

## Section 600 FACILITIES DEVELOPMENT

### 601 DISTRICT'S INTENT OF DEVELOPMENT POLICY

#### 601.1 Introduction

Residential and occasionally commercial development are an on-going process in the District. The intent of this section is to establish the policies that the Board of Directors deems appropriate to assure that development proceeds in a consistent manner under rules that are both fair to the developer and protective of the District's existing customers, both in the short term and long term. The following are the intents of the District Board of Directors ("Board") when considering developments:

1. Developers shall maintain money on account with the District that will be used to pay District staff time and expenses during the review and inspection of the proposed development.
2. When the District is weighing the short-term cost of infrastructure against the long-term cost of operating and maintaining that infrastructure, reducing the long-term infrastructure costs will be deemed more important than saving up-front capital costs by the developer. Important long-term costs to be considered during development planning shall include labor intensity of operating and maintaining the infrastructure, technology and the water/energy cost of operating the infrastructure.
3. All improvements to the District's existing infrastructure required by the development shall be compatible with the District's existing infrastructure and in accordance with the District Standard Specifications/Details, or that which the District knows will be required by regulatory agencies in the future.
4. All infrastructures shall meet existing design criteria, codes and regulations at the time of construction.
5. The developer shall mitigate any negative impacts on District infrastructure or services caused by the addition of the proposed project into the existing infrastructure.
6. For commercial and residential developments, an instrument of insurance shall be provided to the District to assure that once the development is under construction, the District infrastructure associated with the project will be completed as planned.
7. Open/common area and green belts in the proposed development that may be irrigated shall be plumbed to receive recycled water if possible. The District reserves the right to apply water conservation measures to conserve potable water to the development at the developer's expense if recycled water is not available.
8. The proposed development shall conform with all aspects of the Calaveras County General Plan and any applicable Area Plan Amendments to the General Plan.

9. If the proposed project must be annexed into the service area of the District, and LAFCO requires the developer to modify his project in a way that changes the design of District-related infrastructure, then the District will require the developer to suspend the annexation proceedings until the District infrastructure issues have been resolved to the District's satisfaction.

10. If a proposed development is to be annexed into the service area of the District, the capacities in the District's existing infrastructures that are reserved for existing parcels within the service area shall not be used by the proposed development. The developer will be obligated to expand existing capacities in ways that do not induce additional long-term operation and maintenance expenses on existing customers beyond that which might have been expected had the development not been served by the District. In addition, the developer of a project that requires annexation may be required to expand the infrastructure capacity beyond the needs for his proposed development if the additional capacity is required for the long-term infrastructure needs of the District. The District uses Reimbursement Agreements (see Appendix 600-A—Standard Reimbursement Agreement) to reimburse developers for the additional costs associated with the extensions beyond their development needs.

11. If on-going costs of operating and maintaining the infrastructure within a development are higher than the costs associated with the existing infrastructure, then the District shall cover these additional costs by implementing a cost mitigation plan, such as forming an improvement district for the new development so that the existing District customers do not subsidize services provided to the new development.

12. The District shall require the developer to prepare a detailed financial impact analysis as part of the Sub-Area Master Plan. The analysis shall evaluate long-term financial impacts on existing District customers for providing road, stormwater management, mosquito abatement, open space/easement management, street lighting, common area maintenance and other services to the proposed development.

13. The developer shall cover the increased operation and maintenance costs resulting from the project associated with existing District roads and related infrastructure during development of the project.

## 601.2 Development Types and Their Associated Processes

For purposes of this policy, the District considers several types of developments and they may be treated differently. The least restrictive development type is the construction of a single residential unit. Development of up to four units (via parcel map) is treated by the District as a single residential unit development. Residential development of more than four units is considered a subdivision (via subdivision map) by the District and has special requirements by the District. Commercial development of less than or equal to 7,200 square feet in floor space is evaluated by the District as though it was a small residential unit development. Commercial development of more than 7,200 square feet of floor space is evaluated by the District as though it was a large subdivision development.

## SUBDIVISION & LARGE COMMERCIAL DEVELOPMENT PROCESS

### Introduction

The following section lays out the process for developing residential subdivisions (more than four lots) or large commercial development (more than 7,200 square feet of floor space). The process is divided into the following four major steps:

1. Preliminary Information Exchange & Indemnification
2. Project Development Review and Involvement in County Processes (Area Master Plan)
3. Final Design and Construction
4. Performance Guarantee Period

Each of these steps will also require interface with the Calaveras County Community Development Department. The following outlines the process in each step of the overall development process.

#### Step 1: Preliminary Information Exchange & Indemnification

##### Intent of this Step

The intent of this step is to provide an opportunity for the developer to discuss the general process of development with the District and for the District to provide copies of detailed maps, models, and reports that will assist the Developer in preparing his application with the District. The developer will also be required to sign agreements that indemnify the District and agree to pay for all District costs in processing the developer's application. At this step, no formal Board action is required by the District, unless the development requires annexation.

