



City of Gridley

Municipal Service Review

Approved on February 6, 2008

Determinations Amended on December 2, 2010

Sphere of Influence Plan

for the City of Gridley

Adopted December 2, 2010



BUTTE LOCAL AGENCY FORMATION COMMISSION

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The following document consists of two separate, stand-alone documents:

1. The City of Gridley Municipal Service Review (MSR), adopted by Butte LAFCo on February 6, 2008. The determinations found in the MSR were subsequently amended by Butte LAFCo on December 2, 2010.

and

2. The City of Gridley Sphere of Influence Plan, adopted by Butte LAFCo on December 2, 2010.

These two documents have been combined into one document for ease of use.



Report to the Butte Local
Agency Formation Commission

City of Gridley
Municipal Service Review

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ACRONYMS

ADWF:	Average dry weather flow
afy:	Acre-feet per year
AWWA:	American Water Works Association
ccf:	Hundreds of cubic feet
CCTV:	Closed circuit television
CEQA:	California Environmental Quality Act
cfs:	Cubic feet per second
CIWMB:	California Integrated Waste Management Board
CY:	Calendar year
DD:	Drainage District
DFG:	California Department of Fish and Game
DWR:	California Department of Water Resources
EPA:	U.S. Environmental Protection Agency
ERAF:	Educational Revenue Augmentation Fund

FY:	Fiscal year
GIS:	Geographic Information Systems
gpm:	Gallons per minute
I/I	Infiltration and inflow
IRWMP:	Integrated Regional Water Management Plan
ISO:	Insurance Services Organization
JPA:	Joint Powers Authority
LAFCO:	Local Agency Formation Commission
MCL:	Maximum Contaminant Level
mg:	Millions of gallons
mgd:	Millions of gallons per day
MS4:	Municipal separate storm sewer system permit
MSR:	Municipal Service Review
NA:	Not applicable
NP:	Not provided
NPDES:	National Pollutant Discharge Elimination System
OPR:	Governor's Office of Planning and Research
PWWF:	Peak wet weather flow
RCD:	Resource conservation district
RD:	Reclamation District
RWQCB:	Regional Water Quality Control Board
SCADA:	Supervisory Control and Data Acquisition
SDWA:	Safe Drinking Water Act
SOI:	Sphere of influence
SWP:	State Water Project
SWRCB:	State Water Resources Control Board
TDS:	Total dissolvable solids
TMDL:	Total maximum daily load
USBR:	U.S. Bureau of Reclamation
UWMP:	Urban Water Management Plan
WWTP:	Wastewater treatment plant

P R E F A C E

This municipal service review (MSR) is a state required comprehensive study on the City of Gridley prepared for the Butte Local Agency Formation Commission (LAFCO).

CONTEXT

Butte LAFCO is required to prepare this MSR by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code §56000, et seq.), which took effect on January 1, 2001. The MSR reviews services provided by public agencies whose boundaries and governance are subject to LAFCO. Those agencies providing services in the City of Gridley's boundaries and sphere of influence are the focus of this review. In order to provide comprehensive information on service provision, other service providers—private companies and public agencies which are not subject to LAFCO—are included in this MSR.

CREDITS

The authors extend their appreciation to the many individuals at the City of Gridley, Butte County, and the special districts that provided planning and financial information and documents used in this report. The contributors are listed individually at the end of this report.

Butte LAFCO Executive Officer, Stephen Lucas, provided project direction and review. This report was prepared by a consultant team with expertise in municipal services and public finance. Beverly Burr served as project manager. Jennifer Stephenson served as lead analyst. Alexander Hebert-Brown and Cynthia Schuster conducted research analysis. Research assistance was provided by Radu Oprea. EDAW prepared maps.

1. EXECUTIVE SUMMARY

This municipal service review (MSR) was prepared for the Butte Local Agency Formation Commission (LAFCO). This report focuses on municipal services provided within the City of Gridley's boundaries and sphere of influence.

An MSR is a State-required comprehensive study of services within a designated geographic area, in this case, the City of Gridley. The MSR requirement is codified in the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Section 56000 et seq.), which took effect on January 1, 2001.

INFRASTRUCTURE NEEDS OR DEFICIENCIES DETERMINATIONS

Water

- 4.1.-1. The City of Gridley's water system is well maintained and monitored, and active wells meet all state and federal water quality requirements.
- 4.1.-2. The City constructed a new municipal well in 2009. As a result, the City's six water wells produce adequate water supply to serve build-out of the existing SOI.
- 4.1.-3. The irrigation canals surrounding and passing through the City are vulnerable to urban contamination. The City should work with the irrigation districts and developers to identify cost-effective approaches to maintaining irrigation water quality, to mitigate any safety hazards to residents, and support growth and development of the City.
- 4.1.-4. The City needs to extend water mains at a cost of approximately \$5.0 million to accommodate build-out of the existing SOI.
- 4.1.-5. To accommodate future growth and development, the City's General Plan outlines plans to maintain loops along the perimeter of the system to maintain adequate pressure and install a large diameter pipe along the easterly boundary of the sphere of influence (SOI) to provide fire flows to potential development in the area.

