the information provided by Chevron in the Environmental Setting section of Chapter 11.0 of the EIR. A new potential significant effect is identified as follows:

> Addition to Impact HAZ 2. Excavation in the vicinity of the former Chevron crude oil pipeline could result in exposure of contaminated soil's and asbestos containing materials. Grading and excavation in this area should be designed to avoid potential contact with these materials or to remediate environmental contamination if encountered. The mitigation measure identified below would reduce potential for a significant effect to a less than significant level.
>
> Mitigation Measure HAZ 2.1: Excavation within the former Chevron pipeline right-of-way shall be preceded by environmental testing to determine whether contaminated materials are located within the excavation zone. If so, then grading plans shall be modified to avoid contaminated materials or two remediate and protect any potential contamination encountered.

Sean Scully, City Manager
City of Gustine
352 Fifth Street
Gustine, CA 95322

September 29, 2016

SUBJECT: Draft Environmental Impact Report for the Southeast Gustine Annexation Project

- Public Safety – There are often quotes from the Gustine Police Chief published in The Gustine Standard stating there are not enough police officers to provide sufficient service. We also have a volunteer Fire Department. The addition of 676 new homes will put a strain on public safety officials and certainly increase response times. As with any new housing project, there will be vacant homes/parcels that will be suspect to vandalism and graffiti. These incidents will need police response and action. 6A

- Increased Traffic – The study on traffic impact was completed on April 2, 2014. This time of year does not account for the traffic during the peak agricultural season and how the agricultural equipment and machinery are a factor in traffic on Mills Road, Sullivan Road, Gun Club Road, and Hunt Road. The analysis of particular intersections (West and Meredith, West and Sullivan) indicates no significant change, but this impact assessment seems erroneous. A project that includes 676 new dwelling units will obviously have an impact on traffic patterns, even though the study doesn't indicate so. 6B

- Water/Facilities – The addition of 676 new homes will require additional water resources. In a severe drought in which city residents (myself included) were mandated to conserve water and only water lawns twice a week, it seems counterproductive to build hundreds of houses that will use large amounts of water. The water supply lines will need to be maintained and monitored by the city, adding costs. Once this infrastructure is built, where will the funds come from to maintain it? The property taxes generated from the new homes in the development will not sustain the continuing costs. 6C

- Pollution and Code Enforcement – The addition of 676 houses will add at least 1000+ vehicles to the area. Until recently, when driving on Highway 33 drivers saw a billboard for the San Joaquin Valley Air Pollution Control District with a picture of our city mayor, stating, "Drive Less." Why would we add over 1000 vehicles to the area, which will be driven for commutes to work in other cities, when current residents are asked to drive less to decrease pollution? If the cars aren't being driven, code enforcement officials will need to patrol the area to ensure the cars are not an eyesore, not parked on lawns, etc. 6D

- Proposed Park Location – The proposal of a park on Noble Road does not seem logical. The park area does not include any parking lot/spaces. During large events, Noble Road will have numerous cars traveling it and parking on it. When events have ended, traffic will have two possible exits – Mills Road and Hunt Road – which will then impact Sullivan Road and Gun Club Road. The location of the park seems to service a small percent of the community, as it will be on the southernmost part of the project and be the furthest drive for citizens who live on the northern portion of the city. 6E

COMMENT NO. 6
BARBARA ADAMS

- Future Funding - Once this infrastructure is built, where will the funds come from to maintain it? Property taxes generated from new homes in the development will not sustain the continuing costs. Public funds will be used for this project. The tax burden should not be passed on to other taxpayers in Gustine and Merced County. 6F

- Non-consent of Parcel Owners - This project is being promoted by one property owner who owns some acreage within the boundaries of Mills/Sullivan/Hunt/Noble Roads. Some property owners in this perimeter do not wish to be included in this project, yet their parcels are being included in this plan. It is a shame that individuals who wish to continue the rich agricultural tradition of this community are included in plans which will eliminate their land and farming income. 6G

- Lack of Public Notice - The lack of information about this project to the community is disconcerting. One small public notice was published in the local paper, The Gustine Standard, only one time. The city purchased an electronic information marquee to inform citizens of community activity. In the past 45 days, the marquee has included information on the Farmers' Market, paying utility bills online, and other community information; however, the DEIR and accessibility was never publicized. It could be perceived that city officials do not want community members to know about the proposed project. 6H

- Need for Public Hearings - City officials are already discussing the addition of approximately 700 homes to the City of Gustine. This project has not had any public hearings so the community has the opportunity to voice their opinions on this proposal. One of the responsibilities of elected officials is to listen to their constituents and take their comments into consideration when making decisions. It appears a decision may have already been made before the right to public hearings has been exercised. 6I

- Need for Business/Industrial Activity – In order to get city residents involved in the community, they need to be invested in it. People who work close to their residences will shop in the community, will volunteer, and will take pride in the community. Building 676 homes before procuring business activity, along with its tax revenue, will create problems, not solve them. Patterson has clearly illustrated the success of building an industrial park near the I-5 corridor and the housing that is then justified. If Gustine invested in an industrial park and filled it with companies, the employees would want to live near their place of employment and would support the businesses within the city. It is a win-win for all. 6J

For reasons including, but not limited to, those stated above, I oppose the approval of the Southeast Gustine Annexation Project.

Sincerely,

Barbara Adams
1020 Brentwood Ave.
Gustine, CA 95322

COMMENT NO. 6
BARBARA ADAMS

Lead Agency Responses to Comment Letter #6, Barbara Adams

Response 6A: The City acknowledges that increased development will place increased demand for police and fire services. Public safety staffing issues are fiscal (economic) concerns that may not be addressed under CEQA. The need for additional staffing, and revenues available to meet such costs will need to be addressed by the City Council as these needs occur. The issues raised by the commenter are discussed in the EIR at pages 16-1 through 16-4. With the application of mitigation measures, Police Protection issues would be reduced to a less than significant level.

Response 6B: The potential traffic effects of the project, including all potential residential development within the study area, 676 homes, is addressed in detail in Chapter 17.0 of the EIR and the traffic technical study attached to the EIR as Appendix G. The DEIR is clear in indicating that the project will have significant traffic effects unless mitigated. The EIR specifies mitigation measures needed to reduce potential impacts to a less than significant level.

Response 6C: The potential effects of the project, including increased demand for potable water, are addressed in detail in Chapter 18.0 of the EIR. New hookups will be required to pay City fees, which will be used for long-term improvement to the system. Otherwise, any potential fiscal effects will be need to be addressed by the City Council as needs occur, as they are not to be addressed in the EIR under CEQA.

Response 6D: The potential air quality effects of the project, including air emissions from new development, are addressed in detail in Chapter 6.0 of the EIR. There is no known evidence that new development would result in increased code enforcement concerns or parking of vehicles in front yards.

Response 6E: Regarding park location, see the response to Merced County (Commenter #3). The proposed park is not intended to meet citywide needs but is rather a "neighborhood" park intended to serve the project area and vicinity. Substantial parking totaling 115 spaces (see EIR Figure 3-7) will be provide on-street immediately adjacent to the park. Additional parking will be available along the opposite side of streets fronting the park. The available parking is considered adequate to meet parking demand generated by the park.

Response 6F: As noted in previous responses, economic/fiscal issues are not addressed in CEQA documents. Potential costs and benefits of the project will need to be considered by the City Council.

Response 6G: The EIR at page 3-2 acknowledges that some owners within the overall project area do not currently wish to pursue urban development of their properties. The City does not intend to annex unwilling property owners unless required to do so by LAFCO. The City anticipates excluding these properties from lands proposed to the Merced County LAFCO for annexation..

Response 6H: Public notice of the availability of the EIR was provided as required by CEQA and the CEQA Guidelines. Additional notice regarding City consideration of the EIR and project will be provided as required by the California Government Code.

Response 6I: The project requires pre-zoning and other actions that require public hearings. The environmental process is completed before such hearings are held. Notice of public hearings will be provided as noted previously.

Response 6J: This is a comment related to acceptability of the project but makes no substantive comment on the EIR. No response is required. The proposed project is the annexation and development of residential land. Industrial recruitment and job development are separate activities in which the city, county and state participate. As these are not a part of the proposed project, they are not addressed in the EIR.

August 22, 2016

City Of Gustine

RE: South East Annexation

Sean Scully, City manager

This letter is in regard to the proposed development annexation project.

We own the property on the south side of Noble Rd extending to Mills Rd on the West and Hunt Rd on the East. Our concern about this development is the impact it may have on our farming rights on our property. In order to maintain our crops there are times that spraying is required and our concern is about restrictions that may be placed that will not allow us to farm our property to its greatest advantage. 7A

At the present time the property is in row crops, but that may change in time to planting an orchard in the future. We are very concerned about our property rights with a recreation park right across the road. 7B

Another item that is of concern to us is the parking availability when there are functions at the various recreation fields that draw a great number of vehicles. At the present time we have that problem at the present soccer field on Jensen Rd. that borders our property and there are not sufficient parking spaces when events are going on and occasionally there are vehicles parked in our orchard property. 7C

This would be a much greater problem at the Noble Rd proposal due to the fact that there are two (2) soccer fields in the plans.

We would like to go on record that we are not in favor of this annexation.

Frank & Olivia

Sincerely,

Frank & Olivia Amaral

COMMENT NO. 7
FRANK AND OLIVIA AMARAL

Lead Agency Responses to Comment Letter #7, Frank and Olivia Amaral (August 22, 2016)

Response 7A: The City acknowledges that the "right to farm" is an important issue related to urban development. Both the City and County have adopted "right to Farm" ordinances that protect the rights of farmers to manage their lands as needed and would prevent the imposition of restrictions. This concern is addressed in the EIR in Chapter 5.0.

Response 7B: See Response 7A.

Response 7C: As shown in Figure 3-7 of the EIR, on-street parking would be provided around the entire perimeter of the park (115 spaces), and additional parking would be available on other City streets to be constructed as a part of the project. If needed for large events, the City may require a permit that would establish specific requirements for parking management and security.

Sean Scully, City Manager
City of Gustine
352 Fifth Street
Gustine, CA 95322

September 28, 2016

SUBJECT: Draft Environmental Impact Report for the Southeast Gustine Annexation Project

This letter is to respond to the Draft Environmental Impact Report for the Southeast Gustine Annexation Project and to state our concerns and questions.

Increased Traffic – We do not feel the study on the traffic impact for this project is not quite accurate since the harvesting of crops in the surrounding farm properties was not taken into consideration. For one thing, if there is an orchard along Noble road, there is a great deal of dust when harvesting is being done which we are sure the residents along Noble road would not appreciate. Along those same lines, it would be unlawful to put restrictions on what can be farmed on the property along Noble Rd. simply because there are homes across the road

8A

Road Conditions – The study indicates S. Mills Road will be 60 foot right-of-way in the project area. Our concern is the remainder of Mills Rd. to Gun Club Rd. It is in terrible condition and very narrow. If several commuters start using that road, it would be a disaster!

8B

Proposed Park Location – The proposed location of the park for this subdivision is in a very poor location. It will not be at all convenient for the people living on the north end of this development and it will seriously impact parking along Noble Rd. which borders our farming property that will be an "extra" parking area during soccer events or large gatherings at the park which is exactly what happens at the soccer field on Jensen Rd. that borders our other property. During gatherings, the cars park in our orchard property located on Jensen Rd.
We are very unhappy about this project bordering yet another one of our properties!
We **strongly** suggest placing the park area in the middle of this project, if it does become a reality.

8C

Water/Facilities – With the addition of these new homes, water sources will certainly be a problem. The surrounding farm lands will suffer since it will remove our valuable farm water resources. Property taxes from the new development will not keep up with the added costs to the surrounding farm lands.

8D

Thank you for your consideration.

Sincerely,

Frank & Olivia Amaral

COMMENT NO. 8
FRANK & OLIVIA AMARAL

#8 Frank and Olivia Amaral (September 28, 2016), Page 1

Response 8A: See Response 7A to the previous Amaral letter regarding "right-to-farm.

Response 8B: The proposed project will require improvements to the existing roads serving the project site. South Mills Road will be improved in conjunction with adjoining development to provide two 12-foot lanes with an 8-foot parking, curb, gutter and sidewalk along the east side and a 3-foot paved shoulder and drainage swale along the west side. See Figure 2-3 of the SEGMP.

Response 8C: Concerns related to the park location are also expressed by Barbara Adams (Response 6E), and the Amarals (Response 7C), in their previous letter. Please refer to those responses.

Response 8D: Concerns regarding impacts to farm water supplies are addressed in Section 18.4 the EIR. Existing CCID water supply for agricultural lands in the project area and surrounding areas by limiting annexation to properties planned for urban development. CCID would continue to serve surface water to the non-project lands; in addition CCID has agreed to maintain irrigation water service to any agricultural lands that may be required to be annexed into the City.

Sean Scully, City Manager
City of Gustine
352 Fifth Street
Gustine, CA 95322

September 30, 2016

SUBJECT: Draft Environmental Impact Report for the Southeast Gustine Annexation Project

This letter is to respond to the Draft Environmental Impact Report for the Southeast Gustine Annexation Project and to state my concerns and questions.

- Increased Traffic – The study on traffic impact was completed on April 2, 2014. This time of year does not account for the traffic during the peak agricultural season and how the agricultural equipment and machinery are a factor in traffic on Mills Road, Sullivan Road, Gun Club Road, and Hunt Road. A project that includes 676 new dwelling units will obviously have an impact on traffic patterns, even though the study doesn't indicate so. 9A

- Road Conditions – The study indicates S. Mills Road will be 60 foot right-of-way in the project area. Will the additional existing road that continues to Gun Club Road be improved? Will the road only be improved to Noble Road and the rest left in its current condition? More traffic on the segment from Noble Road to Gun Club Road will only worsen the current conditions of the road. 9B

- Proposed Park Location – The proposal of a park on Noble Road does not seem logical. The park area does not include any parking lot/spaces. During large events, Noble Road will have numerous cars traveling it and parking on it. When events have ended, traffic will have two possible exits – Mills Road and Hunt Road – which will then impact Sullivan Road and Gun Club Road. The location of the park seems to service a small percent of the community, as it will be on the southernmost part of the project and be the furthest drive for citizens who live on the northern portion of the city. 9C

- Water/Facilities – The addition of 676 new dwelling units will require additional water resources. In addition, it will remove some of our valuable agricultural land. Once this infrastructure is built, where will the funds come from to maintain it? Property taxes generated from new homes in the development will not sustain the continuing costs. The tax burden should not be passed on to other taxpayers in Gustine and Merced County. Also of huge concern is the future of our groundwater. A huge city well would place extreme burden on all current domestic and agricultural wells in the area. 9D

Thank you for your consideration.

Sincerely,

Tom + Deami Azevedo

COMMENT NO. 9
TOM AND DEAMI AZEVEDO

Lead Agency Responses to Comment Letter #9, Tom and Deami Azevedo

Response 9A: See response to Barbara Adams (Response 6B). The traffic study addresses potential traffic impacts under existing and potential future conditions. The roads surrounding the project will be improved to accommodate traffic generated by new development as well as existing traffic.

Response 9B: The project includes proposals to improve the roads adjacent to the project area, which would necessarily include the intersection of South Mills Road and Noble Road. The project would not include improvements south of Noble Road; traffic increases associated with the project are expected to be oriented primarily northward to existing development and highway connections.

Response 9C: The proposed park location, park-related traffic and parking concerns are addressed in responses to other commenters, including Barbara Adams (Response 6E) and Frank and Olivia Amaral (Response 7C). Please refer to those responses.

Response 9D: The concerns raised by the commenter, including effects on water resources, loss of agricultural land and economic effects are addressed in previous responses including response to Merced County (Comment 3) and Frank and Olivia Amaral (Comment 8). Concerns regarding impacts to farm water supplies are addressed in Section 18.4 the EIR. Agricultural water supplies will be preserved by limiting annexation to only those properties planned for development. CCID would continue to serve surface water to the surrounding lands; in addition CCID has agreed to maintain water service to any agricultural lands that may be annexed. No further response is necessary.

Subject: FW: SE Gustine Annexation Project Draft Environmental Impact Report
Date: Tuesday, October 4, 2016 at 3:15:17 PM Pacific Daylight Time
From: Sean Scully
To: Charlie Simpson
CC: 'Joshua Nelson', josh@gdrengr.com, rickringler@gdrengr.com, 'Max Garcia', Ron Katakis, George Osner

From: Carl & Linda Hughes [mailto:carl.linda.hughes@gmail.com]
Sent: Monday, October 03, 2016 4:07 PM
To: Sean Scully
Cc: Chris Mello; Melanie Mello; Raelyn Mello
Subject: RE: SE Gustine Annexation Project Draft Environmental Impact Report

From: Carl Hughes, JD (retired)
To: Sean Scully, City Manager, City of Gustine

I am asking that you confirm receipt of this email. I would also request that I be informed of any and all proceedings in furtherance of this annexation proposal. You will note that I have copied my immediate neighbors within the contemplated annexation.

My wife and I have lived at 2825 Grove Avenue just outside the existing city limits since the Summer of 1976. During that time period, the city through annexation has moved its southern boundary on Grove Avenue from Meredith Avenue to our northern property line. Our property is included within the proposed annexation.

I have read the complete draft EIP, and would like to express our reservations about the proposed annexation. A portion of my comments relate to the impact the proposed development south of Sullivan Road will have on our property. However, I am also addressing economic concerns for the city and its residents based upon my prior role chairing the Merced County Private Industry Council in the early 1990s, and having represented property owners as legal counsel in CEQA matters.

I wish to first note that Section 2.4 of the draft IEP acknowledges that the project's potentila impacts on "cumulative traffic would not be reduced to less than significant by

10A

COMMENT NO. 10
CARL HUGHES

proposed mitigation measures, and these impacts would remain significant and unavoidable." Table 2-1 purports as a mitigation measure, "Developers of land within the annexation area shall install four-way stop facilities at the Sullivan Avenue/Grove Road intersection prior to the first finral map approval." This simple statement of mitigation is in error not once, not twice, but three times.

First, there is no "Grove Road", but there is "Grove Avenue." Second, there is no "Sullivan Avenue", but there is "Sullivan Road." Yes, I know the sign at the intersection erroneously says Sullivan Avenue, unless that portion of Sullivan Road has somehow been redesignated. Third, and most importantly, there can't be four-way stop facilities at a T-intersection as Grove Avenue terminates at Sullivan Road today, and will continue to terminate at Sullivan Road under the proposed development plan. If there is any intention of it not terminating there in the future, the traffic impact from the proposed development upon Grove Avenue would be ludicrous. 10A

THE IMPACT ON GROVE AVENUE TRAFFIC

Figure 3-3 showe the proposed development as having two ingress/egress streets on to Sullivan Road The major street out of the development lies a few yards west of Grove Avenue, and the lesser street out of the development lies about twice that distance. Both entries on to Sullivan Road are closer to Grove Avenue than they are to either West Avenue or Hunt Road, and as Grove Avenue becomes "Main Street (5th Street) in downtown Gustine, Grove Avenue will bear the overwhelming brunt of traffic to and from the development into and out of downtown.

Given the location of Gustine Elementary School, and the huge influx of traffic on Grove Avenue that already exists weekdays proximal to 8:00AM and 2:45PM, it would seem more responsible to direct the flow of traffic from and to the proposed development toward the downtown area away from Grove Avenue as opposed to funneling it onto Grove Avenue. An appropriate mitigation measure would be to have no ingress/egress to Sullivan Road. This also preserves Sullivan Road as a major rural arterial around the residential portions of the city as indicated in Section 17.0. I believe the draft EIP is woefully inadequate regarding traffic on 5th Street as it meets Highway 33 before crossing over to become Grove Avenue. For purpose of traffic flow, it is lumped in with 6th, 7th, and 8th Street in its treatment, and it should be dealt with separately as it is Gustine's "Main Street" in the downtown section of town. 10B

I note that there is no plan for a traffic signal where Grove Avenue becomes 5th Street at Hwyway 33. Has CALTRANS been consulted as to the probable need for one with the additional volume of traffic? 10C

COMMENT NO. 10
CARL HUGHES

I also question whether the effected homeowners between Meredith Avenue and Highway 33 on Grove Avenue have been consulted by the developer or the City of Gustine. That section of Grove Avenue is already treacherous enough with parking on both sides of the street around a precipitous curve. The additional volume of anticipated traffic between the proposed development and downtown is something they should certainly be afforded the opportunity for input. 10D

I remind the City of Gustine that the General Plan labels Grove Avenue as a "local street" and not as a "minor collector." This annexation will alter its category of transit by that much and more! As can be seen in Table 19-1. the proposed annexation elevates Grove Avenue to the same level as Sullivan Road as a "minor collector", and the safety of our city's children at Gustine Elementary School can not be assured with that transition. 10E

THE IMPACT ON OUR PROPERTY SPECIFICALLY

I note in Section 3-7 that curb, gutter and sidewalk will be eventually installed on the development side of Grove Avenue, and that is the side upon which our property rests. I would like assurances that as homeowners, we are not going to be responsible for the cost of those improvements. 10F

Our neighbor to the immediate north of us is within the city limits, and has an address of 1155 Grove. I would like assurances that we would be able to keep our address as 2825 Grove Avenue as opposed to having to change it.