##### Step 1 Process

##### Developer Application for SCCSD Service and Advanced Funding Agreement

The first action of the developer is to prepare an Application for SCCSD Service (Appendix 600-B) that outlines the scope and location of the proposed development and to execute an Advanced Funding Agreement (Appendix 600-F). The Advance Funding Agreement between the developer and the District must be executed by both parties before the District reviews the developer's application. The Advance Funding Agreement will:

Provide for the scope of work to be provided by District personnel and consultants in reviewing the application;

Estimate the amount of administrative, engineering and legal costs to be incurred by the District in reviewing the application;

Provide for a cash deposit to cover those estimated costs with the provision that once the cash deposit is reduced to a specified level, that future work on processing the application by District

personnel will not continue until the account balance specified in the Advance Funding Agreement has been restored to the original amount required by the agreement; and

Indemnify the District against any action taken by the developer or by any third party against the developer and/or the District for the proposed project.

With this application for service, the developer will pay a non-refundable \$500 administrative fee and \$200 application fee and a \$1,500 engineering review deposit. These fees and deposits may periodically be changed when the Board of Directors amends the Miscellaneous Fee Schedule. For a complex project, the developer may be required to add to the initial deposit to cover District labor and expense costs needed to complete the activities in this step. If so, the District will provide a cost estimate to complete this phase of work. Any funds left in the deposit at the end of this step will be refunded to developer or credited to the fees required in the next step of the process. Staff shall stop work on the Application for SCCSD Service process if the developer does not pay the initial fees and deposits or does not maintain the engineering review deposit funds in a positive balance.

The Application for SCCSD Services prepared by the developer shall be posted on the District's website and a copy will be available in the District office for review.

#### District Indemnification

The Developer shall assume all legal and litigation liabilities regarding the development, indemnifying the District. As part of the Application for SCCSD Services process and as contained in the Advanced Funding Agreement, the developer shall indemnify and hold the District harmless for activities done by the District in Steps 1 and 2 of the development process. The developer shall indemnify the District against any legal action taken by any third party against the developer and/or the District for the proposed project. Indemnification for activities after Step 2 shall be contained in the formal Development Agreement that takes effect in Step 3.

#### Guarantee of Service

Activities conducted by the District at this stage of the process for the developer shall not be construed as a guarantee of any service empowered by the District to provide. Guaranteeing service shall be agreed to with the execution of the Development Agreement by both parties at the beginning of Step 3 of this process.

#### District Engineering Report on Application for SCCSD Services

The District Engineer shall evaluate the developer's Application for SCCSD Services and then produce a report which contains applicable maps, models, and reports that will assist the developer in preparing project design plans and specifications and environmental documentation in Step 2 of the process. The information provided by the District will include road, street lighting, storm drainage, open space, easement maintenance, mosquito control and other services (and other latent power services that might be provided by the District), future planning by the District, which may impact the developer, and estimated cost of the review of development and construction documents, and environmental documentation. Further, the report will contain concerns and issues that the District may have regarding District services, capabilities, capacities and future plans

related to new development. These concerns will be discussed and revised as needed at least once each year by the District Board of Directors. Finally, the report will contain a statement that Board

policy is that the District will fully expect the County to enforce the County General Plan and associated Area Plan Amendments thereto when they process the developer's application to the County. Furthermore, the District will consider preparing a "Service Availability" letter that will be used by the developer as he initiates the development process with the County. The template for the Service Availability letter is contained in Appendix 600-G.

#### Board Review of Development Proposal if Development Entails Annexation

If the proposed development entails annexation of the development into the District service area, District staff shall bring the Application for SCCSD Services and District Engineer's Report to the Board for their review, deliberation, and input. Prior to approval for the developer to continue the project, the Board of Directors shall hold a public hearing to receive and review comments. Then, the Board of Directors may approve the project to go on to the next step in the process or send the application back to the developer for modification and subsequent reevaluation by the Board of Directors.

#### Step 2: Preparation of Sub-Area Master Plan & Environmental Documentation

##### Intent of this Step

The intent of this step is for the developer to prepare the Sub-Area Master Plan (SAMP) if determined necessary by the District and appropriate environmental documentation for the proposed project. Guidelines for preparing the Sub-Area Master Plan are provided in Appendix 600-H. The District will participate actively in the project Environmental Review conducted by the county. These two tasks are done in collaboration with District staff and District consultants hired to assist with technical review. When the SAMP is completed, it will be presented to the District Board of Directors. The Board will also have an opportunity to review and comment on the environmental analyses. The Sub-Area Master Plan is prepared in conjunction with county approval of the developer's entitlement to develop. The agency responsible for reviewing the SAMP will be the District. The developer may group the District's facilities with other elements of the project when completing the California Environmental Quality Act (CEQA) review and documentation for County consideration.

Environmental documentation for the subdivision will be prepared under the authority of the County Community Development Department, with input from the District. Final approval of environmental documentation of the subdivision will be provided by the County Board of Supervisors.

##### Step 2 Process

##### Written Request for District Services to Subdivision

After approval of the Application for SCCSD Services and the execution of the Advanced Funding Agreement, the developer shall make written request of the District to move to Step 2 of the process. The request shall state the legal description of the property to be served, the Assessor's Parcel number(s), the name of the proposed subdivision, and its

location. The request shall be accompanied by a copy of the proposed map and which District services the developer is requesting. Accompanying the application, the developer will provide the completed Developer Information Form (below) and Appendix \_\_\_\_\_ Developer Information Form and a check, money order, or other warrant that will be used to fund the Development Account.