Wastewater

- 4.2.-1. The City's wastewater treatment plant currently uses 84 percent of its design capacity and is projected to use the remaining capacity of 680 equivalent dwelling units by 2015. Wastewater treatment plant expansion is underway to accommodate future growth (an additional 2,600 EDUs) in the City's SOI. The expansion project is designed and funded, and construction began in February 2010.
- 4.2.-2. To accommodate future development, the City needs a \$10 million investment by 2015 in new gravity and force mains and pump stations to direct flow around the City, as the collection system in the core of the City has reached capacity. In addition, a \$6.9 million investment in a parallel force main and new pump station is needed to accommodate development by 2015. The City is phasing in such improvements. In 2010, the City focused its funding and efforts on replacing one mile of old sewer main and rerouting collection lines to better use gravity flows and eliminate a pump station.
- 4.2.-3. Funding for the capacity expansion of the WWTP and collection system will determine the rate at which new development can be absorbed into the system. The City regularly updates its capital plans, rates and connection fees, and competes for grants to ensure adequate funding mechanisms.
- 4.2.-4. Portions of the wastewater collection system date back to 1914. Infiltration and inflow is affecting older collection pipes downtown and possibly elsewhere. The City would benefit from a thorough review of the wastewater collection system to develop a capital improvement plan. The City's 2010 sewer rate increase was designed to fund its sanitary sewer management plan efforts.

Drainage

- 4.3.-1. Gridley's stormwater collection system discharges to sloughs and open drainage ditches located near the perimeter of the city. The ditches are maintained by three special districts: Reclamation District No. 833, Reclamation District No. 2056 and Drainage District No. 1. The ditches were designed to convey agricultural rather than urban flows.
- 4.3.-2. The districts' drainage systems are unable to discharge peak flows and subject to backup conditions due to inadequate channel capacity, lack of pumping capacity, or lack of capacity in downstream discharge waterways also used by the State for flood control purposes.
- 4.3.-3. Growth-induced drainage infrastructure needs are addressed by City requirements for development to install detention infrastructure to prevent increases in peak drainage flows.
- 4.3.-4. The drainage ditches and laterals operated by the districts in Gridley are uncovered. The districts have asked that the City "underground" open ditches, although the City has determined that related costs are often excessive due to the high groundwater table and that fencing of these ditches is the practical solution.

Roadways

4.4.-1. Roadway services are adequate in the Gridley area with all streets operating at an acceptable level of service (LOS C or better). A traffic signal is presently needed to ensure adequate flows during peak traffic hours on SR 99 at West Liberty Road. The City will need to install seven traffic signals to accommodate planned growth through 2030.

Existing highway service levels are currently inadequate on the two-lane portion of SR 99 between Spruce Street and Ord Ranch Road. Widening the highway to four lanes would be needed to deliver a level of service in compliance with local standards. Caltrans envisions a four-lane highway through Gridley ultimately. Although clearly a regional priority, the project has not yet been funded. Highway congestion may be avoided presently by most Gridley residents due to availability of alternative routes on local roadways. Caltrans will need to install seven traffic signals to accommodate planned growth through 2030.

4.4.-2. Although the City does conduct preventative maintenance to extend the pavement lifespan, it should consider implementing a computerized Pavement Management System to optimize its roadway investments.

4.4.-3. Pedestrian and bicycle facilities are minimal in the City. The City of Gridley Bicycle Plan outlines various bicycle-related facility needs in the City that should continue to be explored, including the feasibility of creating regional trailways in conjunction with Butte County, Caltrans, Union Pacific Railroad, and the City of Biggs.

Law Enforcement

- 4.5.-1. The Gridley-Biggs Police Department (PD) provides police and animal control services to the Cities of Gridley and Biggs.
- 4.5.-2. Law enforcement services are adequate. The current service level is higher than the median among small California cities and the City's adopted minimum standard. The City manages to solve crimes effectively; crime clearance rates are comparable to neighboring cities and higher than Sheriff rates.
- 4.5.-3. Service demands have increased in recent years due to growth and development, the onset of service to Biggs in 2001, increasing serious crime rates, and gang issues in Gridley.
- 4.5.-4. The PD currently has sufficient facility space and equipment except for storage and evidence facilities. The PD plans to expand into the adjacent unmanned station space.
- 4.5.-5. Development and growth in Gridley and Biggs will eventually require increased staffing of sworn and non-sworn officers. The City would need up to 16 new officers by 2025 to sustain service levels as the City grows.