We have a septic system as opposed to being connected to city sewer. I would like assurances that after annexation we can either continue to utilize our septic system, or in the alternative will be connected to the city sewer system at no installation cost to us.

Figure 3-5D proposes road improvements for the Grove Avenue beginning with our property and extending to Sullivan Road. I note that a five foot wide sidewalk (SW) is to be installed with five feet wide landscaping (LS) to the west of that landscaping. If the current city sidewalk that ends where our property begins is continued southward along the west side of Grove Avenue, that five feet of landscaping will deeply impinge on our property and upon that of our neighbors to the south. We would lose our two gigantic old walnut trees, the only two left from the very reason Grove Avenue got its name from what I have been told--a walnut grove along it. I would request that present landowners along the Grove Avenue portion of the proposed annexation be permitted to continue with their current landscaping unless the sidewalk itself must pass through it. 10G

REGARDING POPULATION AND HOUSING (SECTION 15.0)

COMMENT NO. 10
CARL HUGHES

I would merely like to add something to this. During the weekend, my wife and I drove through every street currently within the City of Gustine, and we found twelve new homes currently under construction, and twenty-four homes currently with "For Sale" signs in front of them. 10H

THE CLASS I/III ARCHAEOLOGICAL SURVEY

How can such a survey not include the Taglio home (owned by the McKnight Family) on Grove Avenue? It predates the communtiy of Gustine by several years if I'm not mistaken. This is one of our city's most historic residences, yet I've been unable to find any reference to it in the draft EIP. 10I

Sincerely,

Carl Hughes
209-604-1446

COMMENT NO. 10
CARL HUGHES

Lead Agency Responses to Comment Letter #10, Carl Hughes

Response 10A: EIR references to road names are modified as appropriate in Section 4.0 Errata.

Response 10B: The traffic study (DEIR Appendix__) discloses the distribution of project trips, and the share destined for Grove Avenue is clearly identified in Figure 3, which illustrates project traffic during peak hours, and Table 9, which presents the daily project traffic that will be on Grove Avenue.

The impacts of the project's traffic on Grove Avenue are clearly identified. Table 8 of the Traffic Study presents peak hour Levels of Service with the project, while Table 9 presents the Level of Service on Grove Avenue with the additional project traffic. Under the standards adopted by the City, Grove Avenue will still operate at LOS C.

The comments suggest that measure to keep project traffic off of Grove Avenue during the periods before and after school are necessary. The traffic study notes that alternatives to Grove Street, including Hunt Avenue and West Avenue are available to project residents to allow them to reach the downtown and still avoid the school areas around the schools during peak periods. It is reasonable to assume that project residents will take advantage of these alternatives routes, although the impact analysis takes a "worst case" approach that assumes residents will use the most direct route, which may go by the schools.

Because the Level of Service volume of traffic on Grove Street does not exceed the City's minimum standard and would therefore not result in a significant traffic effect, a mitigation measure to reduce the volume of traffic on that road is not required.

The traffic study speaks to the 6th Avenue / 5th Street Grove Avenue intersection and considers alternatives for this intersection on page 30. The study acknowledges in Table 12 that this intersection will not meet City minimum standards under cumulative conditions whether the annexation proceeds or not. The study presents the improvements recommended in the *SR 140 Pedestrian / Bicycle / Vehicular Transportation Plan*, and evaluates other options.

Response 10C: The feasibility of a traffic signal is discussed on page 31 of the traffic study. Caltrans had direct involvements in the *SR 140 Pedestrian / Bicycle / Vehicular Transportation Plan* and the identified improvements alternative is the result of that collaboration.

Response 10D: As noted in Response 10B, and as noted in traffic study Table 11 the volume of traffic forecast for Grove Avenue remains within the LOS C limits established by the City. The alignment of Grove Avenue in the 800-foot-long area between the all-way stop at Wallis Avenue and the stop at 6th Avenue include a pair of reversing curves with centerline radii of roughly 240 feet. *Figure 2.2 Maximum Comfortable Speed on Horizontal Curves* of the Caltrans Highway Design Manual (HDM) notes that these curves are appropriate for the 25 mph speed on this road.

Response 10E: The General Plan provides information regarding the plan for Grove Avenue. The Circulation Element map does indicate that Grove Avenue is a "local" street. However, Table 6-7 of the Circulation Element notes that by the Year 2020 Grove Avenue is expected to carry 3,100 to 3,500 ADT while still maintaining LOS C. The Circulation Element acknowledged anticipated traffic volumes on Grove Avenue would increase as Gustine built out, and the cumulative traffic volumes presented in the traffic study are consistent with Circulation Element forecasts.

Response 10F: The commenter raises concerns related to his individual property, which should be addressed by the City in conjunction with future review and approval of subdivision improvement plans, and utility installation. While not issues to be addressed in the context of the CEQA document, the commenter may wish to address these issues during the City's process of considering project approval. Therefore no additional response is necessary.

Response 10G: The commenter raises concerns the impacts of street improvements on individual trees along Grove Avenue and whether these trees might be preserved as street improvements areinstalled. As in Response 10F, this concern will need to be addressed by the City in conjunction with future review and approval of subdivision improvement plans. With respect to the EIR, no additional response is necessary.

Response 10H: This comment adds housing availability information to that provided in the EIR. No response is necessary.

Response 10I: The comment calls attention to a potentially historic structure located in the area north of Sullivan Avenue, west of Grove Avenue.

Preparation of the EIR included a cultural resource survey of the area south of Sullivan Avenue, where access was available to potential development properties. No properties north of Sullivan are directly addressed in this study. However, understanding that annexation of this area could lead to further development, the cultural report noted that "Several structures were noted to be located within parcels which were not subject to survey, and these structures could represent potentially significant historical resources." Recognizing that these structures could be impacted by future development, the EIR included mitigation measures that would require evaluation of the significance of potentially historic structures and consideration of potential cultural resource impacts on those structures, specifically mitigation measure CULT-1.1.

4.0 ERRATA

This section of the Final EIR identifies corrections made, and/or the addition of new or revised information, to the EIR. These changes are made in response to specific comments received during the public and agency review period as described in Chapter 3.0. The errata may also include any relevant information that has become available to the City since publication of the DEIR.

The errata are arranged in accordance with the chapter numbering system of the DEIR. The specific location of each correction, addition or other change is referenced to the to the page and paragraph of DEIR as published by the City of Gustine on August 18, 2016.

ERRATA TO CHAPTER 3.0 PROJECT DESCRIPTION:

Revisions to Chapter 3.0 Project Description are shown in underline and strikeout in Final EIR Appendix B.

ERRATA TO CHAPTER 11.0 HEALTH AND SAFETY:

The following is added to the text of Chapter 11.0, Environmental Setting:

> During the public review of the Draft EIR, the Chevron Environmental Management Company called attention to an abandoned crude oil pipeline located along the railroad in the northeastern portion of the project site. Chevron noted that oil–contaminated soil and asbestos-containing materials could potentially be encountered during excavation in this area. Chevron reported that, while some environmental testing has been conducted that indicates that soil contamination from the pipeline is benign, the potential for exposure of construction workers or future residents and users of this portion of the project site to hazardous materials cannot be ruled out.

The following is added to the text of Chapter 11.0, Environmental Impacts and Mitigation Measures, Impact HAZ-2:

> Excavation in the vicinity of the former Chevron crude oil pipeline near the railroad could result in exposure of contaminated soils and asbestos containing materials to the environment. Grading and excavation in this area should be designed to avoid potential contact with these materials or to remediate environmental contamination if encountered. Mitigation Measure HAZ 2.1 identified below would reduce potential for a significant effect to a less than significant level.

The Level of Significance for Impact HAZ-2 is modified to "Potentially Significant"

> HAZ 2.1: Excavation within the former Chevron pipeline right-of-way shall be preceded by environmental testing to determine whether contaminated materials are located within the excavation zone. If so, then grading plans shall be modified to avoid contaminated materials or two remediate and protect any potential contamination encountered.

The Significance After Mitigation for Impact HAZ-2 is identified as "Less than Significant"

ERRATA TO CHAPTER 18.0 UTILITIES, SECTION 18.2 POTABLE WATER SYSTEM

Section 18.2 Potable Water System is revised as follows to reflect the completion of a Water Supply Assessment for the project. The Water Supply Assessment is shown in Final EIR Appendix C.

18.2 POTABLE WATER SYSTEM

Environmental Setting

The Gustine potable water system serves the incorporated area; the annexation area is not served by an organized water system; individual homes in this area are supplied by on-site groundwater wells. Irrigation water is provided by CCID (see 18.4 below).

The City provides water service to an estimated 2,100 housing units as well as commercial and industrial users. The water system is supplied entirely from groundwater drawn from four existing wells. No overdraft has been identified in connection with City withdrawals. The City's May 2014 water quality report indicates that City's water is meeting primary drinking water standards although it has relatively high iron and dissolved solid levels.

The Gustine system distributes potable water to City residents from lines located in existing City streets. An existing 12-inch main along Sullivan Avenue would provide the point of connection for the proposed project. The water system was substantially upgraded in 2014 to address fire flow and other issues. The City will construct a one million gallon storage tank when funding is available.

SB 610 (2001) amended the California Public Resources Code and the Water Code to expand requirements for documentation of available water supply in connection with land development approvals when proposed development exceeds certain criteria, which, for residential development, is 500 residential units. The water supply assessment is to be provided by the water purveyor for the project area; on the basis of evidence, the WSA must determine whether existing or projected water supplies are sufficient to meet projected water demands associated with the proposed project. The water supply assessment may be based on an Urban Water Management Plan or provide other equivalent information indicating that a 20-year supply is available to the project. The required water supply assessment must be included in the CEQA document.

The City of Gustine is the water purveyor for land development within the City limits. Gustine has not adopted an Urban Water Management Plan for the City as a whole. At the time of publication of the Draft EIR, the City had not prepared ~~or~~ a Water Supply Assessment for the proposed project ~~as a whole. The City does not believe~~ in the belief that the project ~~as a whole~~ is not subject to SB 610 requirements, as described below.

> None of the elements of the project under CEQA meets the Water Code 10912(a) definition of "project" for the purposes of a Water Supply Assessment.
>
> The proposed annexation and Master Plan is neither a project resulting in 500 or more residences nor a "project that would demand an amount of water equivalent to or greater than, the amount of water required by a 500 dwelling unit project."

~~The~~ As described in the DEIR, the maximum expected amount of residential development within a ten-year horizon that could result from the project amounts to 282 units, which is the combined total of planned residences that could be developed on the Katakis and Rasmussen lands, which constitutes the majority of Phase 1 of the project. Phase 1 also includes the school and the lands north of Sullivan Avenue. All other lands within the SEGMP area are not currently proposed for development, and the owners do not desire annexation to the City of Gustine. As a result, the initial annexation is proposed to consist solely of the Katakis lands and Rasmussen lands, and the area north of Sullivan Avenue. None of the lands north of Sullivan Avenue are currently proposed for development.

The rate of residential construction within the City of Gustine has been relatively slow. Based on census records and an average population per household of 3.0 persons, census population growth indicates that demand for housing of the 20 years 1990-2010, including boom years, to be approximately 50 units per year.

Having only 1,850 water service connections, the City's potable water system is not a "public water system" as defined in Water Code 10912(b).

Since the publication of the Draft EIR, the project proponent has prepared a Water Supply Assessment (WSA) on behalf of the City, which will be considered by the City prior to certification of the EIR and approval of the project. The WSA concludes that the City's total projected water supplies available during normal, single dry and multiple dry water years during a 20-year projection will meet the projected water demand associated with the Project in addition to existing and planned future uses. The City has concluded that it can provide potable water to future development of the annexation area plus existing and other planned development in the City over the 20-year period. In light of this determination, the City is not required to develop plans for acquiring additional supplies pursuant to Water Code section 10911.

Environmental Impacts and Mitigation Measures

Impact UTIL 3: Water Supply Requirements

The proposed project includes dedication of a new well site and construction of a new well in the southern portion of the annexation, in connection with Phase 1 development. The new well would add substantially to the City's existing groundwater supply and would offset demands generated by the project. With this improvement, projected water demands for the City of Gustine, including the demands from the annexation area, will continue to be met.

As discussed in the Environmental Setting, the public water purveyor, or in the absence of such, a City must prepare a Water Supply Assessment when it determines that an EIR will be prepared in connection with a "project," as defined. The proposed project involves an annexation and pre-zoning of lands already designated for residential development but includes no Tentative Subdivision Maps that would provide for residential development and which would meet the SB 610 definition of a "project." Up to ~~674~~ 684 residential units could be accommodated within the annexation area over the

long-term, but only a fraction of that number are expected to be developed in the short term.

A WSA has been prepared and will be considered by the City prior to certification of the EIR and approval of the project. The WSA concludes that the City's total projected water supplies available during normal, single dry and multiple dry water years during a 20-year projection will meet the projected water demand associated with the Project in addition to existing and planned future uses. The City has concluded that it can provide potable water to future development of the annexation area plus existing and other planned development in the City over the 20-year period. The WSA confirms that the project will not involve a significant effect on potable water supply.

Urbanization of the annexation area over time will displace existing agricultural uses, which have served with irrigation water primarily by CCID surface water supplies. Past agricultural usage is estimated to have exceeded 540 acre-feet per year assuming an average of three acre-feet/acre. Elimination of agricultural uses would over time reduce agricultural demands on the CCID system. In reducing surface water irrigation use urbanization would reduce any recharge value associated with excess application of irrigation, which would be replaced in part by irrigation of yards within the urban area. As discussed in Chapter 11.0, urbanization will involve increased demands on groundwater underlying Gustine.

The project's potential effects on the groundwater system are addressed in Chapter 11.0 Hydrology and Water Quality; these effects are found to be less than significant.

Level of Significance: Less than significant

Mitigation Measures: None required

Impact UTIL 4: Effects on Potable Water Distribution System

Development of the annexation would require connection of the annexation area to the City potable water system when these lands are subdivided for residential use. As discussed in Chapter 3.0, project-related water system improvements would include installation of distribution lines in proposed residential streets as well as points-of-connection to existing City trunk lines in Sullivan Avenue. All water system improvements will be subject to review and approval by the City Engineer. The City will require engineering analysis to demonstrate that City water pressure and fire flow requirements can be met by water system improvements. Residential development would contribute water connection fees in accordance with the City's latest fee study, which would provide proportionate share funding to ongoing improvement of the water system.

Level of Significance: Less than significant

Mitigation Measures: None required

ERRATA TO CHAPTER 17.0 TRANSPORTATION

References to "Grove Road" are revised to "Grove Avenue."

References to "Sullivan Avenue" are revised to "Sullivan Road."

Appendix A
EIR Public Review Distribution Material

CITY OF GUSTINE

NOTICE OF AVAILABILITY

SOUTHEAST GUSTINE ANNEXATION PROJECT
DRAFT ENVIRONMENTAL IMPACT REPORT

NOTICE IS HEREBY GIVEN that the City of Gustine (City) has prepared a Draft Environmental Impact Report (DEIR) to describe the environmental effects of the proposed Southeast Gustine Annexation Project. The 219.2-acre annexation area is adjacent to and southeast of the City of Gustine city limits along its southern boundaries.

The DEIR describes the potential environmental effects that would result from City of Gustine approval and subsequent development of the Southeast Gustine Annexation and the Southeast Gustine Master Plan (SEGMP). The project consists of these and other local government approvals that would result in the residential and park development of vacant lands located within the annexation area. The annexation area is designated for urban development in the Gustine General Plan.

The City of Gustine (as Lead Agency) is seeking agency and public comment on the DEIR. If you represent a public agency, please provide information that is germane to your statutory responsibilities as they may be affected by this project.

The DEIR is available for review at the following locations: Gustine City Hall, 352 Fifth Street and the Gustine Branch Library, 205 6th Street, Gustine, CA 95322 during business hours. The DEIR will also be available for review or download in the "News & Announcements" section of the Gustine web site Home Page http://www.cityofgustine.com. Electronic copies of the EIR will be provided by email on request. Printed copies may be obtained from the City on request for the cost of reproduction.

A 45-day public review period will begin on August 18, 2016 and end on October 3, 2016. Written comments should be submitted to the address below prior to 5:00 p.m., Monday, October 3, 2016.

Please submit comments by mail, fax or email to:

Sean Scully
City Manager
City of Gustine
352 Fifth Street
Gustine, CA 95322
Phone: 209-854-6471
Fax: 209-854-2127
Email: sscully@cityofgustine.com

Notice of Completion & Environmental Document Transmittal

Mail to: State Clearinghouse, P.O. Box 3044, Sacramento, CA 95812-3044 (916) 445-0613
For Hand Delivery/Street Address: 1400 Tenth Street, Sacramento, CA 95814

SCH # 2016021092

Project Title: Southeast Gustine Annexation

Lead Agency: City of Gustine | Contact Person: Sean Scully
Mailing Address: 352 Fifth Street | Phone: 209-854-6471
City: Gustine | Zip: 95322 | County: Merced

Project Location: County: Merced | City/Nearest Community: Gustine
Cross Streets: Sullivan Road and Hunt Road | Zip Code: 95322
Longitude/Latitude (degrees, minutes and seconds): 37 ° 14 ′ 37 ″ N / 120 ° 59 ′ 54 ″ W Total Acres: 219.2
Assessor's Parcel No.: Several | Section: 8/9/16/1 Twp.: 8 S Range: 9 E Base: MDBM
Within 2 Miles: State Hwy #: 33 and 140 | Waterways: Main Canal of CCID
Airports: Gustine Airport | Railways: Union Pacific Railroad | Schools: Gustine Elem & Middle

Document Type:

CEQA: ☐ NOP ☒ Draft EIR ☐ Early Cons ☐ Supplement/Subsequent EIR ☐ Neg Dec (Prior SCH No.) ☐ Mit Neg Dec Other:
NEPA: ☐ NOI ☐ EA ☐ Draft EIS ☐ FONSI
Other: ☐ Joint Document ☐ Final Document ☐ Other:

Local Action Type:

☐ General Plan Update ☐ General Plan Amendment ☐ General Plan Element ☐ Community Plan
☐ Specific Plan ☒ Master Plan ☐ Planned Unit Development ☐ Site Plan
☐ Rezone ☒ Prezone ☐ Use Permit ☐ Land Division (Subdivision, etc.)
☒ Annexation ☐ Redevelopment ☐ Coastal Permit ☐ Other:

Development Type:

☒ Residential: Units 282 Acres 71
☐ Office: Sq.ft. Acres Employees
☐ Commercial: Sq.ft. Acres Employees
☐ Industrial: Sq.ft. Acres Employees
☐ Educational:
☒ Recreational: 11-acre park
☐ Water Facilities: Type MGD
☐ Transportation: Type
☐ Mining: Mineral
☐ Power: Type MW
☐ Waste Treatment: Type MGD
☐ Hazardous Waste: Type
☐ Other:

Project Issues Discussed in Document:

☒ Aesthetic/Visual ☒ Agricultural Land ☒ Air Quality ☒ Archeological/Historical ☒ Biological Resources ☐ Coastal Zone ☒ Drainage/Absorption ☐ Economic/Jobs
☐ Fiscal ☒ Flood Plain/Flooding ☐ Forest Land/Fire Hazard ☒ Geologic/Seismic ☐ Minerals ☒ Noise ☒ Population/Housing Balance ☒ Public Services/Facilities
☒ Recreation/Parks ☒ Schools/Universities ☐ Septic Systems ☒ Sewer Capacity ☒ Soil Erosion/Compaction/Grading ☒ Solid Waste ☒ Toxic/Hazardous ☒ Traffic/Circulation
☒ Vegetation ☒ Water Quality ☒ Water Supply/Groundwater ☒ Wetland/Riparian ☒ Growth Inducement ☒ Land Use ☒ Cumulative Effects ☐ Other:

Present Land Use/Zoning/General Plan Designation:

Primarily agricultural, minimal industrial and rural residential, two schools/PD Planned Development/PD Planned Development

Project Description: *(please use a separate page if necessary)*

The proposed project involves annexation of approximately 219.2 acres to the City of Gustine, with LAFCo approval of prezoning. Existing roads surrounding the project area provide access to planned residential and park development; new roads and utility lines will be extended into the project area to serve residential units.