#### Developer Information Form

On a case-by-case basis, the Board of Directors may request the developer to complete the Developer Information Form (Appendix 600-J) and submitted it with the written Request of District Services to Subdivision. The information requested consists of the makeup of the development partnership/corporation, their individual and collective development history with similar types of projects, and demonstration of their financial depth to complete the proposed project. The District may perform further due diligence using the information provided by the developer. The financial information provided to the District will be kept confidential by the District and is exempt from disclosure to the public under a specific exemption of the Public Records Act.

If during the course of the project, the information contained in the Developer Information Form is found to be incomplete or inaccurate, the work by the District may be suspended until such irregularities are resolved to the District's satisfaction.

#### Funding a Development Account

With the request for District Services to Subdivision, the Advance Funding Agreement shall be amended to provide that the developer shall provide funds to a development account controlled by the District for use by the District to review the SAMP and environmental documentation prepared in this step. Unless otherwise agreed to by the District Board of Directors and developer, the amount funded to the development account shall be the total estimated costs of the District providing the administrative, engineering, legal and inspection services required, as outlined below.

The District shall prepare a monthly account status report for the Board of Directors and the developer. If the District anticipates that the costs for its review will exceed the initial estimate then the District shall notify the developer. If the account balance is not brought up to the new estimated amount needed within thirty (30) days of District's notice, then all work by the District shall cease.

At the completion of the subdivision and upon final approval by the Board, any funds remaining in the account shall be returned to the developer within sixty (60) days of said Board approval.

#### Cost Estimate and Developer Funding Assurance

The District Engineer shall prepare a cost estimate for the SAMP and subsequent environmental documentation which will serve as the basis for the amount of funds required to fund the development account. This cost estimate will also be used to determine the amount of assurance that the developer will provide to insure that this phase of the project is completed without any

financial impact on the District. The developer must provide separate security in the amount of the District Engineer's cost estimate and

security must be in the form of an Irrevocable Letter of Credit or a cash deposit with the District.

#### Public Access to Development Information

The District shall maintain public access to the final SAMP and draft and final environmental documentation by posting these documents on the District's web site and in the District office. Non-confidential information provided from the Developer Information Form shall also be posted on the web site and in the District office. The District shall also post on the web site the formal reviews of the SAMP by the District and/or its consultants.

#### Developer Prepares Sub-Area Master Plan (SAMP)

The developer, with the assistance of an engineer with recent experience with this type of work, shall prepare the Sub-Area Master Plan (SAMP) for the proposed project. The typical scope of work for the SAMP is contained in Appendix \_\_\_\_\_. The District will provide input to the developer during the preparation of the SAMP. The District services to be provided shall be evaluated in the SAMP in terms of determining present capacities, future capacities with planned build-out of existing communities and developments within the District, other on-going development applications, and the impact on present and future capacities caused by the proposed development. These evaluations shall be done by modeling approved by the District. The SAMP will provide alternative infrastructure improvement methods for the proposed development. If approved alternatives are available, then each alternative will be evaluated for capital and annualized long-term operations and maintenance costs, as well as an analysis of the advantages and disadvantage to the District for each alternative.

The District shall require the developer to prepare a detailed financial impact analysis as part of the Sub-Area Master Plan. The analysis shall evaluate long-term financial impacts on existing District customers for providing services to the proposed development. The analysis shall also disclose any anticipated additional costs (including the re-allocation of special taxes) or reduction in service(s) to existing customers and future customers moving into the new development caused by the development of the proposed project. If the development is found to cause potential additional short- and/or long-term financial impacts on the existing customer base, then the financial analysis shall include alternative financial impact mitigations for consideration by the District. With these mitigations, the proposed development shall not impose any additional short- or long-term financial impacts on the District's existing customer base, as well as fire service requirements, such as alarm systems, inspections, and periodic operational verifications, which the District may be expected to provide.

#### Review of SAMP by District Board of Directors

The draft SAMP will be evaluated by the District and its consultant. Once the draft SAMP has been approved by District staff, the developer will present his findings to the District Board of Directors in a Public Hearing, scheduled with at least two weeks notice to the public to allow the public time to review and consider the SAMP. The Board may request additional work to complete the SAMP based on public input and its review. If substantial additional work is requested by the

Board of Directors, then the draft SAMP will be revised and brought back to the Board for final review. With no additional revisions

requested by the Board, the developer will finalized the SAMP, which will include the preferred alternatives based on input from District staff and Board. The final SAMP will then be brought back to the Board of Directors, who will receive and file the document. Only after the environmental documentation has been properly reviewed and approved by the controlling agencies, including the County and the District, will the SAMP be considered for approval by the District Board of Directors.

#### Perform Environmental Analyses and Prepare Environmental Documentation

The environmental documentation is usually done at the same time as the preparation of the SAMP. With the county as lead agency, the developer will perform environmental analysis of infrastructure alternatives, as well as the impacts of providing District services on the community and the District. This step is conducted by the developer under the direction of the Calaveras County Community Development Department with input from the District during the environmental review process. This part of the process is completed with the approval by the County Board of Supervisors and the issuance of the Conditions of Approval. Once the environmental process has been completed and approved by the County, then the District and developer will move on to Step 3.