Fire Protection

- 4.6.-1. There is adequate capacity to provide fire service to planned development within city limits and the SOI area.
- 4.6.-2. The City has determined that a new fire station would be needed to serve future residents on the western side of the railroad tracks at build-out of the General Plan scenario and maintain the City's standard of a four-minute response time.
- 4.6.-3. Water pressure and water reserve challenges in the northern part of the City along SR 99 result from dead-end water mains. The City is in the process of replacing all dead-end water mains, which is anticipated to be completed by 2012.
- 4.6.-4. The area to the north of Gridley—around Ord Ranch Road—will need water flow improvements to provide for greater fire flows.

Parks

- 4.7.-1. The City has 3.1 acres of developed parkland per 1,000 residents in 2010. To achieve the City's adopted standard of five acres per 1,000 residents, an additional 12 acres of developed parkland are needed.
- 4.7.-2. The City's 2009 General Plan identifies potential park sites within the existing SOI. City policy is to prioritize adding parkland in areas lacking adequate park acreage according to City parkland standards. In keeping with its smart growth principles, the City aims to expand parkland at joint use sites shared with schools and to collaborate with the County and City of Biggs in developing a regional park for shared use.

Solid Waste

- 4.8.-1. There is adequate landfill capacity, and services are adequate.

Electricity

- 4.9.-1. Electricity service is adequate, and capacity is adequate to serve current customers.
- 4.9.-2. The electric utility can accommodate growth within the existing SOI.
- 4.9.-3. As new areas are annexed and built out, demand will increase such that expansion of the existing substation or construction of a new substation will eventually be necessary.

GROWTH AND POPULATION PROJECTIONS

- 3.-1. There were 6,454 residents in the City limits in 2010.
- 3.-2. The City's population has grown between 2000 and 2010 on average by two percent annually, double the countywide growth rate. Within Butte County, Gridley has experienced more rapid recent new housing growth than other cities.
- 3.-3. Through 2030, the annual population growth rate is projected at 3.0 percent by the Butte County Association of Governments. The growth rate is expected to slow around 2014 to between three and four percent until 2020 and two percent from 2021 to 2030.
- 3.-4. In adopting and implementing its General Plan, the City has a number of new policies and implementation strategies that will create more compact development patterns and use land more efficiently. The City's approach is also designed to provide municipal service cost savings when compared with sprawl. Specific new policies include implementation of a new high-density land use designation, new development impact fees with lower rates for infill and high-density projects, prioritization of growth in the existing SOI over the planned growth area (i.e., the SOI expansion area), and requirements that will reduce unnecessary pavement by placing new buildings closer to the front property line and ensuring that parking space is not excessive. The City's new smart growth policies affect municipal services primarily by reducing service demands and infrastructure costs that will be generated in infill and new growth areas. Compact development helps reduce vehicle miles, helps economize on street maintenance and drainage needs, and helps reduce the extent of water and wastewater infrastructure needs.

FINANCING CONSTRAINTS AND OPPORTUNITIES

- 5.-1. The City's total budget is \$22 million in FY 10-11. Electric, sewer and police services are the most costly municipal services.
- 5.-2. The \$4.8 million general fund finances police and fire services, general government costs, and portions of park and street-related costs. Major general fund revenue sources are sales tax, payments from the City of Biggs for contract services, electric revenue, property taxes, and vehicle license fee revenue.
- 5.-3. The most significant financing constraint is the requirement for voter approval of new or increased taxes or assessments.
- 5.-4. Water, wastewater and solid waste rates and charges may be increased and restructured, but taxes, general revenue sources and drainage assessments require voter approval to be restructured or increased.
- 5.-5. Compared with nearby jurisdictions, Gridley businesses attract a relatively high level of sales tax per capita. The City's location along SR 99, economic development efforts and land use decisions are important factors in maintaining and enhancing this revenue stream.
- 5.-6. Strategic growth, redevelopment and economic development offer financing opportunities to the City in the form of enhanced property and sales tax revenues.

OPPORTUNITIES FOR RATE RESTRUCTURING

- 5.-7. Water, wastewater and electric rates are reasonable compared with other providers, and provide incentives for users to conserve.
- 5.-8. Sewer rates will need to be increased in the future to finance repairs to the aging collection system. Water rates may need to be increased if the City faces more expensive water treatment costs. Otherwise, no significant rate restructuring opportunities were identified.

GOVERNMENT STRUCTURE OPTIONS

- 8.-1. Annexation of territory to Gridley is an option that the City intends to propose, and plans to explore further in its General Plan update.
- 8.-2. Detachment of territory from Reclamation District No. 833 and annexation to Reclamation District No. 2056 (RD 2056) is an option tentatively identified by RD 2056 to ensure that district boundaries align with drainage benefit areas.
- 8.-3. Reorganization of County Service Area (CSA) 34 is an option. The CSA finances maintenance of a swimming pool. Butte County Fair operates the pool. The City and Butte County agreed in 2002 to negotiate reorganization of the CSA. Reorganization would most likely involve dissolution of the CSA, formation of a subsidiary district of the City of Gridley, and transfer of CSA revenues and service responsibilities to the subsidiary district.
- 8.-4. Two options that have not been proposed or recommended by any agencies are consolidation of Gridley and Biggs, and detachment of urbanized territory in the city limits from two irrigation districts—Butte Water District and Biggs-West Gridley Water District.