Note: The State Clearinghouse will assign identification numbers for all new projects. If a SCH number already exists for a project (e.g. Notice of Preparation or previous draft document) please fill in.

Reviewing Agencies Checklist

Lead Agencies may recommend State Clearinghouse distribution by marking agencies below with and "X".
If you have already sent your document to the agency please denote that with an "S".

____	Air Resources Board	____	Office of Historic Preservation
____	Boating & Waterways, Department of	____	Office of Public School Construction
____	California Emergency Management Agency	____	Parks & Recreation, Department of
____	California Highway Patrol	____	Pesticide Regulation, Department of
X	Caltrans District # 10	____	Public Utilities Commission
____	Caltrans Division of Aeronautics	X	Regional WQCB # 5
____	Caltrans Planning	____	Resources Agency
____	Central Valley Flood Protection Board	____	Resources Recycling and Recovery, Department of
____	Coachella Valley Mtns. Conservancy	____	S.F. Bay Conservation & Development Comm.
____	Coastal Commission	____	San Gabriel & Lower L.A. Rivers & Mtns. Conservancy
____	Colorado River Board	____	San Joaquin River Conservancy
X	Conservation, Department of	____	Santa Monica Mtns. Conservancy
____	Corrections, Department of	____	State Lands Commission
____	Delta Protection Commission	____	SWRCB: Clean Water Grants
____	Education, Department of	____	SWRCB: Water Quality
____	Energy Commission	____	SWRCB: Water Rights
X	Fish & Game Region # 4	____	Tahoe Regional Planning Agency
____	Food & Agriculture, Department of	____	Toxic Substances Control, Department of
____	Forestry and Fire Protection, Department of	____	Water Resources, Department of
____	General Services, Department of		
____	Health Services, Department of	____	Other:
____	Housing & Community Development	____	Other:
X	Native American Heritage Commission		

Local Public Review Period (to be filled in by lead agency)

Starting Date August 18, 2016 Ending Date October 3, 2016

Lead Agency (Complete if applicable):

Consulting Firm:	BaseCamp Environmental, Inc.	Applicant:	Ron Katakis
Address:	115 S. School Street, Suite 14	Address:	1850 Arbor Way
City/State/Zip:	Lodi, CA 95240	City/State/Zip:	Turlock, CA 95380
Contact:	Charles R. Simpson	Phone:	209-483-8159
Phone:	209-224-8213		

Signature of Lead Agency Representative: _____ **Date:** 8/15/16

Authority cited: Section 21083, Public Resources Code. Reference: Section 21161, Public Resources Code.

Subject: GUSTINE SE ANNEXATION EIR AND NOA NOW AVAILABLE

Date: Wednesday, August 17, 2016 at 2:57:06 PM Pacific Daylight Time

From: Sean Scully

To: Charlie Simpson, druffin@basecampenv.com, George Osner, Max Garcia (max@gdrengr.com), rickringler@gdrengr.com, Joshua.Nelson@bbklaw.com, Ron Katakis, Mike Rasmussen

CC: Joshua.Nelson@bbklaw.com, Melanie Correa, Kathryn Reyes, Doug Dunford, Jami Westervelt, Tiffany Vitorino

Hello Team,

I'm very pleased to report that the public notice, state clearinghouse NOC, newspaper notice, county clerk posting, and website posting of the Notice of Availability for the Draft EIR document have been successfully completed. This is a big step for this project (probably one of the most important pre public hearing steps). I just want to thank the entire team for working so hard to get this issued (big thanks to Charlie, Duffy and George for their direction on making sure we get all the notices issued correctly).

The 45 day review period starts tomorrow, we will keep everyone in the loop as the comments start to filter in.

Good work and thanks to everyone

Sean

Appendix B
Revised EIR Project Description

3.0 PROJECT DESCRIPTION

3.1 Project Overview

The Southeast Gustine Annexation Project (SEGMP) consists of all local government approvals that would result in the residential development of vacant lands located within the 219.2-acre proposed annexation area. The annexation area (the "project site") is adjacent to and southeast of the City of Gustine city limits along its southern boundaries (Final EIR Figures 1-1 through 1-3, and 3-1).

Proposed urban development would include but not be limited to City approval of the SEGMP, filing and processing/approval of an annexation application with the Merced County LAFCO, pre-zoning of the annexation area, and adoption of one or more development agreements between the City and the project applicant or future developers. Following annexation, the City anticipates submittal of Tentative Subdivision Maps consistent with the SEGMP that will permit planned residential development. The project is consistent with the Gustine General Plan.

Project approval is anticipated to result in initial Phase 1 development of up to 282 residential units. Ultimate future residential development of the remainder of the annexation area would result in a total of up to approximately 684 low-density residential units. Each phase of development will be responsible for improvement of their respective portions of the City streets, utilities and other infrastructure needed to serve the annexation area. Development would proceed in accordance with the approved SEGMP. The SEGMP establishes an 11.7-acre site for a park/detention pond and well site. The park/basin and well site will be constructed in connection with development of Phase 1. Park development details and cost-sharing arrangements will be established during the review of the Phase 1 project and incorporated in Phase 1 and future project development agreements. The project does not include commercial or industrial development. Two existing schools lie within the project area.

3.2 Project Location

The proposed annexation area is located adjacent to and southeast of the Gustine city limits in unincorporated Merced County. The site is within the City's planning area as defined in the Gustine General Plan. A list of all current landowners within the annexation area is shown in the SEGMP, Appendix B.

The annexation area is can be generally described as largely-vacant/agricultural lands east of Mills Road, north of Nobel Road, west of Hunt Road and south of Meredith Avenue, including road rights-of-way for these streets and including the Gustine Elementary and Gustine Middle schools. The annexation area includes a portion of the Hunt Road, Railroad Avenue and Southern Pacific Railroad rights-of-way.

The annexation area includes a portion of Sections 8, 9, 16 and 17, Township 8 South, Range 9 East, MDBM. The site is shown on the Newman, Gustine, Howard Ranch and Ingomar, California, 7.5-minute series quadrangle maps. The annexation area is made up of several ownerships as shown on Figure 3-1.

3.3 Project Objectives

The objective of the proposed project is the residential development of the project area through annexation, pre-zoning, and eventual subdivision of the area to permit development of new single-family residential neighborhoods in the City of Gustine. The SEGMP intends to create neighborhoods with a rural character and strong sense of community.

Phase 1 development is expected to involve the annexation and pre-zoning of the 71-acre Phase 1 area and City approval of Tentative Subdivision Maps creating a total of 282 single-family residential lots; the maps would provide for dedication of 11.7 acres for a City well site and a planned dual-use neighborhood park/storm basin that would serve the larger annexation area. Streets and utilities needed to serve Phase 1 residential development will be installed.

Development of the remainder of the annexation area will occur as individual land owners initiate annexation and pre-zoning proceedings and prepare and submit subdivision maps. Future development will be consistent with the proposed land uses and infrastructure plans described in the adopted SEGMP, as discussed below. Development of remaining areas will involve potential for up to 402 additional residences; in the long term, a total of up to 684 homes, including Phase 1 development, may be developed within the project area.

Future development approvals for lands within the project area will also be subject to environmental review under CEQA. To the extent that future development is consistent with the project described in this chapter, and incorporates the EIR's recommended mitigation measures, further review under CEQA may be avoided or reduced consistent with CEQA Guidelines section 15162 and related provisions. This determination will be made by City of Gustine officials based on circumstances at the time of project submittal.

3.4 Entitlements

Several approvals will be required to accomplish the project objectives. These include but are not necessarily limited to approval of the annexation, the SEGMP, development agreements, prezoning and subsequent subdivision maps, improvement plans and other development permits. This EIR is intended to address all approvals needed to result in proposed development, including development of the park/detention basin, a new municipal well and completion of the Southern Bypass wastewater trunk line.

3.4.1 Annexation and Detachment

The proposed project would involve the phased annexation of a total of approximately 219.2 acres into the City of Gustine, as shown on Figure 3-1, including the rights-of-way for portions of Grove Avenue, Railroad Avenue, Sullivan Road, S. Mills Road, Nobel Road and Hunt Road. The annexation area is adjacent to the City of Gustine city limits. The Phase 1 annexation area and other future potential development phases are shown on Figure 3-2.

The annexation area is a part of the Central California Irrigation District (CCID) and is served with irrigation water by CCID. CCID requires the detachment of lands annexed into cities from the District. Detached properties may continue receiving irrigation water from CCID, but these properties will have a lower priority for receiving available water.

Certain landowners within the overall annexation area do not plan urban development of their lands in the near term but are instead interested in continuing the existing agricultural use. These owners are concerned about loss of priority in obtaining continuing irrigation water supply from CCID; when these lands are annexed, under existing CCID policy they would need to be detached from the District. Consequently, future annexation of these lands will be commenced in accordance with the preferences of the owners.

These areas are not proposed for annexation at this time but in later phases. Nonetheless, this EIR considers the potential environmental effects of residential development of the entire annexation area in accordance with the SEGMP. As described below, this may facilitate future CEQA review of any lands not included in the annexation.

3.4.2 Pre-Zoning

The project site, being located in unincorporated area, is not presently zoned by the City of Gustine. The Merced County LAFCO will require that project phases proposed for annexation be pre-zoned by the City in conjunction with the annexation (Figure 3-4). The majority of the site would be zoned PD-Planned Development (1-6 DU/ac). The 0.2-acre area east of the railroad would be pre-zoned I - Controlled Manufacturing District. Pre-zoning for each phase would take effect upon annexation of the phase.

3.4.3 Southeast Gustine Master Plan

The SEGMP provides a general framework for development within the annexation area. The SEGMP will be refined during the EIR public review and will be adopted in connection with EIR certification. Figure 3-3 and other figures shown in this chapter define the general development layout, circulation and other elements of the project needed for environmental impact analysis.

The SEGMP establishes land use designations, circulation routes (Figure 3-3) and development standards for the annexation area. The SEGMP includes proposals for the extension of required utility services to new residential development. SEGMP Plan establishes community character and design guidelines for new development within the annexation area, including consideration of building architecture, site design, building massing, colors and materials, garage placement and porches and patios among other design details. New development projects will be evaluated with respect to these standards as a part of development permit review by the City. In all, these guidelines will guide development so that it is consistent with the existing and planned future character of the City of Gustine.

3.4.4 Development Agreement(s)

The proposed project will include approval of one or more Development Agreements (DAs) governing the relationship between the City and development applicants. The DAs would establish City/applicant agreements as to applicable ordinances, standards, and fees as well as allowable land use types and development density, consistent with the approved SEGMP. These agreements would be developed during City review of each phase of development and presented to the Planning Commission and City Council with proposed project applications.

3.4.5 Tentative Subdivision Maps

The proposed project includes anticipated future requests for City approval of tentative subdivision maps that would lead to street and utility improvements and planned residential development. Tentative map lot, street and utility service layouts are expected to be generally consistent with the overall lot layout shown in Figure 3-3. Initial tentative subdivision maps (Phase 1) are expected in the near future for lands shown on Figure 3-1 for a total of 71 acres, approximately 32% of the annexation area. Tentative maps will also be submitted in conjunction with City review and approval of each subsequent development phase. Planned infrastructure improvements associated with initial and future development of the annexation area are shown on Figure 3-6.

City approval of a tentative map constitutes approval of planned site development, including grading, construction of streets and utilities, and other improvements required to permit home construction on the proposed residential lots, subject to the conditions of tentative map approval set by the City. A Final Map and improvement plans are submitted to the City for ministerial review and approval prior to recordation of lots and construction of street and utility improvements.

3.5 Development Quantities

Potential development quantities that could occur in the annexation area with approval of proposed entitlements, including proposed prezoning to the P-D (Planned Development) district, are shown in Table 3-1. Residential land use within a Planned Development district would allow development of up to six units per acre, or a potential maximum of approximately 1,000 units on the acreage that is not occupied by public schools if the entire area were developed to the maximum allowable. The project does not propose development at maximum densities.

Of the 219.2 acres in the annexation area, excluding road rights-of-way and school properties, approximately 167 gross acres would be devoted to residential uses, including proposed streets, park/storm drain detention pond and other open space. Potential development south of Sullivan Avenue would be governed by the SEGMP and applicable development agreements. Development north of Sullivan Avenue would be at the initiative of individual owners, subject to development provisions of pre-zoning. Estimated development quantities associated with the proposed annexation and pre-zoning are shown in Table 3-1. Development potential (number of residences) in the areas south of Sullivan Avenue would be governed by the SEGMP. North of Sullivan Avenue, development potential was calculated at the rate of six units per acre of vacant land, less existing development.

TABLE 3-1
ANNEXATION AREA DEVELOPMENT POTENTIAL

Portion of Annexation Area	Potential Residential Units
Areas North of Sullivan Avenue	152
SEGMP Areas South of Sullivan Avenue	532
TOTAL	684

3.6 Recreation and Open Space

The project includes development of an 11.7-acre park/storm drainage detention facility including a well site as shown on Figure 3-4, which would be owned and maintained by the City of Gustine. During the rainy season, playing field portions of the park would provide storage area to temporarily detain storm water runoff until it can be pumped into CCID canals when capacity is available. The project will generate Parks Facility Fees, which would be used by the City to improve the park site. Responsibility for development of the park facility may be assigned to the developers in return for parkland dedication and development fee credits; City/developer agreement regarding parkland development will be established in the Development Agreements.

3.7 Street Improvements

The SEGMP proposes a new urban street system to serve the annexation area, the portion of the SEGMP area south of Sullivan Avenue; north of Sullivan Road, existing roads will continue to provide primary access to the area. Sullivan Road and Railroad Avenue would provide circulation between the proposed project site and State Routes 33 and 140. These highways are the primary regional routes through the City of Gustine, which also connect Gustine with Interstate 5 and State Route 99.

Primary circulation through the SEGMP area, and connectivity to future residential neighborhoods, would be provided by the existing perimeter roads, with new improvements, and by a new north/south collector street between Sullivan Road and Nobel Road. This street would be located within a 70-foot right-of-way that would support two travel lanes and parking; a 10-15 foot area on one side would be developed with a Class 1 bike lane, sidewalk and landscaping. A second east/west collector street with the same dimensions would connect South Mills Road and the north/south collector street. Cross-section diagrams for these and other street improvements are shown on Figure 3-5.

Local streets serving individual neighborhoods would extend from the collector streets into future neighborhoods. Neighborhood streets would be two-lane streets within 52-foot rights-of-way, 34 feet of paved width and an approximately 9-foot area on each side reserved for parkway strips and pedestrian circulation. Neighborhood streets that abut the middle school site would be set back to allow sufficient space between the fence line to the street pavement. Landscaping of the setback areas would include pedestrian access points onto the school grounds.

Development within the annexation area would require the eventual improvement of Sullivan Road, South Mills Road, Nobel Road, South Hunt Road, Railroad Avenue, Grove Avenue and Meredith Avenue to urban standards. These would be developed initially as two-lane streets with curb, gutter and sidewalk provided along the development side of the street; the outer edge of the right-of-way would be finished with a graded drainage swale. In the event that lands on the opposite side of the street are to be developed, the street would be further improved with additional pavement, curb, gutter and sidewalk. Planned street improvements are shown on Figure 3-5. Improvement requirements for these streets would be assigned to individual Tentative Subdivision Maps with frontage on surrounding streets as they are brought forward for approval.

Street improvements will include pedestrian and bicycle facilities. Sidewalks will be provided throughout the SEGMP area, and Class 1 bikeways will be provided along one side of Sullivan Avenue and the proposed new collector streets.

3.8 Utilities and Services

Future residential development will be provided with City sewer, water and storm drainage infrastructure as well as underground electrical, gas and communications facilities.

Potable water lines will be located within the surrounding existing roads and proposed streets. Twelve-inch lines would be located within South Mills, South Hunt and Nobel Roads and connected at three points to existing 12-inch City lines within Sullivan Avenue. A 10-inch line will extend along the proposed collector street between Sullivan and Nobel Road. Within future neighborhoods, 8-inch lines will provide local water service.

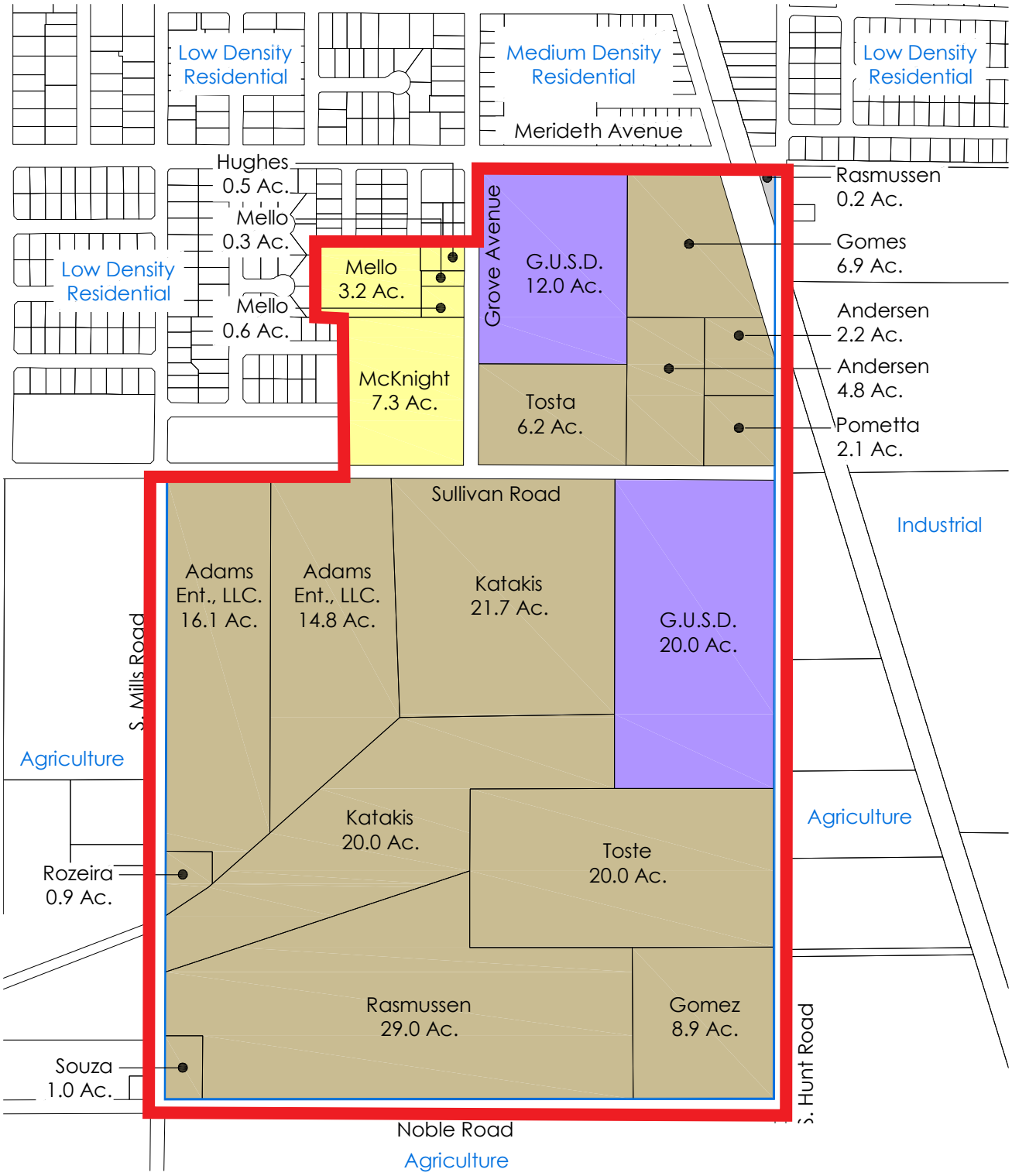
A new municipal well will be installed at the park site in conjunction with Phase 1 development.

Sanitary sewer collection lines will also be located along the proposed internal streets, and along existing perimeter roads where future residential lots front on these roads. Collection lines will range from eight to 18 inches in diameter and will flow northerly to Sullivan Avenue to the east line of the annexation area. A new off-site sewer trunk line will extend east and north along existing utility rights-of-way and roads to Carnation Road, where it will join the existing 24-inch City trunk line that flows east to the City's existing wastewater treatment facility (WWTP) (Figure 3-6). Existing treatment capacity is adequate to serve initial phases of the project, but later phases will require additional analysis of WWTP capacity before approval and may be contingent upon expansion of treatment capacity. The timing of collection line and wastewater treatment improvements will be established in the development agreements.