#### Funding the Environmental Review Process for the SAMP

The developer will be entirely responsible for completing CEQA at their own expense. Should the District need to retain a CEQA consultant to review the CEQA document, the developer shall be responsible for these expenses.

#### The Environmental Documentation Process for the SAMP

The final SAMP will not be approved by the District Board of Directors until all CEQA documentation has been completed by the developer and approved by the county. All improvements recommended in the SAMP shall be included in the CEQA analyses. As applicable, the terms and conditions of the SAMP and the CEQA documentation of the SAMP shall be included in the county's conditions of approval for the subdivision development project.

#### Annexation

If the developer is requesting annexation into the District for one or more services, then all of the environmental impacts, including the appropriate elements of the County General Plan and associated Area Plan Amendments, of such an annexation must be considered during the environmental documentation and costs estimates/funding assurances process performed in this Step 2 of the project in connection with approval of the SAMP.

#### Step 3: Project Design and Construction

##### Intent of this Step



The intent of this step is to move the project into the design and construction phase. The first task is for the District and developer to prepare and execute a Development Agreement. This step may also require the developer to request annexation to the District by the Local Agency Formation Commission (LAFCO) if the proposed project lies outside the District's service area. Once the project area is annexed into the District by LAFCO, then the developer will prepare the final

designs for all improvements to the District. The final task prior to commencing construction is for the developer to prepare the final design of the selected alternatives to the infrastructure improvements.

### Step 3 Process

This final step in the subdivision process has several steps, including executing the development agreement, supporting annexation if the property is outside the District's service area, preparing final designs, construction, and project acceptance.

#### Develop and Execute Development Agreement

The Development Agreement contains the terms and conditions under which the developer may construct extensions to District infrastructure and for the District to provide services to the proposed project. The details for preparing the Development Agreement are contained below. A sample Development Agreement is contained in Appendix \_\_\_\_\_. Once the Board of Directors has accepted the Development Agreement and it has been executed by both parties, then the developer can move on to the next step in this process, either annexation or project design. The Development Agreement will contain several important clauses.

The Development Agreement, either with or without annexation provisions, will not be considered for approval by the District's Board of Directors until all of the CEQA documentation with respect to the SAMP and the implications of annexation have been completed, circulated for public comment, and refined into a final EIR that is reviewed by the District's Board of Directors.

The developer agrees to build the project per District conditions and schedule.

Should the Board of Directors determine that supplemental environmental documentation is necessary, then the Development Agreement shall not be considered by the Board until such supplemental documentation is completed and approved.

For those projects in which annexation is being requested, the development agreement shall include any and all provisions relative to the annexation process between the developer and the District so that the development agreement acts, in essence, as an annexation agreement as well in those cases in which all or a portion of the development needs to be annexed into the District for one or more services.

To insure that once the project moves into the construction phase, the developer will provide an irrevocable letter of credit to be used to complete construction if the developer should stop work for any reason. The amount of this letter of credit shall be one-hundred and twenty-five percent (125%) of the estimated District capital improvement costs for the project as developed in the SAMP.

The Development Agreement will contain an indemnification clause which will hold the District harmless for any part of the design and construction process from actions taken by the developer or any third party relative to the development.

The District agrees to provide all agreed-upon services to the development. These services may include roads, storm drains, street lighting, mosquito control, common area maintenance, and other services that the District may have the power to deliver. If the development is to be annexed into the District, then the power to determine which services will be provided lies with LAFCO after they have determined that adequate CEQA has been done for providing these services and that adequate short- and long-term funding is provided by the developer for them.

The development shall not impose any additional short- or long-term financial impacts on the District's existing customer base.

#### Developer Request for Annexation

If the project lies outside the District's service area, then it must be annexed into the District by LAFCO in order to receive services from the District. Prior to considering support for annexation, the developer shall sign an Annexation Agreement with the District. A sample Annexation Agreement is contained in Appendix \_\_\_\_.

Requests for annexation will be considered by the Board on the basis of (a) the County General Plan and Area Plan Amendment, (b) input from existing customers and property owners adjacent to the land to be annexed, (c) District workload and technical capacity to fulfill annexation obligations, and (d) any other mitigating circumstances associated with expansion of the District's service area.

If support for annexation is agreed to by the Board of Directors in the Annexation Agreement, such support shall expire with the expiration of the approved CEQA documentation. Details on the annexation process are provided in Section \_\_\_\_, below.

#### Developer Prepares Project Designs

With the Development Agreement executed by all parties and the annexation process completed, then the developer will move into the project design phase. Project designs will conform to the District's Development Improvement Standards, which are described in more detail in Section \_\_\_\_, below. The District and/or its consultants will review and approve all plans submitted by the developer before any construction can commence.

#### Construction Oversight

During construction, the District will oversee all construction to insure that construction meets District's standards. The cost of oversight will be paid by the developer.