MANAGEMENT EFFICIENCIES

- 6.-1. The City generally exhibits the characteristics of well-managed local government, which strives to serve its residents and constituents effectively. The City uses accepted budgeting procedures, balances its budget and maintains reserves.
- 6.-2. As the population grows and changes, increased attention to management efficiencies will be necessary, especially given fiscal constraints affecting local governments in California. Intergovernmental cooperation, regionalization of services and joint efforts for efficiency warrant continued attention.
- 6.-3. The City needs to continue to take actions to increase efficiency, reduce unnecessary duplication of effort and streamline procedures in order to maximize management efficiencies.

COST AVOIDANCE OPPORTUNITIES

6.-4. Land use planning designed to promote infill development, redevelopment of underutilized, urban lands, and creation of compact, well-served communities present opportunities to minimize future public service costs through strategic growth.

OPPORTUNITIES FOR SHARED FACILITIES

6.-5. The City practices extensive sharing of facilities and resources with other public agencies. The City adopted new policies in its 2009 General Plan that promote efficient use of land by municipal government through facility sharing.

6.-6. Butte Water District has surplus water available for sale. The City may wish to purchase surface water in the future if it cannot develop adequate wells free of arsenic. Biggs-West Gridley Water District may wish to purchase additional surface water.

6.-7. The Guardian Building and proposed new soccer fields are examples of shared facilities between the City and the Gridley Unified School District.

LOCAL ACCOUNTABILITY AND GOVERNANCE

7.-1. The City demonstrates a high degree of public participation in elections as well as other forms of citizen participation. The City prepares meeting agendas and minutes and has accessible staff and elected officials.

7.-2. The City makes information about its activities available to the public through a variety of sources, including its website, distribution of agenda and related documents, public access to city council and board meetings, mailing information to constituents, and similar methods.

7.-3. The City appears to operate in an open manner that facilitates the public's ability to learn about and participate in current civic affairs.

2. INTRODUCTION

This report is prepared pursuant to legislation enacted in 2000 that requires LAFCO to conduct a comprehensive review of municipal service delivery and update the spheres of influence (SOIs) of all agencies under LAFCO's jurisdiction by January 1, 2008.¹ This chapter provides an overview of LAFCO's history, powers and responsibilities. It discusses the origins and legal requirements for preparation of the municipal service review (MSR). This chapter also explains SOIs and the legal and procedural requirements for updating the SOIs. Finally, the chapter reviews the process for MSR review, MSR approval and SOI updates.

LAFCO OVERVIEW

After World War II, California experienced dramatic growth in population and economic development. With this boom came a demand for housing, jobs and public services. To accommodate this demand, many new local government agencies were formed, often with little forethought as to the ultimate governance structures in a given region, and existing agencies often competed for expansion areas. The lack of coordination and adequate planning led to a multitude of overlapping, inefficient jurisdictional and service boundaries, and the premature conversion of California's agricultural and open-space lands.

Recognizing this problem, in 1959, Governor Edmund G. Brown, Sr. appointed the Commission on Metropolitan Area Problems. The Commission's charge was to study and make recommendations on the "misuse of land resources" and the growing complexity of local governmental jurisdictions. The Commission's recommendations on local governmental reorganization were introduced in the Legislature in 1963, resulting in the creation of a Local Agency Formation Commission, or "LAFCO," operating in every county except San Francisco.

The Butte LAFCO was formed as a countywide agency to discourage urban sprawl and encourage the orderly formation and development of local government agencies. LAFCO is responsible for coordinating logical and timely changes in local governmental boundaries, including annexations and detachments of territory, incorporations of cities, formations of special districts, and consolidations, mergers and dissolutions of districts, as well as reviewing ways to reorganize, simplify, and streamline governmental structure. The Commission's efforts are focused on ensuring that services are provided efficiently and economically while agricultural and open-space lands are protected. To better inform itself and the community as it seeks to exercise its charge, LAFCO conducts service reviews to evaluate the provision of municipal services within the County.

LAFCO regulates, through approval, denial, conditions and modification, boundary changes proposed by public agencies or individuals. It also regulates the extension of public services by cities and special districts outside their boundaries. LAFCO is empowered to initiate updates to the SOIs

¹ An SOI is a LAFCO-approved plan that designates an agency's probable future boundary and service area. Spheres are planning tools used to provide guidance for individual boundary change proposals and are intended to encourage efficient provision of organized community services and prevent duplication of service delivery. Territory cannot be annexed to a city or district unless it is within that agency's sphere.

and proposals involving the dissolution or consolidation of special districts, mergers, establishment of subsidiary districts, and any reorganization including such actions. Otherwise, LAFCO actions must originate as petitions or resolutions from affected registered voters, landowners, cities or districts.

