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KATE McKENNA, AICP
Executive Officer

MEMORANDUM

DATE: January 11, 2018

TO: Michael Houlemard, Executive Officer, Fort Ord Reuse Authority

FROM: Kate McKenna, AICP 

SUBJECT: January 12, 2018 FORA Agenda Item 8e, Marina Coast Water District
Draft Initial Study/Negative Declaration

LAFCO appreciates FORA's efforts to facilitate continuity in water and wastewater service delivery to the Ord Community beyond FORA's anticipated 2020 sunset date. I am writing to address inaccuracies in the January 12 FORA board report for Agenda Item 8e, Marina Coast Water District Draft Initial Study/Negative Declaration, and to request that this memorandum be distributed to the FORA Board and made part of the public record.

1. Point #3, Page 1 of the FORA board report (Page 178 of the agenda packet) states: "A full EIR on the annexation has been requested by LAFCO and should be accomplished prior to 2020."

As has been discussed with your staff, this statement is incorrect. LAFCO has not requested or recommended that Marina Coast Water District prepare an EIR for its anticipated future sphere of influence amendment and annexation proposal.

As the lead agency under the California Environmental Quality Act (CEQA), Marina Coast has determined that a negative declaration is the appropriate CEQA determination for the scope of Marina Coast's proposal, based on the initial study that is currently in circulation. In its role as a CEQA responsible agency, LAFCO does not now, and has not previously taken the position that an environmental impact report would be a more appropriate form of environmental review for this proposal.

In 2011, LAFCO submitted comments on an earlier draft negative declaration for a much more expansive Marina Coast proposal. At that time, Marina Coast was proposing to annex all of the former Fort Ord. LAFCO's 2011 comment letter requested that Marina Coast scale back its proposal to exclude open space lands, in keeping with LAFCO's legislative purpose and adopted policies. The currently anticipated, scaled-down Marina Coast proposal is consistent with that request.

As part of the 2011 comments, LAFCO also encouraged that Marina Coast coordinate with Seaside County Sanitation District and adjoining jurisdictions on unresolved water and wastewater matters. The need for coordination was addressed by LAFCO in municipal services reviews prepared for both districts in 2007. LAFCO did not

request or recommend that Marina Coast change its 2011 CEQA review process from a negative declaration to an environmental impact report.

The Local Agency Formation Commission will consider authorizing a comment letter regarding the current Marina Coast CEQA document at its next regular meeting on January 22. The draft comment letter will not recommend preparation of a full EIR for the currently planned Marina Coast proposal. The Commission report and draft comment letter will be available on the LAFCO website on January 18. We have discussed our draft comments with your staff, and will provide FORA with courtesy copies of the Commission report.

2. **Point #2, Page 1 of the FORA board report states: “Full annexation of these un-served areas [Del Rey Oaks, City of Monterey, and portions of Monterey County, beyond Marina Coast’s current proposal scope] should be accomplished through the LAFCO process prior to 2020 and political representation granted to the ratepayers in areas that are not yet represented on the MCWD Board.”**

As discussed with your staff, FORA’s interest in achieving annexation of all unserved, developable areas on the former Fort Ord is understandable, but does not accurately reflect the LAFCO process or statutory considerations under the Cortese-Knox-Hertzberg Act. Consideration of a boundary change is initiated by a local agency’s proposal or a private petition. A local agency proposing annexation is responsible for specifying which areas it requests to annex.

Marina Coast has not yet submitted an annexation proposal to LAFCO. Based on the circulating negative declaration, Marina Coast intends to propose a limited annexation of developed sites and neighborhoods that Marina Coast already serves, as well as specific Ord Community parcels that are “approved for development or anticipated for development in the near term” (per Marina Coast’s negative declaration, page 10). Marina Coast has opted not to include other areas of the Ord Community from the proposal it is currently considering, including areas that are anticipated to be developed in a longer-term timeframe. Marina Coast’s rationale for the scope and extent of the proposal is discussed in the Project Description (page 10) and Alternatives to the Project (page 18) sections of their CEQA document. Marina Coast may wish to pursue subsequent annexation proposals for additional areas of the former Fort Ord in the future.

We also anticipate receiving a Sphere of Influence amendment/annexation application from the Seaside County Sanitation District in 2018. We continue to encourage both districts to coordinate on service and boundary issues prior to submitting their individual applications to LAFCO. Both applications will be analyzed for consistency with the Cortese-Knox-Hertzberg Act and locally adopted LAFCO policies and procedures.

LAFCO supports the goal of achieving representation on Marina Coast’s board of directors for all Marina Coast ratepayers. This goal was first referenced in LAFCO’s 2007 municipal service review for Marina Coast, and has been aired in many public discussions. As part of the future Marina Coast proposal, registered voters who live within areas annexed by Marina Coast will gain the right to vote for, and serve as, Marina Coast board members. The specifics of how Marina Coast would adjust its existing governance model to accommodate the current annexation concept, if it is proposed to LAFCO and approved, have not yet been identified. Other, subsequent annexations to Marina Coast in the future may result in additional board governance adjustments.

In other matters, the Local Agency Formation Commission will receive an update from LAFCO staff on January 22 concerning the FORA transition planning process. We have discussed this item with your staff and extended an invitation to attend the meeting. We appreciate the opportunity to coordinate with FORA on all aspects of FORA transition planning, including the long-term provision of water and wastewater services. Please feel free to contact me for further discussions.

Cc:

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Mike Wegley, District Engineer, Marina Coast Water District
Craig Malin, General Manager, Seaside County Sanitation District
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