#### Final Project Approval

Once the extensions to the District's infrastructure has been completed and approved by the District Engineer, District staff will bring the project to the Board of Directors for final acceptance

and approval. At this point, the District will release the construction securities (performance bond or letter of credit). The District will then require a new warranty security in the amount of twenty-five percent (25%) of the actual infrastructure construction cost to provide a guarantee of construction performance of the extended infrastructure. This security shall be in the form of a surety or warranty bond, irrevocable letter of credit, cash or other insurance instrument acceptable to the District. The term of this security will be two (2) years, unless otherwise approved by the District's Board of Directors.

#### Step 4: Performance Guarantee Period

After the project is completed and has been accepted by the District, the developer shall provide a performance warranty in an amount stipulated in the Development Agreement. Such warranty shall guarantee performance of all facilities constructed by or for the developer for the project for a period of at least one (1) year from the time of District approval, or other term, as specified in the Development Agreement. The performance warranty shall be in the form of a bond, irrevocable letter of credit, cash or other warrant acceptable to the District

### 605 ANNEXATION PROCEDURES

#### 605.1 Purpose

Property proposed for development outside the District service area but within the District's sphere of influence must be annexed to the District prior to receiving any of the services provided by the District. Furthermore, commitments to provide service to property and/or proposed developments will not be granted until said property is annexed to the District.

Annexation is a discretionary act by the District Board of Directors. The District has responsibilities and approval authority when considering annexation and expansion into its service area. The District has the power to disapprove any annexation for which it has substantial evidence of finance-related or service-related concerns that the developer is unable to mitigate to the District's satisfaction. If the developer of a project that is to be annexed into the District has agreed to in the Annexation Agreement (Appendix 600-L) to meet all conditions and addressed required mitigations, as identified in the county Conditions of Approval, CEQA documents and SAMP, then the District's Board of Directors will consider adoption of a resolution of application to LAFCO for annexation.

#### 605.2 Approval

In conformance with Section 608, Project Approval, District approval of residential, commercial, industrial or other types of development projects will not be granted by the Board of Directors until the entire site has been annexed to the District and all conditions required to be fulfilled prior to annexation have been met or agreed to in the Annexation Agreement.

#### 605.3 Annexation Procedures

The annexation procedures must take place during Step 2 process described in Section 603.3. LAFCO approval of the annexation will take place only after the District's Board of Directors

considers and approves the annexation. The District will transmit all of its findings with respect to the project derived from the SAMP to LAFCO for LAFCO to include in its conditions of approval of annexation. The following outlines the District's annexation process.

A. Determine Suitability

Property owners or project developers desiring annexation to the District should first determine several factors regarding their property's suitability for District services. These issues shall be addressed during the preparation of the SAMP and CEQA documentation conducted in Step 2 of the development process. The Developer shall address the following questions and issues:

1. Is the property presently not within the District's boundaries?
2. Is the property within the sphere of influence established for the District by the Local Agency Formation Commission (LAFCO)?
3. Where are the District's existing facilities relative to the property?
4. Gather information regarding District annexation policies, service area, sphere of influence, and the location of existing facilities will be provided by District staff upon request. Determination of the property's suitability for development and/or connection to the SCCSD roads is the responsibility of the property owner, and his/her use of professional engineering and/or development consultants is encouraged.
5. Any concerns or issues the District Board of Directors may have with regards to community concerns and the appropriate mitigation treatment.

B. Application to LAFCO

LAFCO has been established by the State Legislature to, among other duties, review and approve or disapprove proposals for annexation of territory to special districts. Approval by LAFCO of any annexation proposal is required before the District can approve the annexation and provide service.

1. To initiate the LAFCO application procedure, owners of the property proposed for annexation, or the registered voters residing within the area proposed for annexation, shall submit a petition (§56704, Ca. Gov. Code) to LAFCO. The contents of the petition, itemized below, shall conform to §56700 of the California Government Code.
2. With the petition, annexation proponents shall submit to LAFCO a map and legal description of the proposal. The contents of the map and legal description, itemized below, shall conform to LAFCO and the State Board of Equalization requirements.
3. Also with the petition, annexation proponents shall submit to LAFCO a completed application form and appropriate filing and environmental review fees.

#### C. District Approval of Annexation

If LAFCO accepts the annexation proposal, then it will adopt a resolution and forward it to the District. After confirmation of LAFCO acceptance, and after the annexation proponent(s) tenders to the District applicable annexation fees (discussed below) and appropriate recording and State Board of Equalization fees, as determined by LAFCO, the District's Board of Directors, at a regularly scheduled meeting, will consider approval of the proposed annexation. The Board of Directors' approval of the proposed annexation shall be formalized by the adoption of a resolution, which shall be forwarded to LAFCO prior to its consideration of said annexation. This Board resolution shall contain the following provisions:

1. That a description of the annexed lands shall be attached to said resolution;
2. The annexed land shall be subject to the District's policies, rules and regulations, charges made, and assessments levied pursuant to the provisions of the laws pertaining to Community Services Districts to pay for outstanding obligations of said District. The annexed land shall also be subject to all and any combination of assessments, tolls and charges as may exist at the adoption of the resolution and as thereafter may be established and/or levied by the County of Calaveras and/or the District, either separately or in joint interest for any District purpose or arising from community impacts or negotiated and agreed community impact mitigations stipulated in the county Conditions of Approval;
3. The District shall be under no obligation to install roads or any facilities in connection with the subject annexation. The owners of the land to be annexed shall install, as and when water and sanitary sewer services are desired, without cost, charge or obligation to the District, a complete roads and related systems as may be specified by the District, in accordance with plans and specifications approved by the District Engineer or General Manager, in a manner meeting his/her approval, and shall convey, at no cost to the District, all of said roads and related systems, including rights of way over all parts thereof, to the District; and,
4. The project developers and/or owners of the annexed property, and their heirs, successors and assigns shall agree to abide by all District policies, rules and regulations presently established and as shall be established by the Board of Directors in the future.