Butte LAFCO consists of seven regular members: two members from the Butte County Board of Supervisors, two city council members, two special district members, and one public member who is appointed by the other members of the Commission. There is an alternate in each category. All Commissioners are appointed to four-year terms.

Table 2-1: Commission Members, 2007

Appointing Agency	Members	Alternate Members
Two members from the Board of Supervisors appointed by the Board of Supervisors.	Jane Dolan Bill Connelly	Kim Yamaguchi
Two members representing the cities in the county. Must be a city officer and appointed by the City Selection Committee.	John Busch Scott Lotter	Andy Holcombe
Two members representing the special districts in the county, selected by a majority vote of independent special districts.	Al Beck Larry Duncan	Mark Sweany
One member from the general public appointed by the other six Commissioners.	Carl Leverenz	Greg Steel

MUNICIPAL SERVICE REVIEW ORIGINS

The MSR requirement was enacted by the State Legislature months after the release of two studies recommending that LAFCOs conduct reviews of local agencies. The “Little Hoover Commission” focused on the need for oversight and consolidation of special districts, whereas the “Commission on Local Governance for the 21st Century” focused on the need for regional planning to ensure adequate and efficient local governmental services as the California population grows.

LITTLE HOOVER COMMISSION

In May 2000, the Little Hoover Commission released a report entitled *Special Districts: Relics of the Past or Resources for the Future?* This report focused on governance and financial challenges among independent special districts, and the barriers to LAFCO’s pursuit of district consolidation and dissolution. The report raised the concern that “the underlying patchwork of special district governments has become unnecessarily redundant, inefficient and unaccountable.”²

In particular, the report raised concern about a lack of visibility and accountability among some independent special districts. The report indicated that many special districts hold excessive reserve funds and some receive questionable property tax revenue. The report expressed concern about the

² Little Hoover Commission, 2000, page 12.

lack of financial oversight of the districts. It asserted that financial reporting by special districts is inadequate, that districts are not required to submit financial information to local elected officials, and concluded that district financial information is “largely meaningless as a tool to evaluate the effectiveness and efficiency of services provided by districts, or to make comparisons with neighboring districts or services provided through a city or county.”³

The report questioned the accountability and relevance of certain special districts with uncontested elections and without adequate notice of public meetings. In addition to concerns about the accountability and visibility of special districts, the report raised concerns about special districts with outdated boundaries and outdated missions. The report questioned the public benefit provided by health care districts that have sold, leased or closed their hospitals, and asserted that LAFCOs consistently fail to examine whether they should be eliminated. The report pointed to service improvements and cost reductions associated with special district consolidations, but asserted that LAFCOs have generally failed to pursue special district reorganizations.

The report called on the Legislature to increase the oversight of special districts by mandating that LAFCOs identify service duplications and study reorganization alternatives when service duplications are identified, when a district appears insolvent, when district reserves are excessive, when rate inequities surface, when a district’s mission changes, when a new city incorporates and when service levels are unsatisfactory. To accomplish this, the report recommended that the State strengthen the independence and funding of LAFCOs, require districts to report to their respective LAFCO, and require LAFCOs to study service duplications.

COMMISSION ON LOCAL GOVERNANCE FOR THE 21ST CENTURY

The Legislature formed the Commission on Local Governance for the 21st Century (“21st Century Commission”) in 1997 to review statutes on the policies, criteria, procedures and precedents for city, county and special district boundary changes. After conducting extensive research and holding 25 days of public hearings throughout the State at which it heard from over 160 organizations and individuals, the 21st Century Commission released its final report, *Growth Within Bounds: Planning California Governance for the 21st Century*, in January 2000.⁴ The report examines the way that government is organized and operates and establishes a vision of how the State will grow by “making better use of the often invisible LAFCOs in each county.”

The report points to the expectation that California’s population will double over the first four decades of the 21st Century, and raises concern that our government institutions were designed when population was much smaller and society was less complex. The report warns that without a strategy open spaces will be swallowed up, expensive freeway extensions will be needed, job centers will become farther removed from housing, and this will lead to longer commutes, increased pollution and more stressful lives. *Growth Within Bounds* acknowledges that local governments face unprecedented challenges in their ability to finance service delivery since voters cut property tax revenues in 1978 and the Legislature shifted property tax revenues from local government to

³ Little Hoover Commission, 2000, page 24.

⁴ The Commission on Local Governance for the 21st Century ceased to exist on July 1, 2000, pursuant to a statutory sunset provision.

schools in 1993. The report asserts that these financial strains have created governmental entrepreneurship with cities, counties and districts competing for sales tax revenue and market share.

The 21st Century Commission recommended that effective, efficient and easily understandable government be encouraged. In accomplishing this, the 21st Century Commission recommended consolidation of small, inefficient or overlapping providers, transparency of municipal service delivery to the people, and accountability of municipal service providers. The sheer number of special districts, the report asserts, “has provoked controversy, including several legislative attempts to initiate district consolidations,”⁵ but cautions LAFCOs that decisions to consolidate districts should focus on the adequacy of services, not on the number of districts.