Planned streets would include storm drainage catch basins and collection lines flowing to a planned stormwater detention basin to be located in the Phase 1 area south of Sullivan Avenue, as capacity is available in the terminal drainage, which is a 42-inch CCID pipeline in Meredith Avenue that discharges to Los Banos Creek. New discharges to CCID facilities will require the agency's approval.

Residential subdivisions will be provided with underground electrical, gas and communication lines from existing facilities in adjacent and nearby streets. Underground utilities will be extended to all future residences from lines to be located within public utility easements dedicated along street frontages.

Police services, fire protection, and parks and recreation services will be extended to the project area upon annexation by the City. School services are currently provided to the annexation area by the Gustine Unified School District and the District will provide school services to the proposed development.

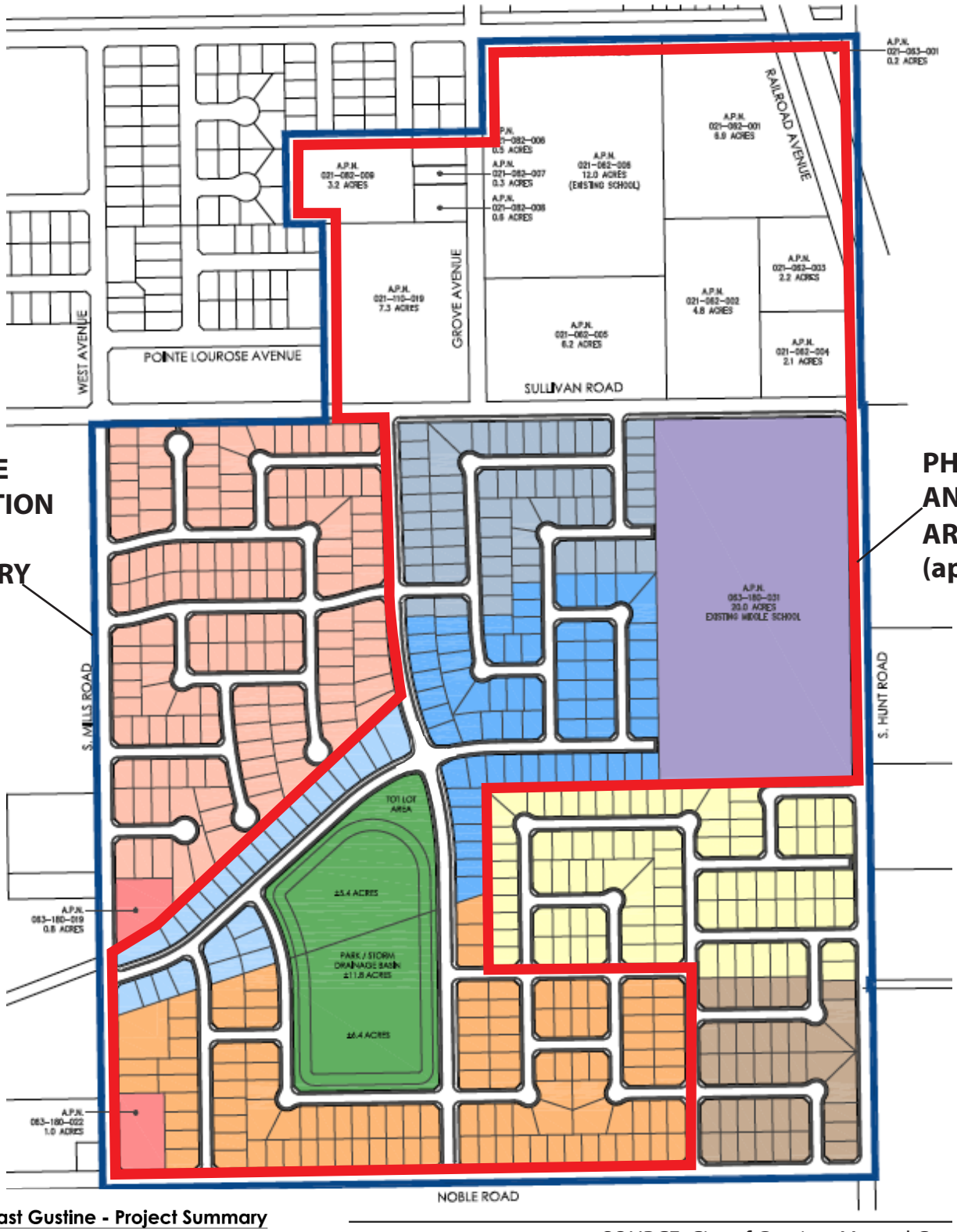


Land Use Category

- Planning Area Boundary
- Low Density Residential
- Planned Development (Residential, 1-6 Units Per Acre)
- School (Gustine Unified School District)
- Industrial

SOURCE: GDR

Figure 3-1
Proposed Annexation Area



Southeast Gustine - Project Summary

Color	Phase	APN	APN Acreage	# of Lots
	1A	063-180-030 & 063-180-029 (Katakis)	41.69	59
	1B			67
	1C			27
	2	063-180-023 (Michael Rasmussen)	18.00	112
		063-180-023 (Richard Rasmussen)	11.00	
	3	063-180-018 & 063-180-015 (Adams)	30.90	140
	4	063-180-010 (Toste)	17.94	89
	5	063-180-011 (Gomez)	8.86	38
		PROJECT SUMMARY	128.39	532

SOURCE: City of Gustine, Merced County, California

LEGEND

Phase I Annexation Area (approx)

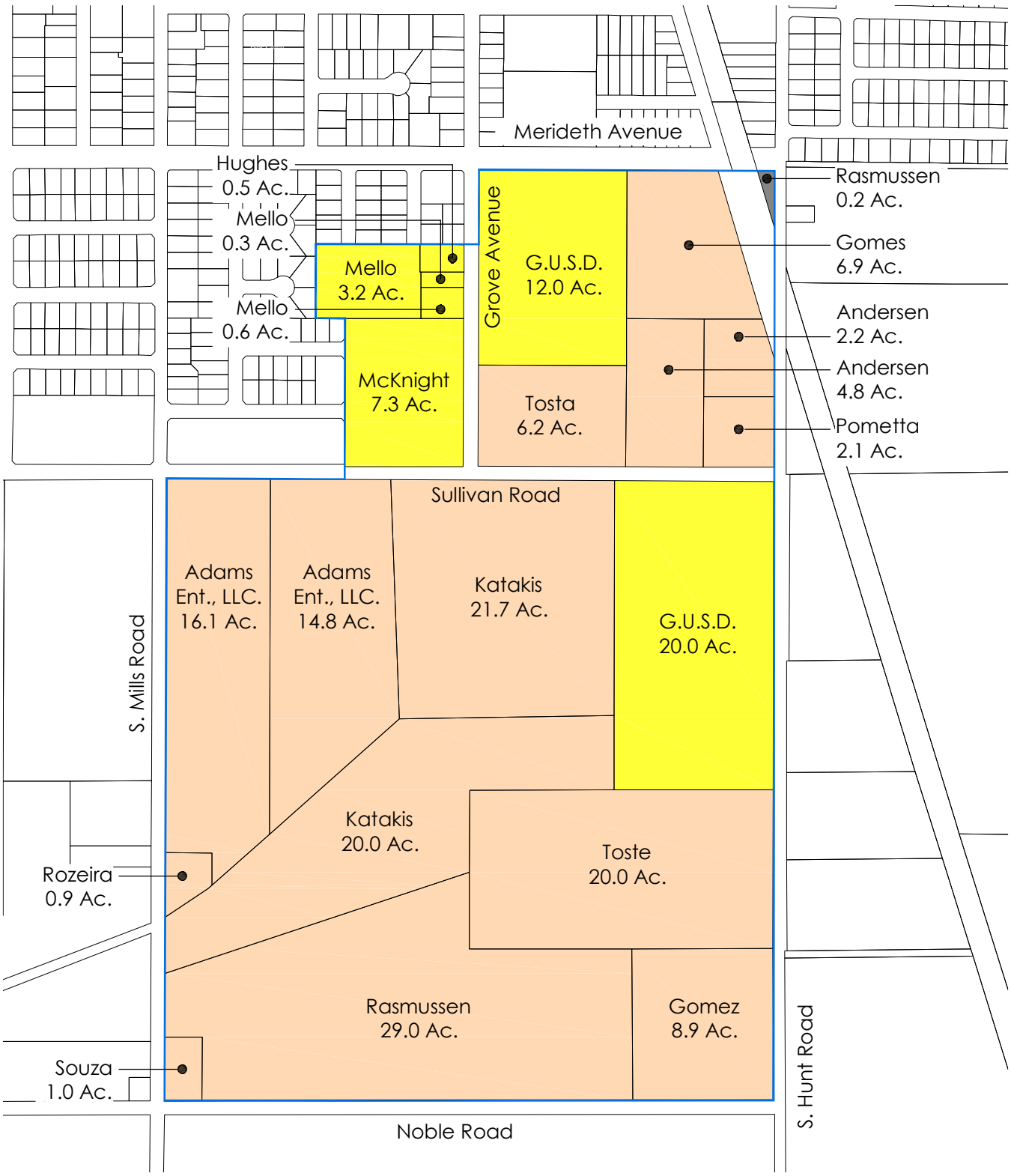
Ultimate Annexation Area Boundary

Note: Phase 1 Annexation boundaries include adjacent public roads

Figure 3-2
Proposed Annexation Phasing

SOURCE: GDR

Figure 3-3
Proposed Residential Use and Circulation

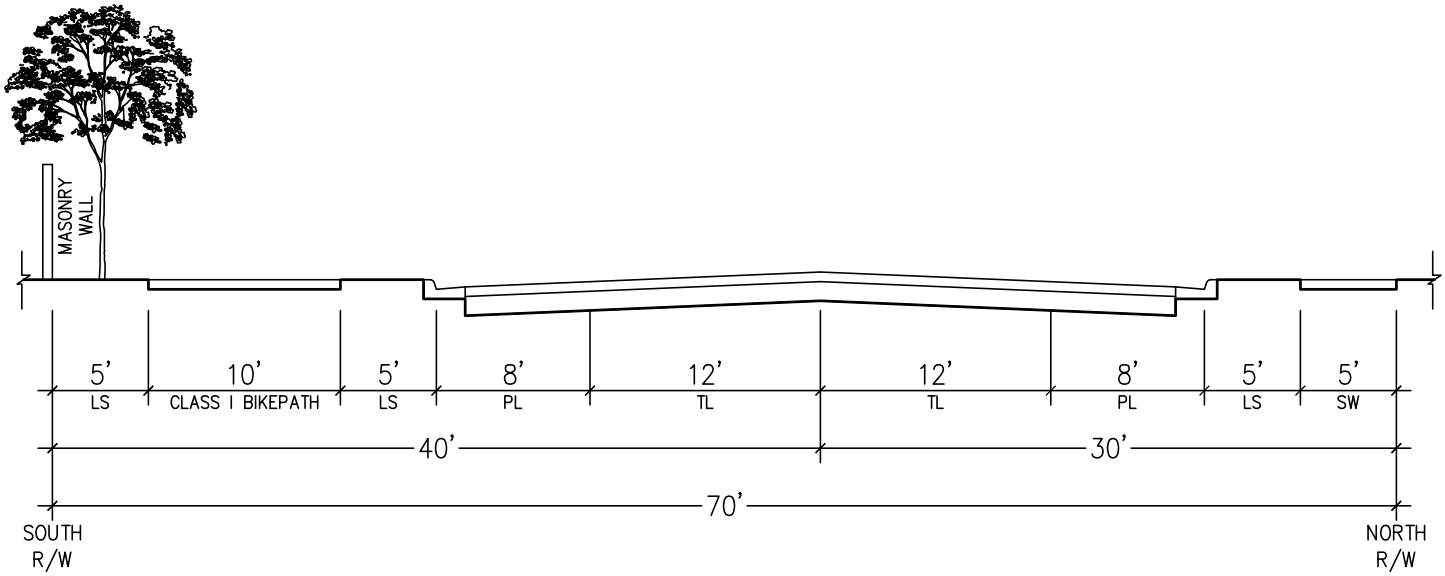


Proposed Zoning

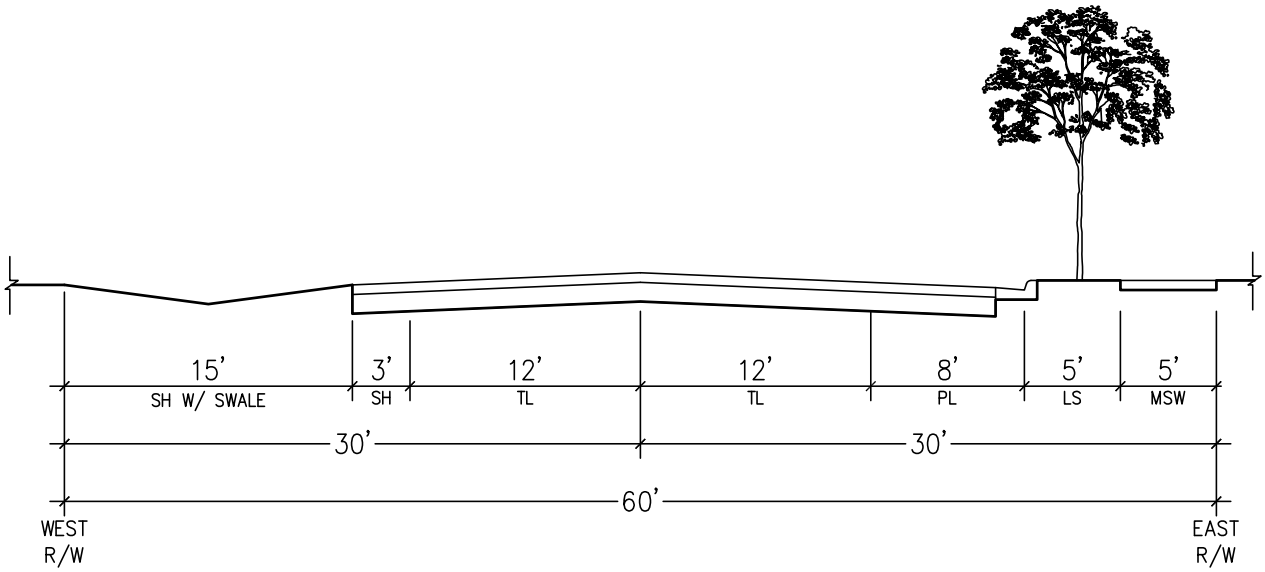
- Planning Area Boundary
- R-1 Single-Family Residential
- P-D Planned Development
- M Manufacturing

SOURCE: GDR

Figure 3-4
Proposed Pre-Zoning



Sullivan Road

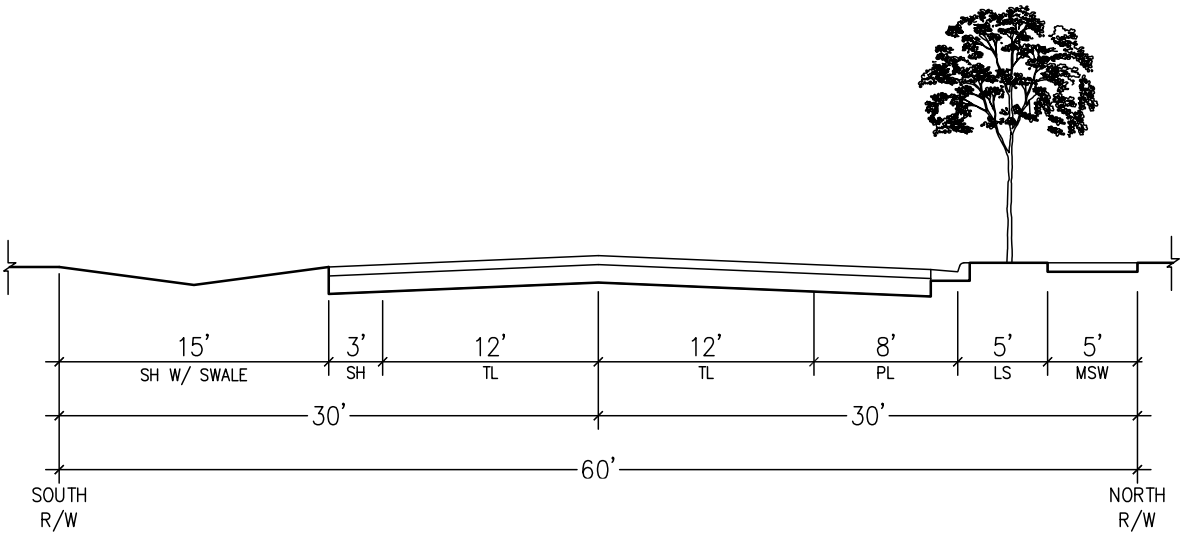


S. Mills Road

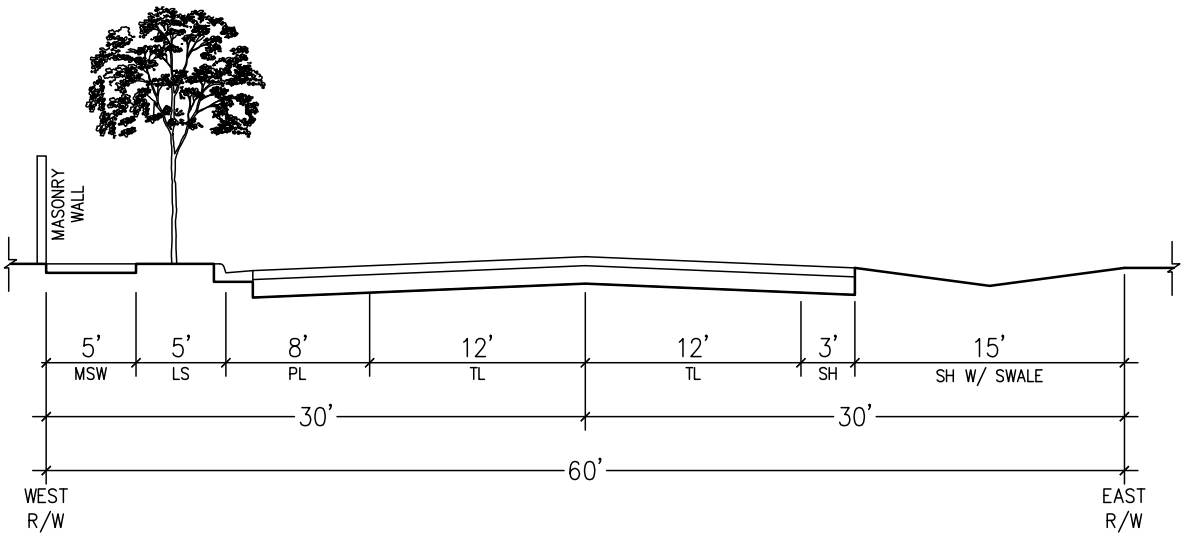
LS	Landscape
MSW	Meandering Sidewalk
PL	Parking Lane
R/W	Right of Way
SH	Shoulder
SW	Sidewalk
TL	Travel Lane

SOURCE: GDR

Figure 3-5A
Proposed Road Improvements



Noble Road

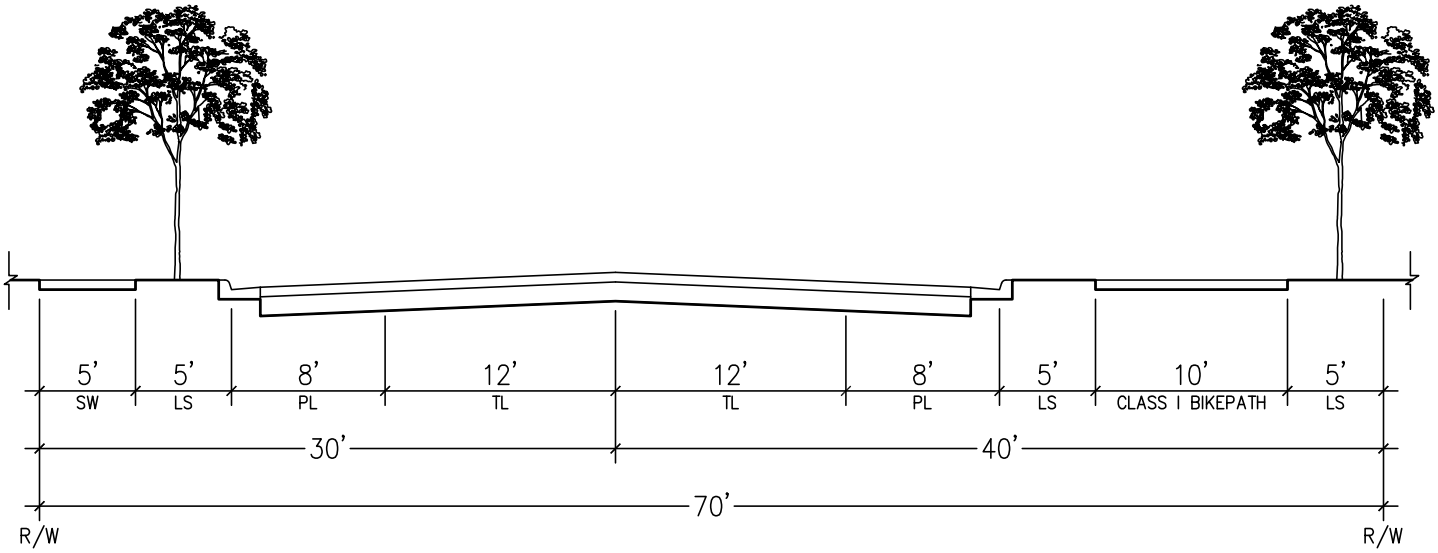


S. Hunt Road

LS	Landscape
MSW	Meandering Sidewalk
PL	Parking Lane
R/W	Right of Way
SH	Shoulder
SW	Sidewalk
TL	Travel Lane