#### D. Application to District

If annexation proponents desire to receive confirmation of District acceptance of their proposal prior to initiating the LAFCO application, the petition, map, legal description and LAFCO application form, discussed in 605.3(B), above, should be submitted to the District office. A deposit paid by the developer must also accompany said submittal to cover LAFCO's filing, if any, and LAFCO environmental review fees, State Board of Equalization fees, District processing costs and environmental review fees, if any. When the annexation process is complete or terminated, cost overruns will be billed to the applicant, and under-runs will be refunded.

The Board of Directors will consider the annexation proposal at a regularly scheduled or special Board meeting. Acceptance by the Board of the proposed annexation shall be formalized by the adoption of a resolution. Said resolution shall contain the following:

1. All of the information required in the petition, as itemized below, except for provisions regarding signatories and signatures
2. The annexation map and legal description as attachments
3. Verification that the District desires to, or not to annex the subject territory
4. Authorization for the resolution to be submitted as an application for annexation approval by LAFCO if the Board supports annexation, along with the conditions of support
5. Only if the Board agrees to proceed with annexation, a request that LAFCO approve and authorize the District to conduct proceedings for the annexation without notice and hearing and without an election (only if the petition has been signed by all of the owners of land within the boundaries of the proposed annexation).

E. Annexation Petition

In accordance with §56700 of the California Government Code, the petition proposing annexation of property to the District shall do all of the following:

1. State that the proposal is made pursuant to said §56700
2. State the nature of the proposal (i.e., annexation of property to Groveland Community Services District)
3. Include a description of the boundaries of the affected territory accompanied by a map showing the boundaries
4. State any proposed terms and conditions
5. Explain the reason for the proposal (e.g., to receive fire, parks, water, and/or sanitary sewer services)
6. State whether the petition is signed by registered voters or owners of the land
7. Designate no more than three persons as chief petitioners, including their names and mailing addresses
8. Request that proceedings be taken for the proposal pursuant to said §56700

9. State whether the proposal is consistent with the sphere of influence designated by LAFCO for the District
10. State whether any environmental review of the project and required infrastructure has been undertaken and approved

F. Processing Resolution with LAFCO and the State

After adoption of said resolution of approval by the Board of Directors, it shall be sent to LAFCO along with necessary fees, for processing of State filings, local recordings, and filing with the State Board of Equalization.

G. Descriptions and Maps

In accordance with State Board of Equalization and District requirements, annexation descriptions and maps shall conform to the following conditions:

1. All documents must be capable of producing a readable photographic image;
2. Every description must be self-sufficient within itself and without the necessity of reference to any extraneous document, with references to deeds of record used only as a secondary reference;
3. When writing a metes and bounds description of a contiguous annexation, all details of the contiguous portion(s) of the boundary may be omitted, with the points of departure from the existing boundary clearly established;
4. A specific parcel description in sectionalized land is permissible without a metes and bounds description of the perimeter boundary;
5. A parcel description making reference only to a subdivision or a lot within a subdivision is not acceptable, unless all dimensions needed to plot the boundaries are given on an accompanying plat, and the relationship of lot lines with street rights of way must be clearly indicated;
6. Every map must clearly indicate all existing streets, roads and highways within and adjacent to the lands to be annexed, together with the current names of these thoroughfares;
7. Every map shall have a legend, scale and north point;
8. The point of beginning of the legal description must be shown on the map;
9. The boundaries of the lands to be annexed must be distinctively shown on the map without obliterating any essential geographic or political features;

H. Maps

All maps must be professionally drawn (rough sketches of maps or plats will not be accepted). All descriptions must be prepared by a surveyor or civil engineer licensed in the State of California, and his/her stamp and signature shall be affixed to said description. All maps must be provided to the District in both paper format and digital format acceptable to the District.

I. Annexation Fee

The annexation fee is the amount charged to the developer as buy-in to the existing roads and related infrastructure, which the developer has not contributed to, even though the developer will fund improvements to that pre-existing infrastructure. The amount of the annexation fee will be determined by the District Engineer and shall be related to the actual value of the infrastructure, which the developer is buying into, reduced to an amount per parcel or equivalent dwelling unit.

606 DEVELOPMENT AGREEMENTS

606.1 Purpose

Prior to the Board of Directors considering a private development project for approval, a Development Agreement (see Appendix 600-K for sample agreement) specifying the terms and conditions of said approval, prepared by the General Manager and/or Legal Counsel, shall be executed by the District Board of Directors and the project's developer(s) and/or property owner(s) (see Section 608—Project Approval).