Growth Within Bounds stated that LAFCOs cannot achieve their fundamental purposes without a comprehensive knowledge of the services available within its county, the current efficiency of providing service within various areas of the county, future needs for each service, and expansion capacity of each service provider. Comprehensive knowledge of water and sanitary providers, the report argued, would promote consolidations of water and sanitary districts, reduce water costs and promote a more comprehensive approach to the use of water resources. Further, the report asserted that many LAFCOs lack such knowledge and should be required to conduct such a review to ensure that municipal services are logically extended to meet California’s future growth and development.

MSRs would require LAFCO to look broadly at all agencies within a geographic region that provide a particular municipal service and to examine consolidation or reorganization of service providers. The 21st Century Commission recommended that the review should include water, wastewater, garbage, and other municipal services that LAFCO judges to be important to future growth. The Commission recommended that the service review be followed by consolidation studies and be performed in conjunction with updates of SOIs. The recommendation indicated that service reviews be designed to make nine determinations, each of which was incorporated verbatim in the subsequently adopted legislation.

MUNICIPAL SERVICE REVIEW LEGISLATION

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires LAFCO review and update SOIs not less than every five years and to review municipal services before updating SOIs. The requirement for service reviews arises from the identified need for a more coordinated and efficient public service structure to support California’s anticipated growth. The service review provides LAFCO with a tool to study existing and future public service conditions comprehensively and to evaluate organizational options for accommodating growth, preventing urban sprawl, and ensuring that critical services are provided efficiently.

Effective January 1, 2001, Government Code §56430 requires LAFCO to conduct a review of municipal services provided in the county by region, sub-region or other designated geographic area, as appropriate, for the service or services to be reviewed, and prepare a written statement of determination with respect to each of the following topics:

⁵ Commission on Local Governance for the 21st Century, 2000, page 70.

- 1) Infrastructure needs or deficiencies;
- 2) Growth and population projections for the affected area;
- 3) Financing constraints and opportunities;
- 4) Cost avoidance opportunities;
- 5) Opportunities for rate restructuring;
- 6) Opportunities for shared facilities;
- 7) Government structure options, including advantages and disadvantages of consolidation or reorganization of service providers;
- 8) Evaluation of management efficiencies; and
- 9) Local accountability and governance.

The MSR process does not require LAFCO to initiate changes of organization based on service review findings; it only requires that LAFCO identify potential government structure options and determine their advantages and disadvantages per Government Code Section 56430. However, LAFCO, other local agencies, and the public may subsequently use the determinations to analyze prospective changes of organization or reorganization or to establish or amend SOIs. MSRs are exempt from California Environmental Quality Act (CEQA) pursuant to §15262 (feasibility or planning studies) or §15306 (information collection) of the CEQA Guidelines. LAFCO's actions to adopt MSR determinations are not considered "projects" subject to CEQA.

It is expected that MSR determinations may be closely followed by LAFCO actions to update various SOIs. A CEQA determination will then be made on a case-by-case basis once the proposed project characteristics are clearly identified. The ultimate outcome of conducting a service review may result in LAFCO acting with respect to a recommended change of organization or reorganization on its own initiative, at the request of any agency, or in response to a petition.

MUNICIPAL SERVICE REVIEW PROCESS

LAFCO is charged with preparing MSRs and updating the SOIs for the City of Gridley. There are local agencies that provide services within the City's boundaries and SOI, which are also covered in this MSR. For the City, the MSR process involves the following steps:

- **Outreach:** LAFCO outreach and explanation of the project
- **Data Discovery:** provide documents and respond to LAFCO questions
- **Review MSR:** review and comment on LAFCO draft MSR
- **LAFCO Hearing:** attend and make public comments on MSR

3. STUDY AREA

This MSR reviews municipal services provided in the City of Gridley sphere of influence. This chapter provides an overview of the City, its sphere of influence, municipal service providers, and growth.