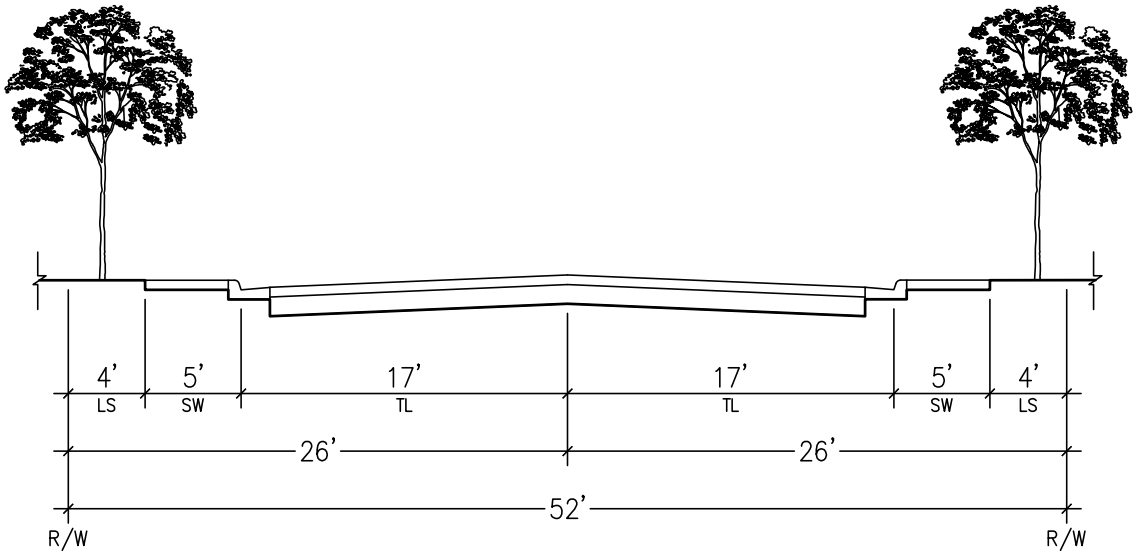
SOURCE: GDR

Figure 3-5B
Proposed Road Improvements



Interior Collector

Figure 2-6

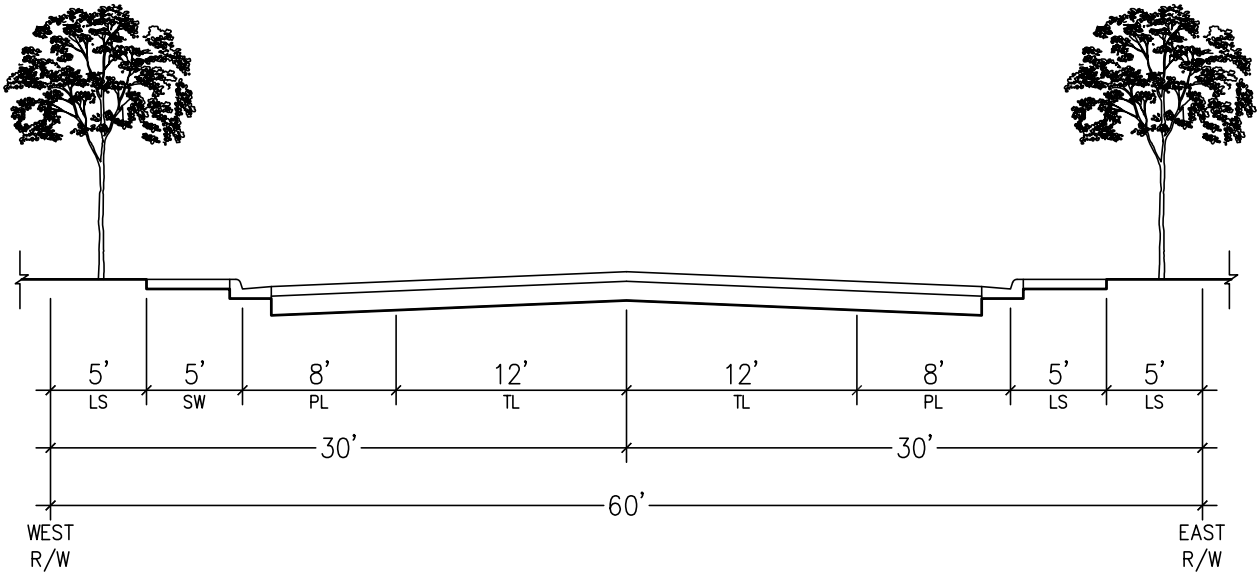


Local Road

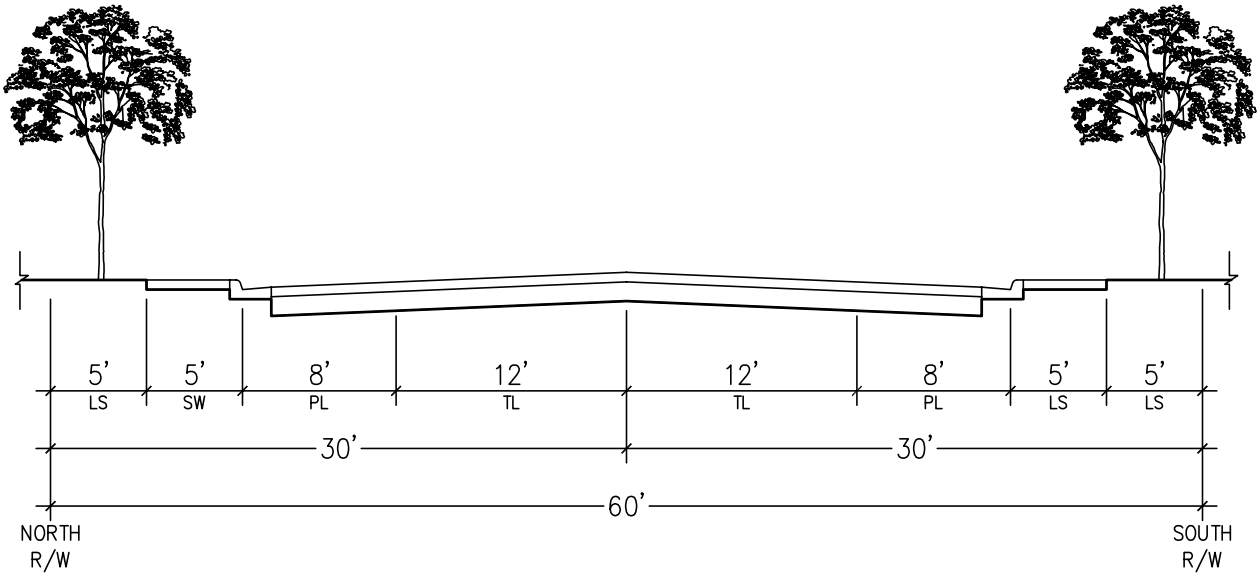
Figure 2-7

LS	Landscape
PL	Parking Lane
R/W	Right of Way
SH	Shoulder
SW	Sidewalk
TL	Travel Lane

SOURCE: GDR



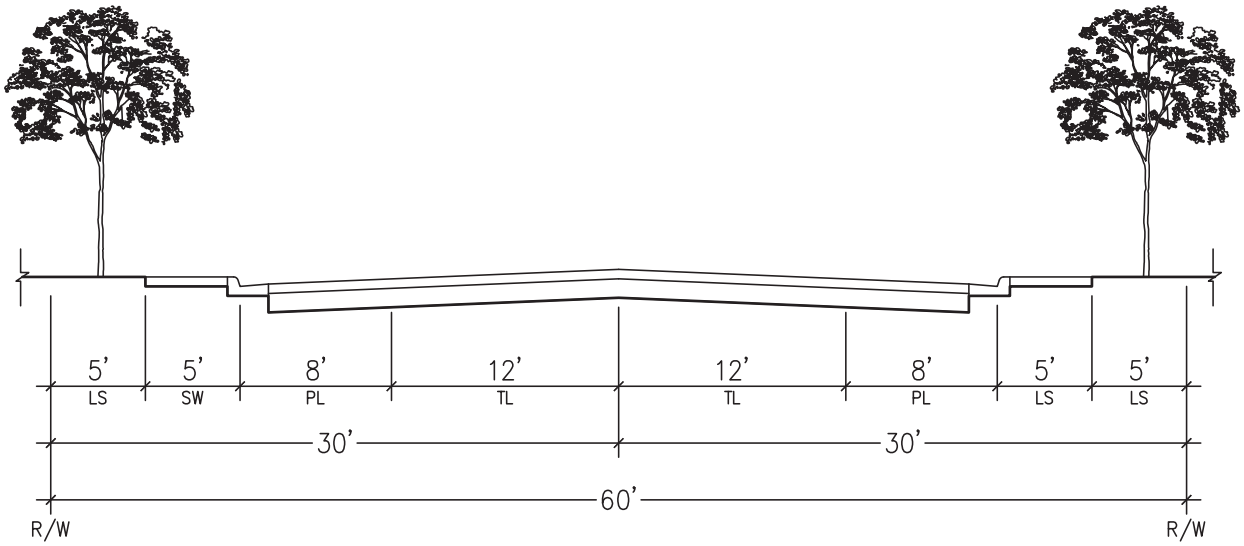
Grove Avenue



Meredith Avenue

LS	Landscape
PL	Parking Lane
R/W	Right of Way
SH	Shoulder
SW	Sidewalk
TL	Travel Lane

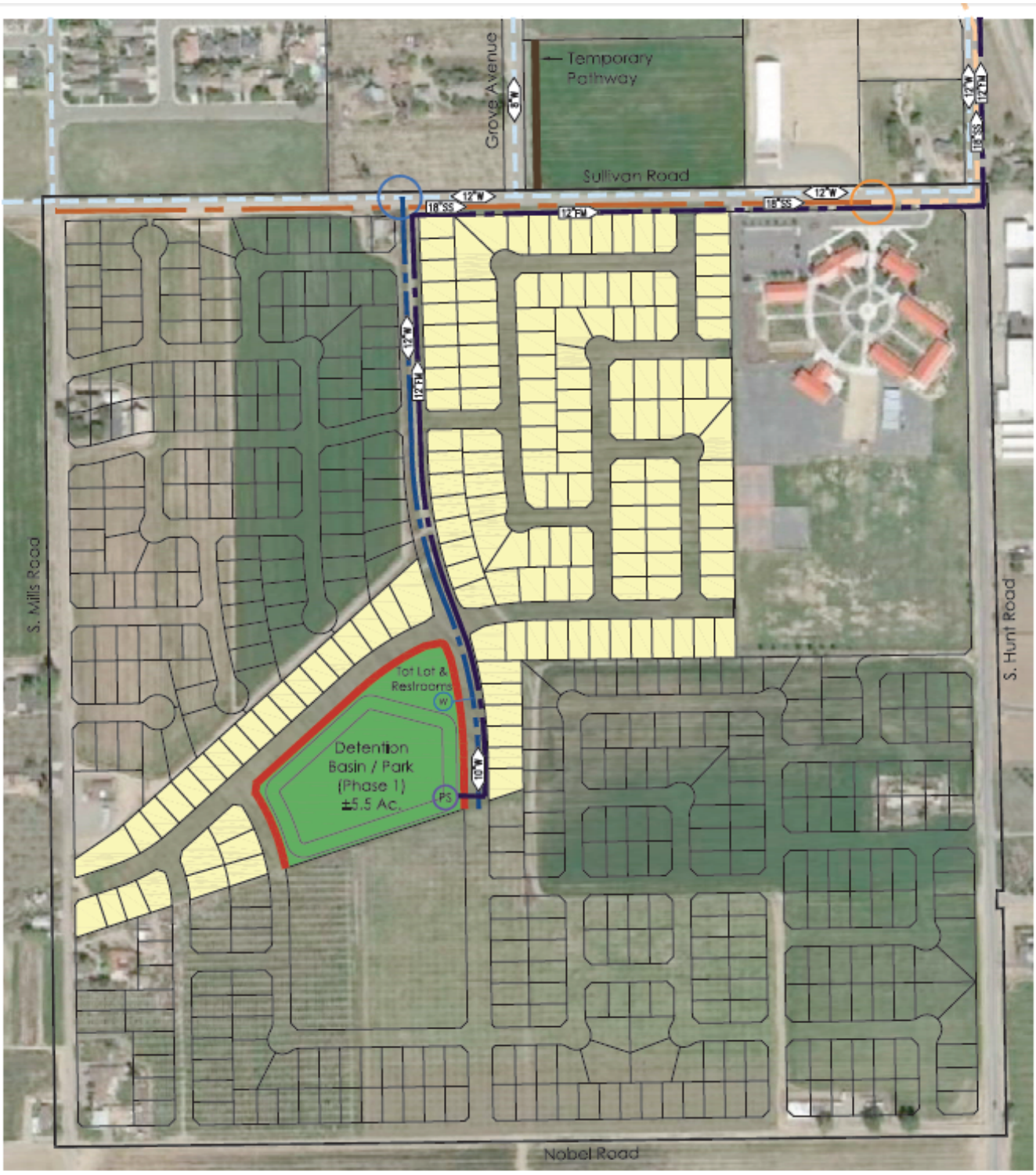
SOURCE: GDR



Railroad Avenue

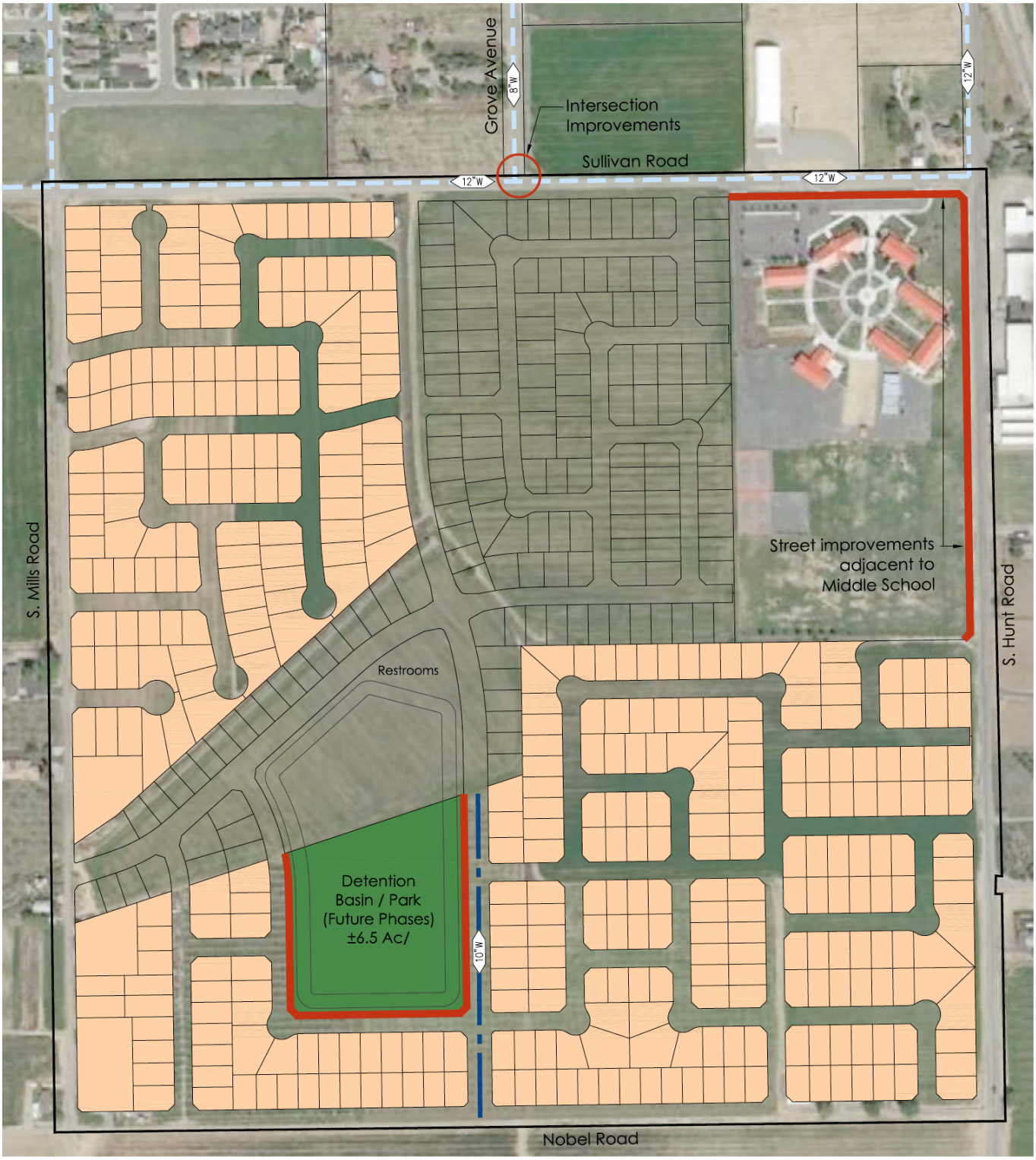
SOURCE: GDR

Figure 3-5E
Proposed Road Improvements



SOURCE: GDR

Figure 3-6A
Anticipated Initial Infrastructure Improvements

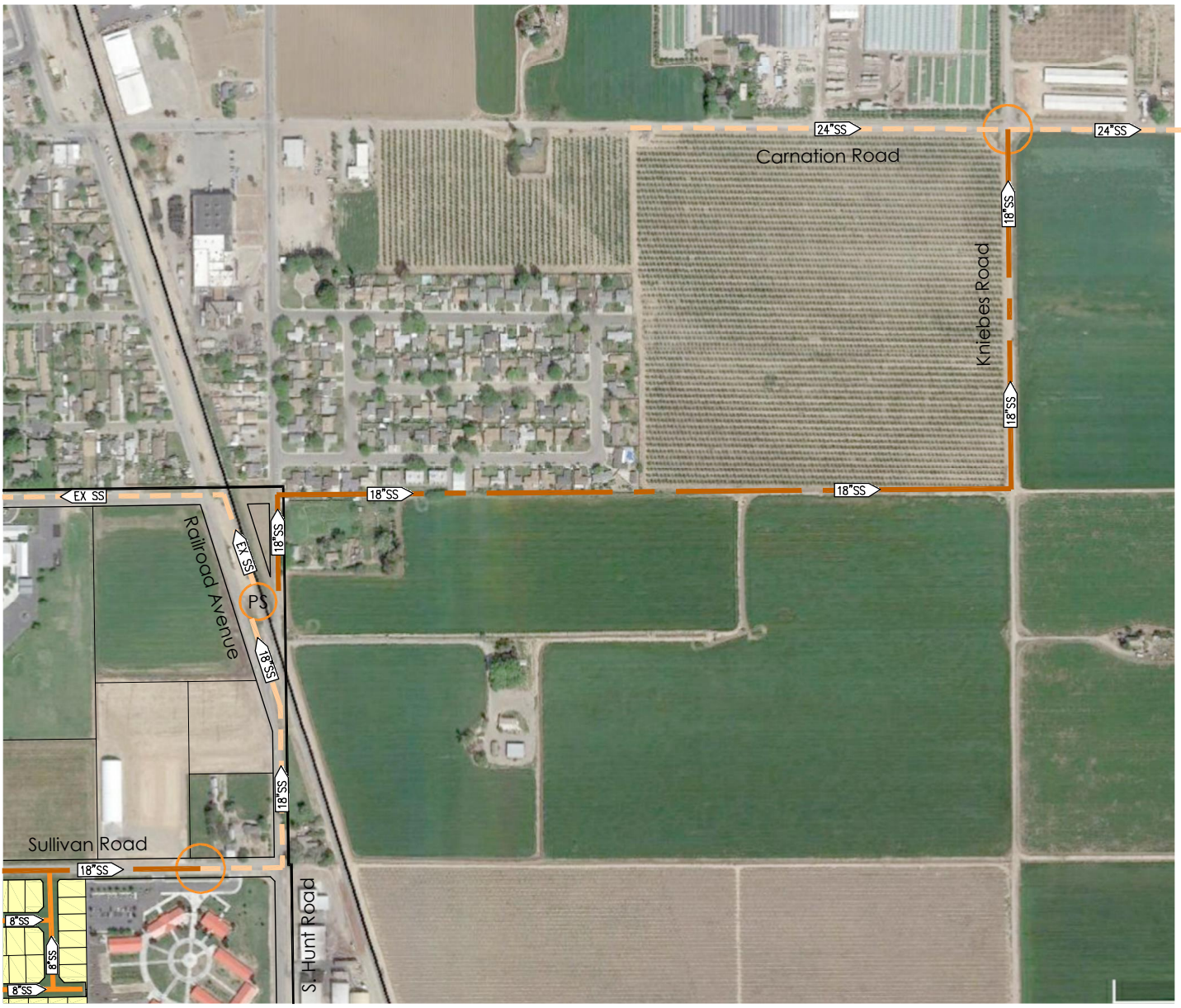


OFF-SITE MASTER PLAN FACILITIES (SOUTH OF SULLIVAN ROAD)