606.2 Content of Agreement

The development agreement shall contain the following information:

- A. Name(s) of developer and/or project sponsor(s), and owner(s) of subject property;
- B. Assessor's parcel number of subject property;
- C. Type and purpose of project (e.g., residential, commercial, industrial, etc.);
- D. A graphic description of the project attached to the agreement as "Exhibit A;"
- E. Services required by development from SCCSD;
- F. Agreement to provide and pay for agreed upon facilities as specified in the SAMP;
- G. Agreement to provide mitigations identified in the CEQA documentation and county conditions of approval; and,
- H. Agreement to pay to mitigate all short- and long-term financial impacts caused by the development, as identified in the SAMP, which would otherwise become a financial burden on the District's existing customer base.



### 606.3 Terms and Conditions of Agreement

The following shall be used as standard terms and conditions of the Development Agreement:

A. Standards For Road Systems

Plans have been or will be, at no cost to District, designed and prepared for the on-site and off-site water and/or sanitary sewer service systems, which include Developer's obligation to accomplish the following:

1. Construct the road system in conformance with the approved plans and specifications therefore; and,

B. Acceptance of Plans And Specifications

The completed plans as described above for the road system have been or will be prepared in conformance with District Standard Design Specifications and the requirements of the District Engineer or General Manager, and are in a form acceptable to same.

C. Revision of Plans

Any changes in such accepted plans shall require written approval of developer and the District Engineer or General Manager.

D. Rights- of-Way

Owners will provide to District, at no cost to District and in a form acceptable to the District Engineer or General Manager, appropriate easements and rights-of-way for the maintenance, repair, and replacement of all road system facilities not within existing public rights-of-way, public utility easements, and/or other easements.

E. Construction

Developer shall, without expense to District, construct the road system pursuant to the accepted plans or any approved modification thereof. The developer shall provide in any contract for construction of the road system that any contractor's materials, supplier's guarantees thereunder, including a two-year warranty on the completed improvements, shall inure to the benefit of District after the works constructed thereunder have been conveyed to District. Developer shall also provide in any contract for construction of the water and/or sanitary sewer service system that the contractor's public liability and property damage insurance shall be extended to cover Developer and District and their agents, officers and employees as additional insured with liability and bodily injury limits of not less than three million dollars (\$3,000,000), and property damage coverage of not less than five hundred thousand dollars (\$500,000).

F. Inspection of Construction

The District Engineer or General Manager or his/her agent(s) shall inspect the construction of the road system to assure that the works are installed in accordance with the accepted plans and specifications. An inspection fee paid by developer as specified in District's Rate Schedule shall fund said inspection. Construction of the road system shall not commence until said inspection fee is paid. The District Engineer or General

Manager shall notify developer as to any deviation or failure to construct pursuant to the accepted plans as soon as such deviation or failure is brought to his/her attention, and developer shall correct such deviation or failure.

G. Hold Harmless

District is not, by inspection of the construction or installation of the water and/or sanitary sewer service system, representing developer or providing a substitute for inspection and control of the work by developer. Any inspections and observations of the work by District are for the sole purpose of providing notice of stage and character of the work. Any failure of District to note variances in the work from the plans does not excuse or exempt developer from complying with all terms of the plans. The fact that District inspects the construction of work and notifies developer of deviations or failures to construct them pursuant to the accepted plans shall not be deemed to constitute a guarantee by District that the works have been built in accordance with the accepted plans. During construction and prior to conveyance thereof to and acceptance thereof by District, developer shall hold District harmless against any and all claims, demands and charges by third parties arising out of alleged deviations or failures to construct pursuant to the accepted plans. The developer shall also indemnify the District against any third party claims for personal injury or property damage arising out of the developer's design or construction of the infrastructure.

H. Delinquent Payment of District Fees and Expenses

Should the developer fail to stay current in paying District expenses associated with the project, including all administrative, legal, engineering and other necessary consultants' costs and expenses, including legal costs of collection of the unpaid charges, the District shall charge penalties and fees to recover these costs. Such charges shall serve as the basis for a penalty charge in the amount of ten percent (10%) of those amounts together with monthly interest until paid at a rate of interest not to exceed one percent (1%) per month, per Government Code Section 61115. Until such delinquent payments are paid, all work by the District shall stop. If payment is not received by the District within three (3) months of delinquency, the District shall seek payment from the developer's surety (performance bond or irrevocable letter of credit).

I. Conveyance

Within ninety (90) days after completion of construction of the road system in accordance with the accepted plans therefore and District's Standards Design Specifications:

1. The developer and owners shall convey title of the completed works to District without cost and free and clear of all liens and encumbrances, by appropriate conveying documents, acceptable in form to the District Engineer or General Manager;
2. The developer shall provide District with one (1) set of 24"x 36" reproducible "record" drawings of the completed project on matte Mylar (5 mil minimum). The

developer shall also provide “record” drawings in digital format acceptable to the District;

3. The owner shall provide easements as specified herein;
4. The Developer shall furnish to District a surety bond, irrevocable letter of credit, cash deposit, or other form of surety meeting District's approval in the amount of twenty-five percent (25%) of the actual District infrastructure construction costs. This surety shall protect District against any failure of the work due to natural phenomenon or catastrophe, faulty materials, poor workmanship, or defective equipment within a period of two (2) years after acceptance of the road system by the District. Said surety bond or irrevocable letter of credit shall name developer as principal and District as obligee; and,
5. The District shall accept conveyance of title of the completed road system and shall include it as part of the District’s system(s), and shall thereafter operate and maintain said system(s) after developer has fulfilled all community impacts and funding commitments per the Development Agreement, and other related commitments to the District.