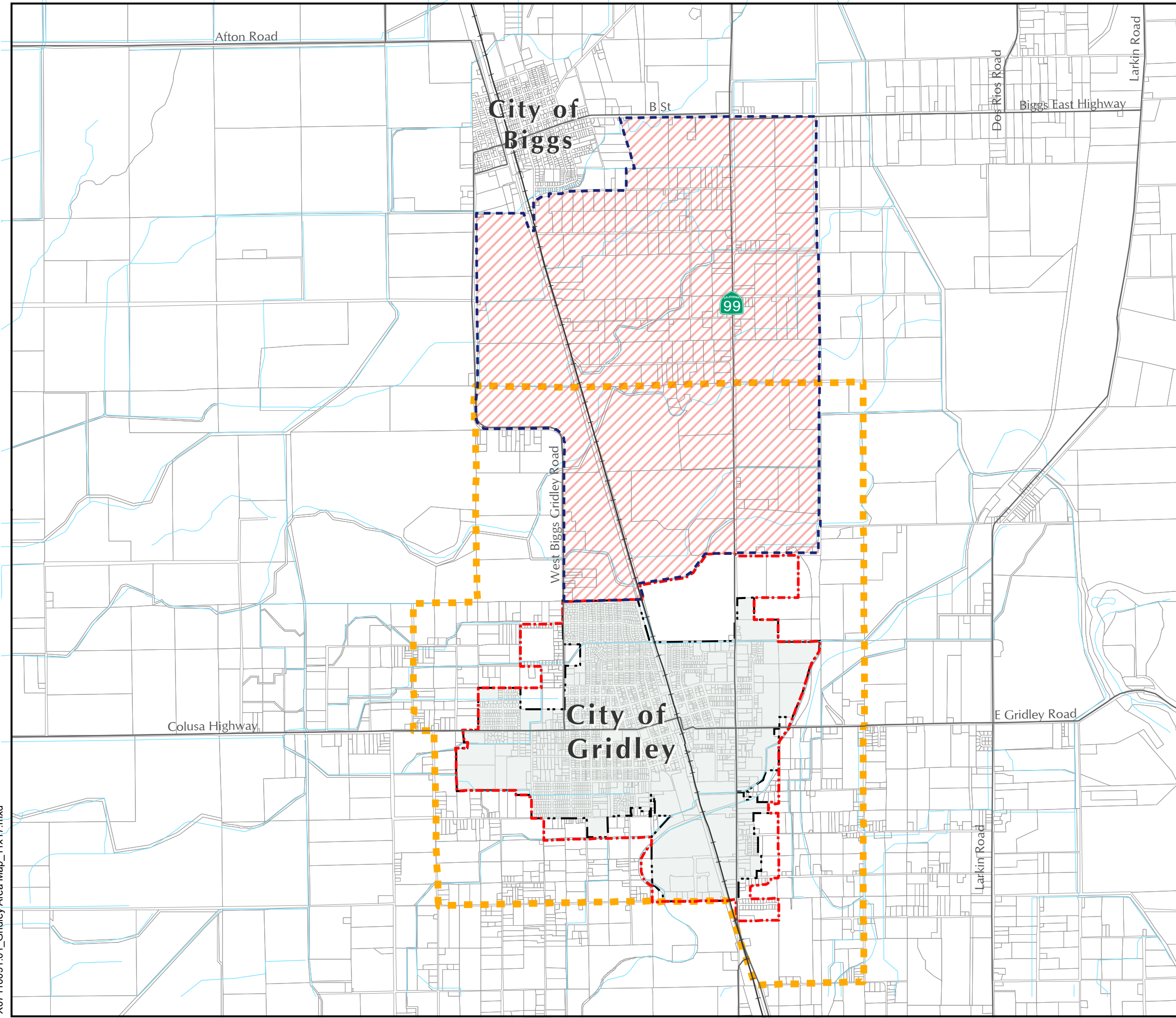
CITY OVERVIEW

The City of Gridley is a small town located in the northern Sacramento Valley at the junction of State Route (SR) 99 and the Union Pacific Railroad. Gridley is home to 6,167 residents, urban center for surrounding rice and walnut farmers, and a stopping point for travelers and commuters. Gridley is within commuting distance of Oroville (15 miles), Chico (30 miles) and, for some, Sacramento (60 miles).

The town originally developed along the railroad in 1870, and incorporated as a city in 1905. Gridley is a high-growth area due to its strategic location and proximity to the expanding Sacramento metropolitan area. Since the 2000 Census, the City's population has grown by 15 percent due to development within the city limits as well as the following annexations:

- West Liberty Road Annexation: 169.6 acres were annexed into the City in July 2002. This area is located on the southern end of the City, west of SR 99 and north of West Liberty Road.
- North Gridley Annexation: 77.3 acres were annexed in August 2003. The area is located north of Orange Avenue, between West Biggs Gridley Road and the railroad.
- Palm Lane Annexation 1: a 15-acre parcel was annexed in April 2003. The area is located along the City's western boundary. The owner (Banes) initiated annexation to facilitate development of a 43-lot subdivision.
- Vermont Street Annexation: seven acres on six parcels were annexed in December 2005. The area is located along the City's southern boundary. A 6-lot development was approved on portions of three parcels.
- Palm Lane Annexation 2: 23.35 acres, consisting of a 20.1-acre parcel and a 3.25-acre portion of an adjacent RD 833 drainage ditch, was annexed in 2007. A 70-lot subdivision was approved by the City for this parcel.
- Island annexations: five "island" areas with a total of 11 acres on 13 parcels were annexed in February 2007.
- Little Avenue Annexation: 19 acres on nine parcels were annexed in May 2007. The area is located along Yew Street, Oregon Street, Little Avenue, and Richins Avenue. A 28-lot subdivision was approved on one of the lots.