- Planning Area Boundary
- Future Development
- Existing Water
- Master Plan Water
- Street Improvements

SOURCE: GDR

Figure 3-6B
Future Infrastructure Improvements



Conceptual Sanitary Sewer Plan Legend

- Planning Area Boundary
- Existing Sewer System
- Master Plan Sewer System
- Project Sewer System
- PS — Existing Pump Station to be Removed
- Connect to Existing Sanitary Sewer

SOURCE: GDR

SOURCE: GDR

Figure 3-8
Park Detail

Appendix C
Water Supply Assessment

WATER SUPPLY ASSESSMENT
FOR
GUSTINE ANNEXATION SOUTHEAST

City of Gustine, Public Works
October 18, 2017

CITY ADMINISTRATIVE DRAFT
VERSION 2
October 18, 2017

By
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Appendix 3. Memorandum from the City of Gustine Regarding 20-Year Growth Estimates and Water Demands

INTRODUCTION

Background

The California Water Code requires coordination between land use lead agencies and public water suppliers to ensure that prudent water supply planning has been conducted and that planned water supplies are adequate to meet both existing and planned future project demands. Senate Bill 610 amended state law, effective January 1, 2002, to improve the link between information on water supply availability and certain land use decisions made by cities and counties. The statute requires detailed information regarding water availability to be provided to land use decision-makers in cities and counties prior to consideration for approval of statutorily-defined proposed development projects. The statute also requires this detailed information be included in the administrative record that serves as the evidentiary basis for an approval action by a city or county on such projects.

Water Code Sections 10910-10915[1] require land use lead agencies to identify the public water system[2] that may supply water for a proposed development project and to request from said public water system a ***water supply assessment*** ("WSA") for the project. If there is no "public water system" as defined in the statute, the lead agency for the project must conduct the assessment. The purpose of the WSA is to demonstrate that the public water system, or the agency providing water supplies to the proposed development project if there is no public water system, has sufficient water supplies to meet the water demands associated with the proposed project in addition to meeting the existing and other planned future water demands projected for the next 20 years.

Format of WSA

The format of this WSA is based upon guidance provided by the California Department of Water Resources in its "Guidebook for Implementation of Senate Bill 610 and Senate Bill 221 of 2001 to assist water suppliers, cities, and counties in integrating water and land use planning," dated October 8, 2003.

This WSA will be included as an appendix to the environmental document for the proposed project described in this WSA, and the City of Gustine City Council will consider the conclusions reached in this document when analyzing the proposed project's potential impacts on water supply.

Description of Proposed Project

The proposed Southeast Gustine Annexation (the "Project") includes the pre-zoning, amendment of the General Plan, and annexation of approximately 219 acres in western Merced County into the City of Gustine ("City"). The properties and boundaries of the land proposed to be annexed are shown on **Figure 1**, and are generally bounded on the south by Noble Road, on the west by South Mills Road, on the east by South Hunt Road, and on the north by the existing city limits. The Project is bounded by urban development to the north and agricultural land uses in the other directions. The Project site generally is located in the County of Merced, to the southeast of the City's existing City limits as shown on **Figure 2**. The Project is within both the City's General Plan boundaries and the Merced Local Agency Formation Commission's approved sphere of influence for the City.

[1] All statutory references are to the California Water Code unless otherwise noted.
[2] Water Code §10910(b).

Figure 1
Proposed Project Map Exhibit

Source: Draft Southeast Gustine Master Plan, October 24, 2017, p. 7 (Figure 1-2)

Figure 1-2
Master Plan Properties

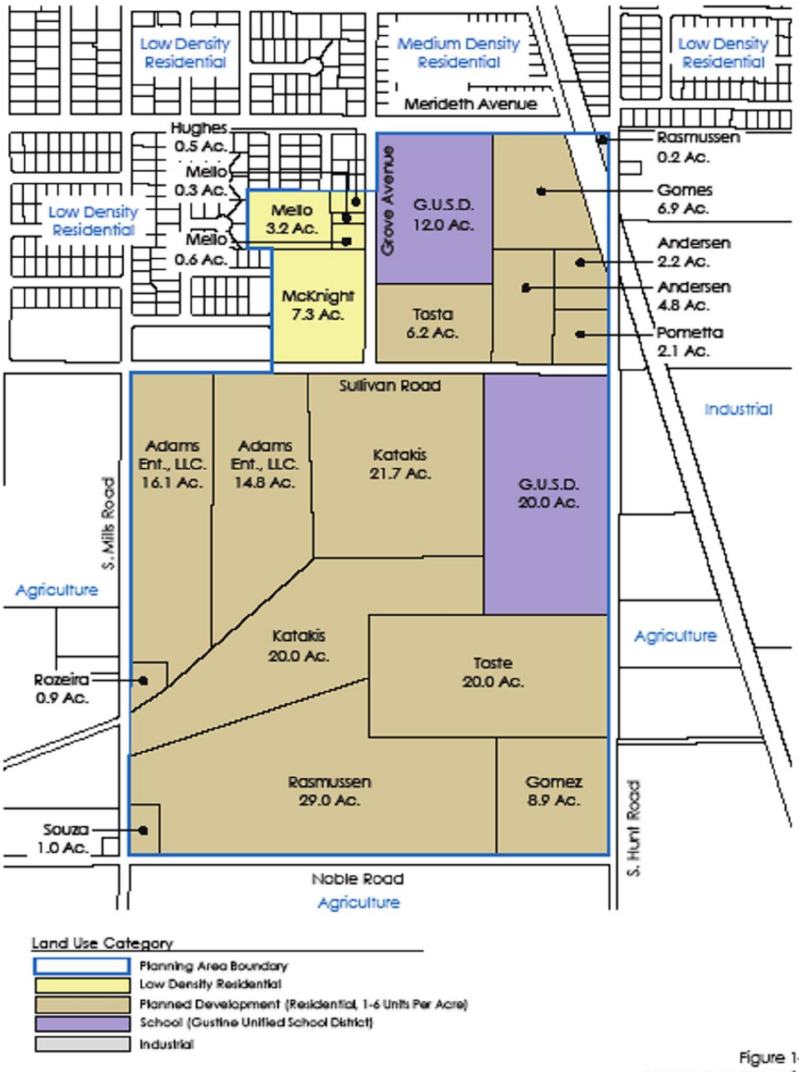
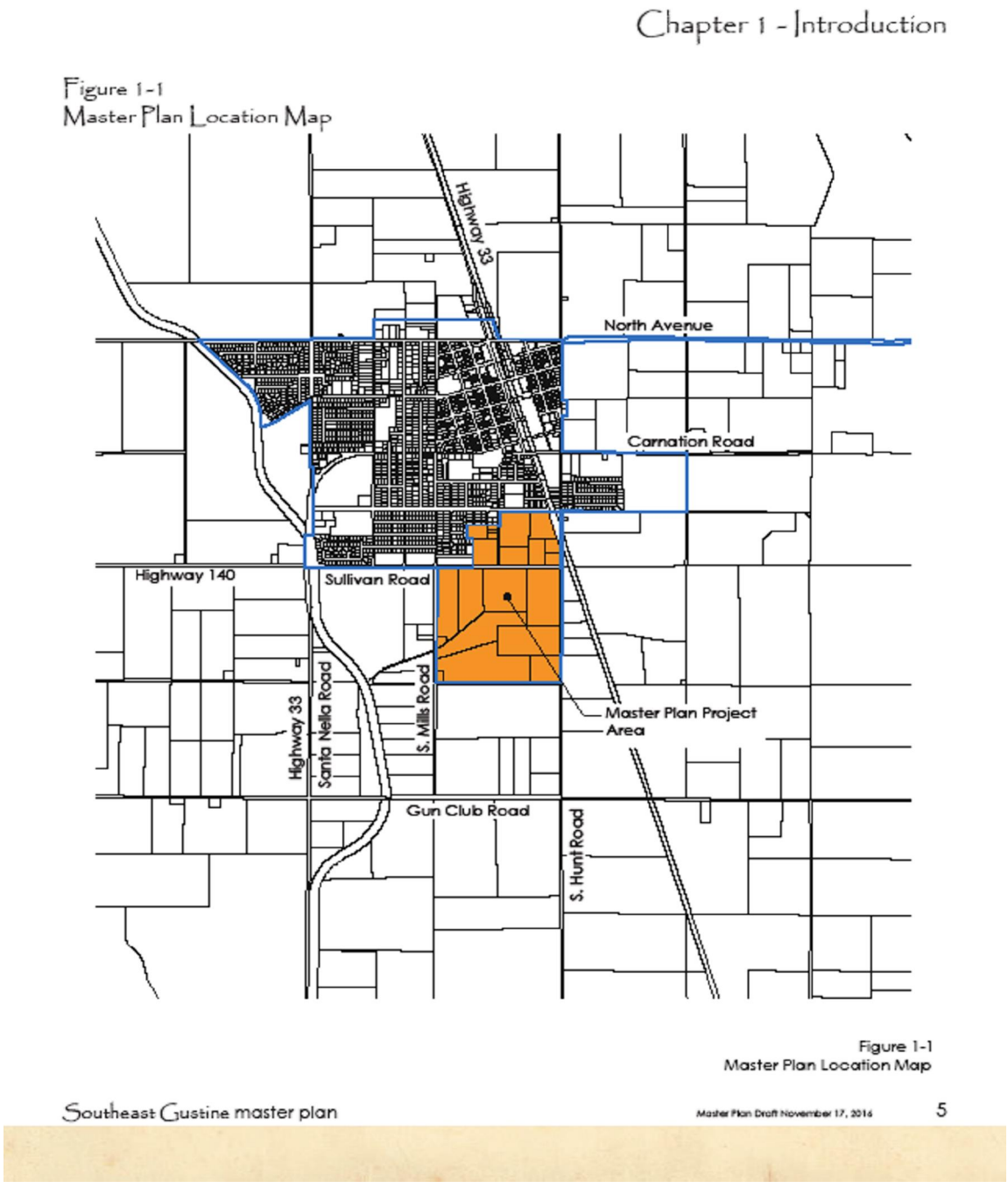


Figure 1-2
Master Plan Properties

Figure 2
Site Location Exhibit

Source: Draft Southeast Gustine Master Plan, October 24, 2017, p.5 (Figure 1-1)



The Project also includes the proposed development of the property to be annexed, which includes approximately 758 homes and a 12-acre City park. The proposed land uses for the proposed annexation area are illustrated in **Figure 1**, and summarized in **Table 1.** Existing uses in the Project area that likely would not develop further primarily include two schools operated by the Gustine Unified School District. These two schools currently are connected to the City's water supply system and these are included in the City's existing water demand. While there is no "public water system" as statutorily defined, the City is the agency that will supply water for the Project utilizing its existing groundwater supply system.

Table 1
Project Anticipated Land Uses and Densities

General Plan Land Use Designation	Undeveloped Acres	Developed Acres	Anticipated Density
Low Density and Planned Development Residential (2-6 dwelling units per acre)	175.0	0	758 dwelling units total (4.33 units per acre)
Open Space/City Park	12.0	0	n/a
Two Existing Schools	0	32	n/a
TOTAL	**187.0**	**32**	n/a

Comparison of Existing Conditions and Project Conditions

The 219-acre Project area is currently dedicated to agricultural, rural residential, and school uses. A portion of the agricultural land is irrigated with canal water from CCID. This canal water will become unavailable to the Project site upon annexation to the City as CCID will require deannexation from the irrigation district. Historically, CCID canal water previously used by lands deannexed from the CCID are put to beneficial use elsewhere within the CCID boundaries. Consequently, canal water currently used in the Project site will be used elsewhere within CCID and replenish groundwater in similar amounts. As described above, development of the property to Project conditions at full build-out will require an additional 440 acre feet of groundwater annually, requiring additional water to be pumped from the aquifer each year. The purpose of the WSA is to demonstrate that the City has planned water supplies to meet the water demands associated with the Project, in addition to meeting the City's existing and planned future water demands projected for the next 20 years.

City's Current Water Supply System

The City's current water supply system is solely a groundwater-based system. In 2016, the City supplied 1,203 acre-feet of groundwater for its customers. The City's water supply system consists of four active wells, one stand-by well, a 75,000 gallon elevated storage tank, and the associated distribution system. Three of the four wells and the storage tank are automatically controlled and monitored by a SCADA system at the City's wastewater facility. Well 7 is not and operates on system pressure. The pumping capacity of the four active wells range from 500 to 2,200 gallons per minute (gpm). The system is fully interlinked so that a well in any location within the City can supply water to any other location within the City. All of the wells and the tank are automatically controlled and monitored by a SCADA system at City's wastewater plant. The City

monitors any groundwater contamination and cleanup of contamination occurs upon detection. Water quality from the City's four active wells meets all regulatory standards.[3]

In 2016, the City had 1,857 service connections. All but ten of the service connections are metered service connections. All new water connections of any type are metered by the City.

ELEMENTS OF A WATER SUPPLY ASSESSMENT

Does SB610 Apply to the Proposed Project? [Sections 10910(a) and 10912(a)(1)]

The City has determined that the Project is subject to the requirements of the California Environmental Quality Act (CEQA), California Public Resources Code §§21000 et seq. Consequently, the Project is subject to the SB610 provisions. For purposes of complying with SB610, Water Code §10912(a) provides that a "project" includes a residential development of 500 or more dwelling units. The proposed Project includes approximately 758 residential units at full build-out and therefore qualifies as a "project" as defined by Water Code §10912(a).

Who will Prepare the Water Supply Assessment? (Identify Responsible Public Water System or Lead Agency) [Section 10910(b)]

Often a "public water system" as defined in Water Code Section 10912(c) would prepare a water supply assessment. Such a water system means one that provides "piped water to the public for human consumption that has 3,000 or more service connections." Id. As noted above, the City has less than 2,000 service connections; consequently there is no "public water system" that meets the statutory definition that will provide water to the Project. Water C. § 10912(c). Even after full build-out of the Project, the City would still have fewer than the 3,000 service connections necessary to trigger a status as a public water system. In such an instance, the lead agency for the Project, is responsible for preparation of a water supply assessment. For the Project, therefore, the City must prepare the WSA. The City of Gustine – Community Development Department Planning Division has identified the City of Gustine - Public Works Water Department as the department responsible for the assessment.

Prior to preparation of this WSA, the City has consulted with Merced Local Agency Formation Commission pursuant to Water Code Section 10910(b). Other than the City, there are no entities serving domestic water supplies whose service area includes the Project site and there are no public water systems adjacent to the Project site, so no consultations with such entities are possible. Water Code Section 10910(b).

Was Project Subject to a Previous Assessment? [Section 10910(h)]

According to the City, the Project has not been subject of a previous water assessment that complied with the necessary provisions of law governing water supply assessments.

[3] Information from City Department of Public Works and Appendix 1 – City of Gustine Drinking Water Consumer Confidence Reports 2011-2015

Is There a Current Urban Water Management Plan? [Section 10910(c)]

According to the City, there is no current, adopted Urban Water Management Plan since the City does not meet the thresholds required for creation and adoption of such a plan. The City does not serve more than 3,000 customers or deliver more than 3,000 acre feet of water per year. According to statute, when there is no current Urban Water Management Plan, the City's WSA for the Project shall be prepared on available information and shall include a discussion with regard to whether the City's total projected water supplies available during normal, single dry, and multiple dry years during a 20-year projection will meet the projected water demand associated with the Project, in addition to the City's existing and planned future uses, including agricultural and manufacturing uses. Water Code Section 10910(c)(3). This required discussion largely is the subject of the rest of this WSA.

Water Supply Information in General and No Wholesale Water Supplies [Section 10910(d)]

Section 10910(d)(1) requires identification of existing water supplies by specifying water supply entitlements, water rights, or water service contracts relevant to the Project and a description of the quantities of water obtained by the City pursuant to these water supply entitlements, water rights, or water service contracts in previous years. The City does not currently receive wholesale supplies of water. The City does not currently receive surface water supplies from any sources. The water supply for the City is solely groundwater. This water supply has been used by the City since the City's inception. The Delta-Mendota groundwater subbasin is not adjudicated, and the City is not legally limited to a specific annual withdrawal. The City utilizes the groundwater by right as a groundwater appropriator. The City's Year 2002 Water Master Plan identified 2,400 afy as the groundwater supply available for the City.[4] This supply amount was derived from joint efforts undertaken by the City and the Central California Irrigation District evaluating Hydrogeologic conditions in the vicinity of the City.[5]

The City historically has been able to meet all water demands with available groundwater supplies from the Delta-Mendota subbasin. The City's historical water production from 2006 through 2016 is summarized in **Table 2** below.

Table 2[6]

Amount of Groundwater Pumped by City (AF-Y) 2006-2016

Basin Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Delta-Mendota Subbasin	1,330	1,466	1,338	1,043	1,163	1,156	1,260	1,271	1,149	1,054	1,203
Percent of Total Supply	100	100	100	100	100	100	100	100	100	100	100

See Section entitled "Gustine's Groundwater Water Supply" for the balance of the analysis of the City's groundwater supply source.

[4] "City of Gustine Year 2002 Water Master Plan," February 2003 (adopted March 3, 2003), Stoddard & Associates.

[5] "Groundwater Conditions in the Vicinity of the City of Gustine, California," September 2001, Kenneth D. Schmidt and Associates, pp 30-31.

[6] Data provided by City of Gustine Department of Public Works.

Water Demand for Project and Other Uses in City and Dry-Year(s) Demand [Section 10910(c)(3)]

This section analyzes water demand for the Project, for existing uses in the City, for planned future uses in the City over a 20-year period, and dry-year(s) demands.

Demand for Project.

A separate study was commissioned to analyze water demand for the Project.[7] See **Appendix 3**.
This WSA assumes that the land uses on the undeveloped land within the Project will be built-out in the 20-year time horizon of the WSA, and that the two existing public schools within the Project site will remain in the same use over the 20-year horizon. As noted previously, these two schools are connected to the existing City water supply system and thus are included in the City's existing water demand. Based upon those assumptions, the study of the hydrogeologic factors for the Project estimated the total water needs for the Project at build-out to be approximately 440 acre-feet per year, as summarized in **Table 3**.[8] This calculation of 440 acre feet per year was the base case for water demand and did not include any new measures or conditions that would reduce water demand. Consequently, it is the most conservative scenario for Project water supply.

Table 3
Water Demand for Project by Land Use Summary (AF-Y)

Land Use Designation	Anticipated DU or Acreage	Total Annual AF Demand
Low Density Residential[9]	758 du	390
Open Space/City Park	12 acres	50
Two Existing Schools	32 acres	n/a since included in Existing City demand
Total:	**n/a**	**440**

Demand for Existing City Uses.

The City's water demand for existing uses in the City conservatively is estimated to be 1,300 afy. This estimate is more than the average per year actually produced by the City from 2006 to 2016 as shown in Table 2. The average production over 2006 to 2016 was 1,221 af-y.

Demand for Planned City Uses Other Than Project Over 20 Years.