#### 606.4 Environmental Review

Prior to approval of a Development Agreement by the District Board of Directors, the developer shall have completed all environmental reviews required by the county and such reviews shall be approved by the County Board of Supervisors.

#### 606.5 Developer's Responsibilities after Conveyance

After District's acceptance of the road system, the developer and owners shall have no obligation for the operation, maintenance, repair or replacement thereof, except that to the extent that the developer and/or owners retain ownership of any parcel to which service from such works is available, they shall pay the same rates and charges levied by the District from time to time as any other property owner, unless otherwise agreed to by District and developer and/or owner.

##### A. Successors and Assigns

The development agreement shall be binding upon and inure to the benefit of the successors and assigns of all parties. Developer and owners shall not assign any of their rights, duties or obligations under this agreement without the prior written consent of District, which consent shall not be unreasonably withheld.

##### B. District Powers

Nothing herein contained shall be deemed to limit, restrict, or modify any right, duty, or obligation given, granted, or imposed upon District by the laws of the State of California now in effect, or hereafter adopted, not to limit or restrict the power or authority of District, including the enactment of any rules, regulations, policies, resolutions or ordinances, and in the event that any part of provisions herein contained in this agreement or incorporated herein, be found to be illegal or unconstitutional by a court of competent

jurisdiction, such findings shall not affect the remaining parts, portions, or provisions hereof.

C. Attorney Fees

Should any party deem it necessary to institute legal action to either compel performance of this Agreement or recover damages for nonperformance, the prevailing party(s) shall be entitled to reasonable attorney's fees, cost of suit, and all other expenses of litigation incurred in connection therewith.

D. Termination

The Development Agreement shall terminate and be of no further force and effect at District's discretion if District determines that construction of the road system and/or other District-provided services has not commenced within twenty-four (24) months from the date of the Development Agreement, and developer has not submitted the plans and specifications for reacceptance, as provided herein. Termination may also occur if the developer has not mitigated impacts identified in the SAMP, CEQA documents, county Conditions of Approval, or other obligations required by the agreement or amendments thereto.

606.6 Variances to the Agreement

Any inapplicable portions of the foregoing standard terms and conditions may be deleted by, or upon approval of the General Manager, to accommodate project-specific situations. When warranted, additional conditions and requirements may be added to the standard terms and conditions by, or upon approval of, the General Manager, to accommodate project-specific situations. The project developer and/or property owner may appeal to the Board of Directors any agreement terms or conditions or requirements proposed by District staff.

607 DEVELOPMENT IMPROVEMENT STANDARDS

607.1 General

To provide a uniform and consistent method of regulating and guiding the design and preparation of plans for road facilities and to insure proper installation of all private works involving road encroachments, Standard Design Specifications, including Standard Details, shall be maintained by the District.

607.2 Purpose

The purpose of the Improvement Standards is to provide standards to be applied to road improvements and private works to be dedicated to the public and accepted by the District for operation and maintenance. This is necessary in order to provide for coordinated development of required facilities to be used by the public.

### 607.3 Departure from District Standards

The District recognizes that it is not possible to anticipate all situations that may arise or to prescribe standards applicable to every situation. Therefore, any items or situations not included in the Standard Design Specifications shall be designed and/or constructed in accordance with accepted engineering practice, the State of California "Standard Specifications" or other approved designed standard (e.g., American Water Works Association) and as required by the District Engineer or General Manager.

### 607.4 Amending Standards

From time to time, changes need to be made to the Standard Design Specifications. These changes may be driven by changes in regulations or by improvements in design practices. The District Engineer shall present the proposed changes to the Standard Design Specifications to the General Manager for his/her review and consideration.

### 607.5 Availability of Standards

Copies of the current Standard Design Specifications shall be available at the District office and shall be available to interested parties upon request and payment of the cost of producing the requested copy.

## 608 PROJECT APPROVAL

### 608.1 Board to Approve Plans

Whenever an extension of the road system is proposed to provide service to one or more lots, parcels, or units (consisting of 4 or less lot units or less than 7,200 sq. ft. for commercial development within the SCCSD, the plans and specifications for said proposed road facilities shall be approved by the General Manager or District Engineer. Whenever an extension of the road system is proposed to provide access to areas proposed to be annexed to the District, the plans and specifications shall not be approved until the proceedings for annexation have been completed and the annexation has been ordered by the District.

For a subdivision or large commercial development, that does not require annexation, the Board of Directors shall approve all major milestones within the development process, as defined herein, including the SAMP and environmental documentation. The Board shall also approve annexation of subdivisions into the District, as allowed by law.