The City's estimated water demand for planned future uses over the next 20 years not included in the Project were derived from population growth projections provided by the City. Due to limitations on actual water service data, the City developed a proxy calculation for water use that uses residential connections as representative of water use by all land uses in the City. This calculation leads to a water demand for "residential" service connection of .76 a-f each year[9]. However each such "residential service connection" allocation of .76 a-f/year also accounts for non-residential growth in the City.

[7] See Appendix 2 (Schmidt 2017)
[8] Schmidt 2017, p. 33.
[9] See Appendix 3 (Osner 2017).

For example, since the Project contains 758 dwelling units with an annual demand of 440 acre-feet, the water demand for each dwelling unit in the Project is .58 a-f/year. The difference between this demand of .58 a-f/year and the .76 a-f/year ascertained as a proxy for all water demand in the City (.17 a-f/year) represents the increment of non-residential water demand projected by the City.

Based upon the population projections, the City estimates 638 additional residential service connections over the next twenty years.[10] The City also projects that "most new residential growth, with the exception of minor in-fill, over the 20-year horizon" will be within the Project area.[11] So, if 80% of the 20-year growth is within the Project area, the Project will account for 510 of the 638 new water service connections over the time period. At .76 a-f per year, the 20-year additional water demand for the City will be 484 a-f/year with about 387 a-f/year attributable to the Project and 97 a-f/year attributable to other growth.

Also, based upon the City's growth projections, the City does not believe the Project will build-out in twenty years. However, the WSA must account for full water supply for the entire Project over the twenty years. Consequently, the balance of the Project's growth – 20% of Project's 748 dwelling units, or 248 dwelling units - must be included in the twenty year projection. These are included at the .58 a-f/year estimated in the Project's hydrogeologic study. The Project's water supply thus is accounted for in two separate line items in the following tables. The line item entitled "Future City (Including 510 Project DUs)" accounts for 80% of the Project's 788 DUs that is addressed in the City's twenty year growth projection. The line item labeled "Balance of Project (248 DUs)" accounts for 20% of the Project's 788 DUs and address them within the twenty year timeframe as required by the statute (despite the projection by the City that the Project will not build-out over twenty years.) Together, these two line items include the Project's 440 a-f/year of water demand estimated by the Project's hydrogeologic study.

In addition to the water demand addressed above, the City also desired to account for re-use of a now vacant industrial site within the City limits. The city estimates if the former Beatrice Food Site were redeveloped with an industrial use, up to 200 a-f/year of water demand could arise. So, to account for growth projections with and without this additional single water user at the former Beatrice Foods plant, we have calculated two scenarios for future water demand in the City. Scenario 1 in **Table 4** does not include the potential industrial large water user. Scenario 2 in **Table 5** does include the potential industrial larger water user.

Table 4

Water Demand Totals for Existing City Uses, Planned City Uses and Project (AF-Y) – Scenario 1

Category of Demand	2010	2015	2017	2022	2027	2032	2037
Existing City as of 2017	1,300	1,300	1,300	1,300	1,300	1,300	1,300
Future City (Including 510 Project DUs)	0	0	0	200	300	400	484
Balance of Project (248 DUs)	0	0	0	0	0	144	144
Total Water Demand:	**1,300**	**1,300**	**1,300**	**1,500**	**1,600**	**1,844**	**1,928**

[10] Osner 2017
[11] Osner 2017

Table 5
Water Demand Totals for Existing City Uses, Planned City Uses and Project (AF-Y) – Scenario 2 (Add One Large Industrial Water User)

Category of Demand	2010	2015	2017	2022	2027	2032	2037
Existing City as of 2017	1,300	1,300	1,300	1,300	1,300	1,300	1,300
Future City (Including 510 Project DUs)	0	0	0	200	300	400	484
Future City One Large Water User	0	0	0	0	200	200	200
Balance of Project (248 DUs)	0	0	0	0	0	144	144
Total Water Demand:	**1,300**	**1,300**	**1,300**	**1,500**	**1,800**	**2,044**	**2,128**

Demand in Dry-Year(s).

During drought conditions, water demand often declines with the imposition of drought measures and customer conservation. For example, Schmidt 2017 noted a 17% decrease in water pumping by the City during the most recent drought.[12] Thus, one could project less water demand in Multiple-Dry years as usage declines. However, for a Single-Dry year, a conservative approach anticipates that the demand in a single-dry year would mirror a normal year. The dry years analysis for the two growth scenarios provided by the City are shown in **Table 6** for the first scenario and **Table 7** for the second scenario. The row in each table labeled "Total Water Demand" in each table is the estimate of that water demand in Normal and Single-Dry years. The row labeled "Adjusted for Multiple Dry-Years" assumes a 10% reduction in demand should the projected year fall within a series of multiple-dry years. This 10% reduction is less than the 17% reported by Schmidt 2017 in the most recent drought. However, to ensure conservative estimates, the sufficiency calculations in the WSA do not utilize this possible 10% reduction in demand during Multiple-Dry years but instead assume no decrease in demand during a series of Multiple Dry Years. These estimates are shown in the last rows of each table.

Table 6
Dry-Years Analysis for Water Demand Totals for Existing City Uses, Planned City Uses, and Project (AF-Y) – Scenario 1

Category of Demand	2010	2015	2017	2022	2027	2032	2037
Existing City as of 2017	1,300	1,300	1,300	1,300	1,300	1,300	1,300
Future City (Including 510 Project DUs)	0	0	0	200	300	400	484
Balance of Project (248 DUs)	0	0	0	0	0	144	144
Total Water Demand:	**1,300**	**1,300**	**1,300**	**1,500**	**1,600**	**1,844**	**1,928**
Adjusted for Multiple Dry-Years:	**n/a**	**n/a**	**1,170**	**1,350**	**1,440**	**1,660**	**1,736**
Adjusted for Multiple Dry-Years if No Decrease in Demand:	**n/a**	**n/a**	**1,300**	**1,500**	**1,600**	**1,844**	**1,928**

[12] Schmidt 2017, p.21.

Table 7
Dry-Years Analysis for Water Demand Totals for Existing City Uses, Planned City Uses, and Project (AF-Y) – Scenario 2 (Add One Large Industrial Water User)

Category of Demand	2010	2015	2017	2022	2027	2032	2037
Existing City as of 2017	1,300	1,300	1,300	1,300	1,300	1,300	1,300
Future City (Including 510 Project DUs)	0	0	0	200	300	400	484
Balance of Project (248 DUs)	0	0	0	0	0	144	144
Future City One Large Water User	0	0	0	0	200	200	200
Total Water Demand:	**1,300**	**1,300**	**1,300**	**1,500**	**1,800**	**2,044**	**2,128**
Adjusted for Multiple Dry-Years:	**n/a**	**n/a**	**1,170**	**1,350**	**1,620**	**1,840**	**1,915**
Adjusted for Multiple Dry-Years if No Decrease in Demand:	**n/a**	**n/a**	**1,300**	**1,500**	**1,800**	**2,044**	**2,128**

Gustine's Groundwater Water Supply [Section 10910(f)]

Since groundwater is the City's source of water supply, specific groundwater information must be included in the assessment pursuant to the statute as follows:

(1) A review of any information contained in the urban water management plan relevant to the identified water supply for the proposed project. [Section 10910(f)(1)]

As noted above, the City has not adopted an Urban Water Management Plan ("UWMP") so there is no such UWMP information to review for this WSA.

(2) A description of any groundwater basin or basins from which the proposed project will be supplied. For basins that have not been adjudicated, information as to whether the department has identified the basin or basins as overdrafted or has projected that the basin will become overdrafted if present management conditions continue, in the most current bulletin of the department that characterizes the condition of the groundwater basin, and a detailed description by the public water system of the efforts being undertaken in the basin or basins to eliminate the long-term overdraft condition. [Section 10910 (f)(2)]

Description of Basin

The local groundwater basin is referred to as the Delta-Mendota Groundwater Basin. According to Bulletin No. 118 of the California Department of Water Resources (DWR), the Delta-Mendota Groundwater Basin (groundwater sub basin number: 5-22.07) is a sub basin of the San Joaquin Valley Groundwater Basin. According to the Bulletin, the boundaries of the Delta-Mendota basin are generally described as:

> …bounded on the west by the Tertiary and older marine sediments of the Coast Ranges, and on the north by the Stanislaus/San Joaquin county line. The eastern boundary follows the San Joaquin River to Township 11 S,

> where it jogs eastward and follows the eastern boundary of Columbia Canal Company to the San Joaquin River, then follows the Chowchilla Bypass and the eastern border of Farmer's Water District. It then trends southerly through Township 14S Range 15E on the eastern side of Fresno Slough, then follows the Tranquility ID boundary to its southern extremity. Heading northward, it follows the eastern, northern, and northwestern boundary of San Joaquin Valley – Westside Groundwater Subbasin (corresponding with Westlands Water District boundaries).

The Bulletin notes that average annual rainfall in the basin is nine to eleven inches.

The water bearing formations of the Delta-Mendota Basin are described in Bulletin 118:

> The geologic units that comprise the ground water reservoir in the Delta-Mendota subbasin consist of the Tulare Formation, terrace deposits, alluvium, and flood-basin deposits. The Tulare Formation is composed of beds, lenses, and tongues of clay, sand, and gravel that have been alternately deposited in oxidizing and reducing environments (Hotchkiss 1971). The Corcoran Clay Member of the formation underlies the basin at depths ranging about 100 to 500 feet and acts as a confining bed (DWR 1981).
>
> Terrace deposits of Pleistocene age lie up to several feet higher than present streambeds. They are composed of yellow, tan, and light-to-dark brown silt, sand, and gravel with a matrix that varies from sand to clay (Hotchkiss 1971). The water table generally lies below the bottom of the terrace deposits. However, the relatively large grain size of the terrace deposits suggests their value as possible recharge sites.
>
> Alluvium is composed of interbedded, poorly to well-sorted clay, silt, sand, and gravel and is divided based on its degree of dissection and soil formation. The flood-basin deposits are generally composed of light-to-dark brown and gray clay, silt, sand, and organic materials with locally high concentrations of salts and alkali. Stream channel deposits of coarse sand and gravel are also included.
>
> Groundwater in the Delta-Mendota subbasin occurs in three water-bearing zones. These include the lower zone, which contains confined fresh water in the lower section of the Tulare Formation, an upper zone which contains confined, semi-confined, and unconfined water in the upper section of the Tulare Formation and younger deposits, and a shallow zone which contains unconfined water within about 25 feet of the land surface (Davis 1959).
>
> The estimated specific yield of this subbasin is 11.8 percent (based on DWR San Joaquin District internal data and Davis 1959). Land subsidence up to about 16 feet has occurred in the southern portion of the basin due to artesian head decline (Ireland 1964).

According to the Bulletin, no restrictive structures to groundwater flow:

> Groundwater flow was historically northwestward parallel to the San Joaquin River (Hotchkiss 1971). Recent data (DWR 2000) show flow to the north and eastward, toward the San Joaquin River. Based on current and historical groundwater elevation maps, groundwater barriers do not appear to exist in the subbasin.

Groundwater levels in the Basin lower and recover in a robust manner:

> Changes in groundwater levels are based on annual water level measurements by DWR and cooperators. Water level changes were evaluated by quarter township and computed through a custom DWR computer program using geostatistics (kriging). On average, the subbasin water level has increased by 2.2 feet from 1970 through 2000. The period from 1970 through 1985 showed a general increase, topping out in 1985 at 7.5 feet above the 1970 water level. The nine-year period from 1985 to 1994 saw general declines in groundwater levels, reaching back down to the 1970 groundwater level in 1994. Groundwater levels rose in 1995 to about 2.2 feet above the 1970 groundwater level. Water levels fluctuated around this value until 2000.

The Basin constitutes a very large reservoir of fresh water:

> Estimations of the total storage capacity of the subbasin and the amount of water in storage as of 1995 were calculated using an estimated specific yield of 11.8 percent and water levels collected by DWR and cooperators. According to these calculations, the total storage capacity of this subbasin is estimated to be 30,400,000 af to a depth of 300 feet and 81,800,000 af to the base of fresh groundwater. These same calculations give an estimate of 26,600,000 af of groundwater to a depth of 300 feet stored in this subbasin as of 1995 (DWR 1995). According to published literature, the amount of stored groundwater in this subbasin as of 1961 is 51,000,000 af to a depth of < 1,000 feet (Williamson 1989).

Some information on a groundwater budget were provided in the Bulletin:

> Although a detailed budget was not available for this subbasin, an estimate of groundwater demand was calculated based on the 1990 normalized year and data on land and water use. A subsequent analysis was done by a DWR water budget spreadsheet to estimate overall applied water demands, agricultural groundwater pumpage, urban pumping demand and other extraction data.
>
> Natural recharge is estimated to be 8,000 af. Artificial recharge and subsurface inflow are not determined. Applied water recharge is approximately 74,000 af. Annual urban and agricultural extractions

> estimated to be 17,000 af and 491,000 af, respectively. Other extractions are approximately 3,000 af, and subsurface outflow is not determined.

Status of Adjudication and Overdraft Condition

Neither the Delta-Mendota Subbasin nor the San Joaquin Valley Basin of which the subbasin is a part have been adjudicated. The Delta-Mendota Subbasin was identified as in critical overdraft by the Department of Water Resources in January 2016.[13] **Table 8** shows the Department of Water Resources list of critically overdrafted basins as of 2016. **Figure 3** depicts the Delta-Mendota Subbasin, Basin No. 5.22.07 as critically overdrafted as are all but 2 subbasins in the San Joaquin Valley. As shown in **Table 9**, the Delta-Mendota Subbasin is the largest subbasin by geographic size in the San Joaquin River Hydrologic Region comprising 747,000 acres. So, despite this critical overdraft designation, the enormous size of the subbasin creates different groundwater conditions in different locations of the subbasin. For example, a 2015 study analyzing the Delta-Mendota Subbasin analyzed in detail twelve sub-areas.[14] While two of the twelve sub-areas showed some indications of an overdraft condition, ten did not.[15] The two potentially overdrafted sub-areas were not near the Gustine vicinity sub-area (Sub-Area B.) And the "small amounts of overdraft" (in these two remote sub-areas) "has been counter-balanced by water-level rises in other parts" of the sub-basin.[16] Groundwater flows in both the upper and lower aquifers have greatly exceeded groundwater inflows… (which) is indicative of hydrologically balanced area, not a critically overdrafted area."[17] Finally, "…a thorough examination of long-term water-level trends over several hydrologic periods indicates no net water-level decline."[18]

A specific review by this study of Gustine's Sub-Area B in two hydrologic periods showed no groundwater declines. In the first period studied,

> Hydrographs for 36 wells indicated no long-term water-level changes or rising water levels. Hydrographs for only two wells indicated long-term declines. These declines were more than balanced by the 11 wells that had long-term water-level rises.[19]

In the second hydrologic period covering the years 1963-2013 only two of 28 wells showed long-term decline. The other 26 wells "indicated long-term either stable water levels or water-level rises."[20] This second time period is considered to be a conservative analysis because the "base period is somewhat biased because of the dry areas near the end of it." However, the period was included to provide updated information as of 2015.[21] In any case, Gustine's Sub-Area B did not show any overdraft condition. This

[13] Bulletin 118, Interim Update 2016, California Department of Water Resources, December 22, 2016, pp. 11-12.
[14] Schmidt 2015, pp. 6-9, 11-23.
[15] Schmidt 2015, pp. 10, 24.
[16] Schmidt 2015, p. 25
[17] Schmidt 2015, p. 31
[18] Schmidt 2015, p. 31
[19] Schmidt 2015, p. 12
[20] Schmidt 2015, p. 14
[21] Schmidt 2015, p.13, 24.

Table 8
Critically Overdrafted Basins (1/2016)

Source: DWR, 2016

Groundwater Basins Subject to Critical Conditions of Overdraft– January 2016

Basin Number[a]	Basin/Subbasin Name[a]
3-1	Soquel Valley
3-2	Pajaro Valley
3-4.01	180/400-Foot Aquifer
3-4.06	Paso Robles Area
3-8	Los Osos Valley
3-13	Cuyama Valley
4-4.02	Oxnard
4-6	Pleasant Valley
5-22.01	Eastern San Joaquin
5-22.04	Merced
5-22.05	Chowchilla
5-22.06	Madera
5-22.07	Delta-Mendota
5-22.08	Kings
5-22.09	Westside
5-22.11	Kaweah
5-22.12	Tulare Lake
5-22.13	Tule
5-22.14	Kern County
6-54	Indian Wells Valley
7-24	Borrego Valley

a As identified and delineated in Bulletin 118, *California's Groundwater,* Update 2003.

Figure 3
Critically Overdrafted Groundwater Basins – January 2016 – North Central and South Central Regions

Source: DWR January 1, 2016

Table 9
Acreage Totals of Groundwater Subbasins in the San Joaquin Hydrologic Region

Source: DWR 2003b, p. 173

Table 30 San Joaquin River Hydrologic Region groundwater data

Basin/Subbasin	Basin Name	Area (acres)	Groundwater Budget Type	Well Yields (gpm)		Types of Monitoring			TDS (mg/L)	
				Maximum	Average	Levels	Quality	Title 22	Average	Range
5-22	SAN JOAQUIN VALLEY	707,000	A	1,500	-	345	69	540	310	30 - 1,632
5-22.01	EASTERN SAN JOAQUIN	247,000	B	4,500	1000-2000	230	15	209	60-500	200-8300
5-22.02	MODESTO	347,000	B	4,500	1000-2000	307	0	163	200-500	100-8300
5-22.03	TURLOCK	491,000	B	4,450	1500-1900	378	0	142	200-400	100-3600
5-22.04	MERCED	159,000	B	4,750	750-2000	203	0	28	200-500	120-6400
5-22.05	CHOWCHILLA	394,000	B	4,750	750-2000	378	0	127	200-400	100-6400
5-22.06	MADERA	747,000	B	5,000	800-2000	816	0	120	770	210-86,000
5-22.07	DELTA-MENDOTA	345,000	C	3,000	500-3,000	18	14	183	1,190	210-7,800
5-22.15	TRACY	281,000	A	1,500	-	75	13	72	218	140-438
5-22.16	COSUMNES	7,500	C	1,200	900	0	0	3	54	43-73
5-69	YOSEMITE VALLEY	4,840	C	-	-	0	0	0	-	-
5-70	LOS BANOS CREEK VALLEY									

gpm - gallons per minute
mg/L - milligram per liter
TDS -total dissolved solids

conclusion was confirmed in the current hydrogeologic study for the Project. This study summarized the lack of overdraft as follows:

> Groundwater beneath and in the vicinity of Gustine is not in a state of overdraft. Rather, water levels are shallow and the surrounding area is considered an agricultural drainage problem area.[22]

The hydrogeologic study detailed the condition of the Delta-Mendota Subbasin in the Gustine vicinity as follows:

> The City is in the Delta-Mendota Sub-basin (Basin 5-2207). Studies prepared for the CCID and San Joaquin River Exchange Contractors (SJREC) Water Authority indicate that their service areas west of the San Joaquin River are not in a state of groundwater overdraft. KDSA (2015) documented the situation in a report on groundwater overdraft in the Delta-Mendota Sub-basin. Instead, there are several agricultural drainage problem areas present, including in the Gustine Drainage District, which generally surrounds the City of Gustine. Water logging of shallow soils has required drainage well pumpage and the installation of tile drains to mitigate this. The California Department of Water Resources (DWR) subsequently determined that the sub-basin was in a critical state of overdraft. However, that determination doesn't influence groundwater conditions beneath and near Gustine. There is no evidence of groundwater overdraft in the CCID service area, the Gustine Drainage District, or the City of Gustine.[23]

These results compare with historical experience in the vicinity of the City where groundwater levels have been high. For example, the city limits of Gustine are within the boundaries of the Gustine Drainage District. This special district was formed in 1937 to collect, control and discharge groundwater within its boundaries.[24] High groundwater levels have been a persistent feature in the City and its vicinity.

Current Groundwater Management Efforts in the Subbasin and Under New State Law.

The Delta-Mendota Subbasin has been subject to various groundwater management efforts. The City has cooperated in some of these efforts, especially those conducted by the Central California Irrigation District. However, the City has not been an official participant in these efforts. These groundwater management efforts are summarized in Appendix 3 to the Schmidt 2017 report attached to this WSA.

While the groundwater conditions in the City's locale indicate relatively abundant groundwater supplies, the designation of the larger Delta-Mendota Subbasin as in critical overdraft means that the subbasin is a priority for implementation of the Sustainable Groundwater Management Act of 2014 ("SGMA.") Consequently, groundwater sustainability agencies must be established for the Delta-Mendota Subbasin by June 30, 2017 and a groundwater sustainability plan, or its equivalent, must be in place by January 31, 2020. Under SGMA, the city formed a groundwater sustainability agency ("GSA") at its March 21, 2017 City Council meeting. The

[22] Schmidt 2017, p.v.
[23] Schmidt 2017, pp.36-37.
[24] EPS 2009, pp. 11-13.

City's GSA is responsible for developing the groundwater sustainability plans which will be in place by 2020. So, despite the City's small size which has never triggered an UWMP, the new SGMA regime will allow the City to have a groundwater sustainability plan in place within three years.

(3) A detailed description and analysis of the amount and location of groundwater pumped by the public water system for the past five years from any groundwater basin from which the proposed project will be supplied. [Section 10910 (f)(3)]

The Project will be supplied from the Delta-Mendota Subbasin. The City's historical groundwater production from the Delta-Mendota Subbasin for the previous five years is summarized in **Table 10** below.

Table10[25]
Amount of Groundwater Pumped by City Last 5 Years (AF-Y)

Basin Name	2012	2013	2014	2015	2016
Delta-Mendota Subbasin	1,260	1,271	1,149	1,054	1,203
Percent of total supply	100	100	100	100	100

The groundwater pumped by the City is from City Wells No. 4B, 5, 6, and 7. The location of the wells shown on **Figure 4**.

The source capacity for the wells is detailed in **Table 11**.

Table 11[26]
Source Capacity of City Water Supply Wells

Well No.	Source Capacity (gpm)
4B	500
5	2,200
6	900
7	650

The City historically has relied on the Delta-Mendota Subbasin to meet its water needs.

(4) A detailed description and analysis of the amount and location of groundwater that is projected to be pumped by the public water system from any basin from which the proposed project will be supplied. [Section 10910(f)(4)]

The Project water demands of approximately 440 acre-feet annually at build-out will be met using groundwater. The City currently exercises and will continue to exercise its rights as a groundwater appropriator to extract groundwater from the groundwater basin underlying the City for delivery to the Project and its other existing and future customers. While the Project may not build-out over twenty years

[25] Data provided by City of Gustine Department of Public Works.
[26] Water Permit 2014, see p. 2 of Engineering Report ; Schmidt 2017, p.10.

according to City growth projections, the City would pump sufficient additional amounts of groundwater from 2022 to 2037 if the Project did build-out over this period. Such potential future groundwater pumping is summarized in **Table 12** below for the Project.

Table 12
Future Groundwater Pumping for Project (AF-Y)

Basin Name	2022	2027	2032	2037
Delta-Mendota Subbasin	210	320	440	440
Percent of total supply	100	100	100	100

In addition to the four active City wells locations of which are shown in **Figure 4,** another well will be developed in the Project site generally in the location of the Project's park as shown in **Figure 5**. A second new well may be needed for the twenty-year growth estimate utilized in this WSA and would be provided and located pursuant to the City's Water Master Plan. Thus, the precise location of a second future well is unknown other than the generalized location advice provided in City studies.

(5) An analysis of the sufficiency of the groundwater from the basin or basins from which the proposed project will be supplied to meet the projected water demand associated with the proposed project. [Section 10910 (f)(5)]

The projected water demand associated with build-out of the Project by year 2037 plus existing City uses and planned future City uses over that time period will be met by groundwater from the Delta-Mendota Subbasin. This groundwater supply will be sufficient for this increased demand as detailed in this section.

The City provided two growth scenarios to estimate water demand from the Project, the existing City, and planned future City users over 20 years other than the Project.

For the first growth scenario detailed above, the City projects to pump the amounts of groundwater from 2022 to 2037 for a combination of the Project, existing City uses, and future City uses not included in the Project as is shown in **Table 13** below. This projection assumes buildout of the Project by 2037 and additional City growth outside the Project area corresponding to the projected City growth rate.

Table 13
Future Groundwater Pumping for Project, Existing City Uses and Future City Uses Other than Project (AF-Y) – Scenario 1

Basin Name	2022	2027	2032	2037
Delta-Mendota Subbasin	1,500	1,600	1,700	1,928
Percent of total supply	100	100	100	100

Figure 4
Location of Existing City Wells

Source: Schmidt 2017, p. 2

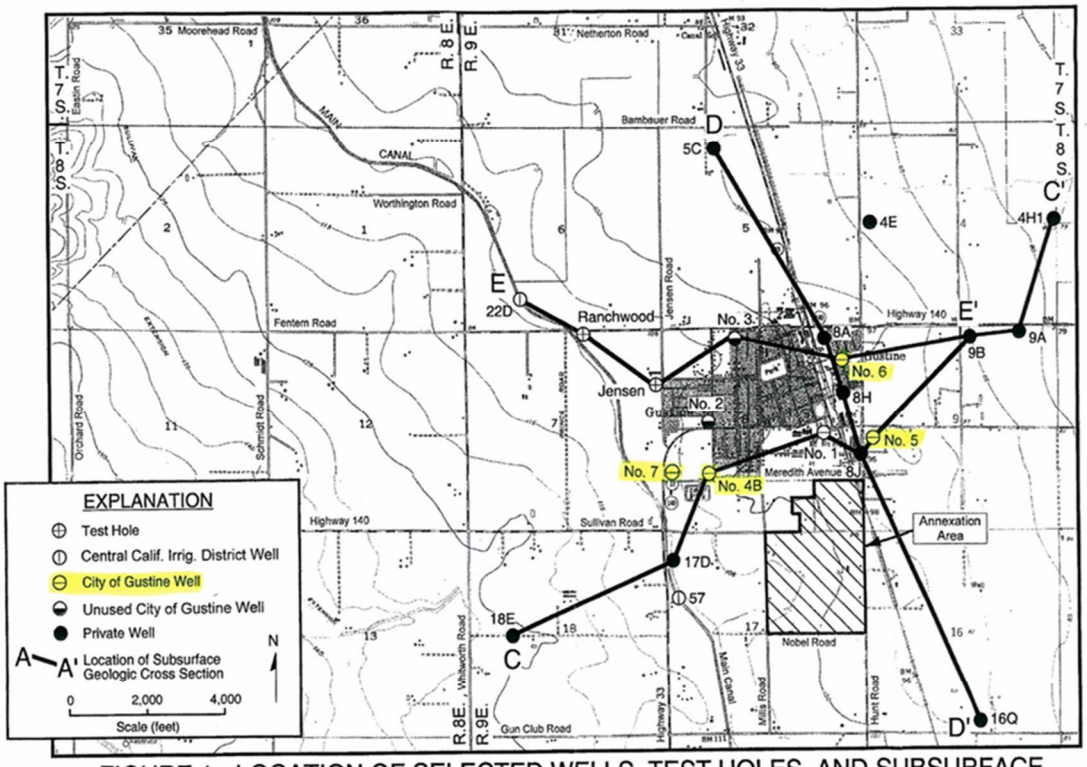
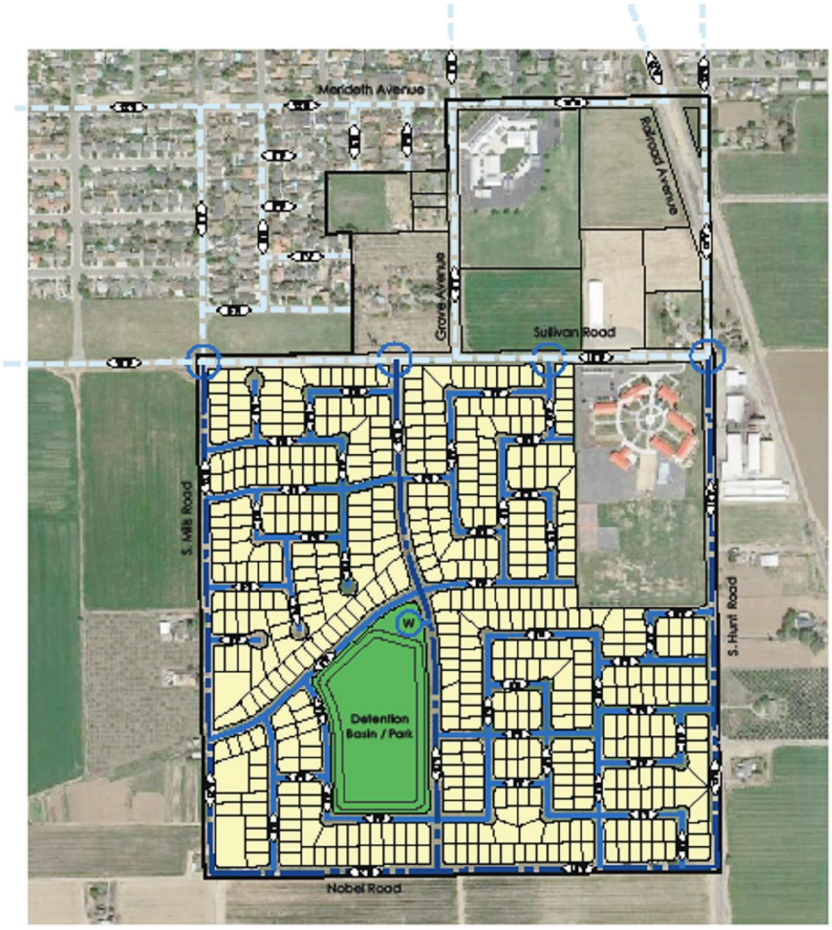


FIGURE 1 - LOCATION OF SELECTED WELLS, TEST HOLES, AND SUBSURFACE GEOLOGIC CROSS-SECTIONS

Figure 5
Proposed Location of New City Well to be Installed by Project

Source: Draft Southeast Gustine Master Plan, October 24, 2017, p. 40 (Figure 4-1)

Figure 4-1
Conceptual Water Plan



Conceptual Water Plan Legend
- Planning Area Boundary
- Existing Water
- Master Plan Water
- Project Water
- Proposed Well Location
- Connect to Existing Water

Figure 4-1
Conceptual Water Plan

For the second growth scenario described above, the City projects to pump the amounts of groundwater from 2022 to 2037 for a combination of the Project, existing City uses and future City uses not included in the Project as is shown in **Table 14** below. This projection assumes buildout of the Project by 2037 but included additional City growth higher than that anticipated in the first growth scenario in the form of an additional large industrial water user reutilizing the former Beatrice Foods site.

Table 14
Future Groundwater Pumping for Project, Existing City Uses and Future City Uses Other than Project (AF-Y) – Scenario 2 (Add One Large Industrial Water User)

Basin Name	2022	2027	2032	2037
Delta-Mendota Subbasin	1,500	1,800	1,900	2,128
Percent of total supply	100	100	100	100

The City's 2002 Water Master Plan identified 2,400 afy as the available groundwater supply for the City. The City can continue to provide potable water to future development up to this amount. This requires the drilling of at least one and perhaps two more wells in order to meet water demands. Also required is expanding the existing conveyance infrastructure to deliver water to future project areas and anticipated in the Master Plan. Beyond that amount, the Master Plan recommended pursuing additional supplies such as surface water. However, the 2,400 afy of groundwater is sufficient for the City's existing uses and 20-year planned development of the City both from the buildout of the Project and additional projected growth of the City under both growth scenarios analyzed.

The sufficiency of this groundwater supply over a longer-period of time than was anticipated in the City's 2002 master plan appears to be partially due to the reduction of growth rates in the City caused by the real estate recession of 2007 to 2009 and its aftermath.[27] From 2000 to 2010 the City's population growth averaged about 1.97%. From 2010 to 2017 this rate fell to an average of about 0.9%, or about half the 2000-2010 rate. Further, in 2001, the City extracted 1,371 af of groundwater for use in its water system. Despite the City population increasing from 4,609 persons in 2000 to 5,761 in 2015 (an increase of about 25%), the groundwater extracted by the City in each year between 2011 to 2016 was less than the 1,371 af of 2001, reflecting a reduction in the gross per-capita rate of use.

As noted above, the hydrogeologic study for the Project concludes that the groundwater levels in the vicinity of the City are robust. As that study indicated:

> Overall, there is no indication of groundwater overdraft in or near Gustine. In fact, the shallow groundwater levels are considered a problem in the surrounding irrigated areas. The evidence for this is the existence and ongoing activities of the Gustine Drainage District, which was developed to address this problem.[28]

[27] See National Bureau of Economic Research, Inc., U.S. Business Cycle Expansions and Contractions, accessed May 2, 2017 at www.nber.com/cyclesmain.html.
[28] Schmidt 2017, p. 18.

Consequently, despite the Project resulting in moderately lower groundwater levels in the vicinity of the Project, the hydrogeologic study for the Project concludes that the Project would be beneficial as to water supply resources for the City:

> Overall, development of the annexation area as proposed would result in lower groundwater levels, which is considered beneficial, because of shallow groundwater levels in the area. The Project would result in less consumptive use in the Delta-Mendota Groundwater Basin, which would also be beneficial.[29]

The groundwater from the basin is sufficient to meet the water demand from the Project, the existing City and other growth in the City over the next 20 years. Further confirmation is detailed in the next section of this WSA.

DETERMINATION OF SUFFICIENCY [Section 109109(c)(3)]

As has been noted, the City does not have an urban water management plan. Consequently to determine the sufficiency of water supply, this WSA discusses whether the City's total projected water supplies available during a normal year, a single-dry year, and multiple-dry years during the 20 years between today and 2037 will meet the projected water demand associated with:

> (1) the Project; in addition to: (2) the City's existing uses, and (3) the City's planned future uses for the 20-year time period.

As has been shown, the City's water supply is 2,400 acre-feet per year of groundwater that is accessible to the City through expansion of its existing water supply system. **Table 15** shows the comparison in a normal year between this supply and the increasing projected demands that have been estimated in this WSA. In summary, demand does not outstrip supply in the years from 2022 to 2037.

Table 15
Water Supply and Demand Comparison (AF-Y)
Normal Year

Item	2010 (ac-ft/yr)	2015 (ac-ft/yr)	2017 (ac-ft/yr)	2022 (ac-ft/yr)	2027 (ac-ft/yr)	2032 (ac-ft/yr)	2037 (ac-ft/yr)
Supply totals	2,400	2,400	2,400	2,400	2,400	2,400	2,400
Demand totals	1,300	1,300	1,300	1,500	1,800	1,900	2,128
Difference (supply minus demand)	1,100	1,100	1,100	900	600	500	272
Difference as a percent of supply	46%	46%	46%	38%	25%	21%	11%
Difference as a percent of demand	85%	85%	85%	60%	33%	26%	13%

Likewise, supply keeps up with demand in any projected single dry year from 2022 to 2037. Since the City has a sole source of water and since no discernable difference is anticipated in single-dry year demand

[29] Schmidt 2017, p.v.

versus normal year dry-year demand, the information provided in **Table 16** is the same as **Table 17**.

Table 16
Water Supply and Demand Comparison (AF-Y)
Single Dry Year

Item	2010 (ac-ft/yr)	2015 (ac-ft/yr)	2017 (ac-ft/yr)	2022 (ac-ft/yr)	2027 (ac-ft/yr)	2032 (ac-ft/yr)	2037 (ac-ft/yr)
Supply totals	2,400	2,400	2,400	2,400	2,400	2,400	2,400
Demand totals	1,300	1,300	1,300	1,500	1,800	1,900	2,128
Difference (supply minus demand)	1,100	1,100	1,100	900	600	500	272
Difference as a percent of supply	46%	46%	46%	38%	25%	21%	11%
Difference as a percent of demand	85%	85%	85%	60%	33%	26%	13%

For multiple-dry years, two different estimates are shown. Both estimates are shown for the last years of the 20-year projections to test the availability of water in the out-years since those years have the highest projected demand over the twenty-year horizon. The first set of estimates in **Table 17** assume a 10% reduction in demand associated with drought-like conditions in multiple-dry years. As shown in an earlier section of the WSA, this assumption is supported by the most recent drought experience in the City.

Table 17
Water Supply and Demand Comparison (AF-Y)
Multiple Dry Years (Period Ending in 2037)

Item	2033 (ac-ft/yr)	2034 (ac-ft/yr)	2035 (ac-ft/yr)	2036 (ac-ft/yr)	2037 (ac-ft/yr)
Supply totals	2,400	2,400	2,400	2,400	2,400
Demand totals	1,755	1,800	1,845	1,890	1,915
Difference (supply minus demand)	645	600	555	510	485
Difference as a percent of supply	27%	25%	23%	21%	20%
Difference as a percent of demand	37%	33%	30%	27%	25%

To test a worst-case scenario, this WSA will not assume any demand reductions in multiple-dry years as was estimated in **Table 17**. Instead, **Table 18** utilizes unadjusted multiple-year water demands for 2032 through 2037 unadjusted for any reduced demand due to drought. Instead, it assumes the higher normal year demands. Even with these demands, water supply remains sufficient through the multiple dry years.

Table 18
Water Supply and Demand Comparison (AF-Y)
Multiple Dry Years (Period Ending in 2037)

Item	2033 (ac-ft/yr)	2034 (ac-ft/yr)	2035 (ac-ft/yr)	2036 (ac-ft/yr)	2037 (ac-ft/yr)
Supply totals	2,400	2,400	2,400	2,400	2,400
Demand totals	1,950	2,000	2,050	2,100	2,128
Difference (supply minus demand)	450	400	350	300	272
Difference as a percent of supply	19%	17%	15%	13%	11%
Difference as a percent of demand	23%	20%	17%	14%	13%

The City's groundwater supply is determined to be sufficient in all three scenarios required to be analyzed in the WSA for the Project, plus the City's existing uses and its planned future uses over the 20-year time horizon. The steadiness of the City's water supply is due to the resilience of the groundwater supply in the Gustine locale. Although groundwater levels do decline at a greater rate during drought periods, the annual quantity of groundwater available does not significantly vary up or down in relation to wet or dry years. The reliability generally does not change due to seasonal or climatic shortages when groundwater is a water source in a locale such as Gustine.

The estimated year 2037 water supply available in average, single, dry, and multiple dry years is presented in **Table 18**. As shown in **Table 19**, the sustainable water supply is adequate to meet projected demands during multiple dry years.

Table 19
Water Supply Reliability for 2037

	Normal year (ac-ft/yr)	Single dry year (ac-ft/yr)	Multiple-dry years		
			Year 1 (ac-ft/yr)	Year 2 (ac-ft/yr)	Year 3 (ac-ft/yr)
Groundwater	2,400	2,400	2,400	2,400	2,400
Total	2,400	2,400	2,400	2,400	2,400
Percent of normal year supply	100%	100%	100%	100%	100%

The City's total projected water supplies available during normal, single dry and multiple dry water years during a 20-year projection will meet the projected water demand associated with the Project in addition to existing and planned future uses. Based upon the analysis undertaken by the City in this WSA, the City has concluded that it can provide potable water to future development of the Project plus existing and other planned development in the City over the 20-year period. In light of this determination, the City is not required to develop plans for acquiring additional supplies pursuant to Water Code section 10911.

In addition to this showing of reliability over the 20-year time horizon, the Project's hydrogeologic study discusses additional benefits of the Project to groundwater supply. First, the consumptive use of the Project (150 AC-Y) is less than the current agricultural uses in the Project area (285 AC-Y). "The total consumptive use for the residential use and park would be 155 acre-feet, or 130 acre-feet per year less than for the pre-project."[30] Second, the irrigation water provided currently by the Central California Irrigation District (CCID) would be put to use in other portions of the subbasin since the CCID requires de-annexation from the district when land is annexed to the City.[31] In 2016, CCID delivered 320 AF to the Project area.[32] "In terms of the present CCID service area, the Project would be beneficial in that the consumptive use would be less than the existing (condition)."[33]

The hydrogeologic study confirms the continuing viability of the groundwater for the Project.

[30] Schmidt 2017, pp. 31, 33, 35.
[31] Schmidt 2017, p. 30.
[32] Schmidt 2017, p. 32.
[33] Schmidt 2017, p. 39.

Over the long-term, the City pumpage for the Project will be sustainable. A multiple dry year situation occurred through 2016, and is considered the most severe of record. City pumpage was readily maintained. The water demand was lower due to the state mandated conservation measures, which are likely to be re-instated during future drought periods. There is no evidence of long-term water-level declines for the upper or lower aquifer at Gustine. Because of the shallow groundwater levels and substantial recharge in the area, the pumpage for the proposed project will be sustainable, even during a prolonged, multi-year drought.

FINAL ASSESSMENT ACTIONS FOR LEAD AGENCY [Section 10911(b), (c)]

The City shall include this WSA in the Project's EIR. This WSA concludes that the City's water supplies will be sufficient for the Project in addition to other existing and planned City uses for a twenty-year period through 2037. The City shall review and make a final assessment and determination of this matter in its role as lead agency for the Project.

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