X07110091.01_Gridley Area Map_11x17.mxd



GRIDLEY AREA MAP

Legend

- City of Gridley
- Area of Concern
- Sphere of Influence
- Planning Area Boundary
- Parcels
- Hydrology
- Major Roads
- Railroad

FIGURE 3-1: GRIDLEY STUDY AREA



Created: EDAW, August 2007



Source: City of Gridley GIS, 2007

0 1,500 3,000 6,000 Feet

The City boundary ranges from one-quarter of a mile north of Standish Lane in the northeast to one-eighth of a mile north of Macedo Road along West Biggs Gridley Road in the northwest, and along Sycamore Street to Palm Lane in the west. The southern boundary is generally along Little Avenue in the southwest and West Liberty Road in the southeast. The eastern boundary ranges from one-half mile east of SR 99 along Standish Lane in the north of the City, to the eastern right of way of SR 99 along Archer Avenue and Sheldon Avenue in the southern portion of the City.

Since 1985, LAFCO has modified the City of Gridley's SOI on three occasions. The first amendment to the SOI occurred east of SR 99, north of Standish Lane, to allow for the subsequent annexation of land for an industrial development on the north side of the City. The second amendment added approximately 50 acres to the existing SOI southwest of the City, some of which was annexed to the City of Gridley by the 2007 Little Avenue annexation. The final SOI action undertaken by LAFCO for the City of Gridley was a 2000 amendment to the SOI to accommodate the growth anticipated by the City's 1999 General Plan.

The City of Gridley's current SOI extends south of the City bounds approximately one-eighth of a mile in the vicinity of Little Avenue, and in two areas west of the industrial park. North of the City bounds the SOI extends to Deniz Brothers Lane and Ord Ranch Road east and west of SR 99, and in various locations east of the City bounds in the vicinities of Bonnell, Archer, Obermeyer, and Sheldon Avenues. In the northwest of the City the SOI extends beyond City bounds approximately one-quarter of a mile west of West Biggs Gridley Road. There are 501 acres of unincorporated territory in the City's SOI that have not yet been annexed to the City.⁶

LAFCO adopted an agricultural buffer in 2003 of 300 feet for any annexation abutting agricultural lands in the northern SOI area of the City. LAFCO may approve an annexation with a larger or smaller buffer if evidence is presented that adequate protection of adjacent agricultural lands has been provided as part of the annexation proposal.

There is an area of concern between the Cities of Gridley and Biggs. In the western portion, the area of concern extends north of the City of Gridley along West Biggs Gridley Road, to the southern boundary of the City of Biggs. In the eastern portion, the area of concern extends north of the City of Gridley SOI along SR 99 approximately three miles, to its intersection with B Street and Biggs East Highway, east of the City of Biggs. The easterly border of the area of concern extends approximately one-half mile east of SR 99.

⁶ Butte County Planning Division, 2007.

MUNICIPAL SERVICE PROVIDERS

In addition to the City, municipal services are provided to the study area by nine local agencies under LAFCO jurisdiction, as well as federal and state agencies, the County and private service providers. Providers of municipal services in the study area are shown in Table 3-2. Those providers under LAFCO jurisdiction are profiled briefly below:

There are five irrigation and drainage districts with boundaries extending into the City of Gridley SOI. Butte LAFCO adopted an MSR covering the following agencies in April 2007:

- Biggs-West Gridley Water District provides irrigation water to areas west of the City.
- Butte Water District provides irrigation water to areas north, east and south of the City.
- Drainage District No. 1 (DD1) maintains drainage ditches in the easternmost portion of the City and SOI, as well as the primarily agricultural area east of the City.
- Reclamation District No. 833 provides drainage services to the western portion of the City and SOI, the primarily agricultural areas west of the City, and to the City of Biggs to the north.

Reclamation District No. 2056 provides drainage and reclamation of farmlands in the City limits and areas south of the city. Sutter LAFCO adopted an MSR and SOI update for this agency in 2007.

County Service Area (CSA) 34 is a financing mechanism to provide maintenance services for the Gridley Swimming Pool.

CSA 37 provides financing for emergency medical and ambulance services in the southwestern corner of Butte County.

CSA 164 finances animal control services in the unincorporated areas. As territory in the SOI is annexed to Gridley, it is detached from the CSA and services are provided by the City.

The Butte Resource Conservation District provides technical, programmatic, and financial assistance to landowners and land managers of private lands in providing conservation of the County's natural resources within the unincorporated areas in the City's SOI.

Table 3-2: Municipal Service Providers

Municipal Service	Existing City Limits	Existing SOI (unincorporated)
Public Safety		
<i>Police</i>	Direct	County Sheriff
<i>Traffic Enforcement</i>	Direct	California Highway Patrol
<i>Parking Enforcement</i>	Direct	County Sheriff
<i>Code Enforcement</i>	Direct	Butte County
<i>Animal Control</i>	Direct	CSA 164
<i>Fire Protection</i>	CALFIRE	CALFIRE
<i>Emergency Medical</i>	CALFIRE, Enloe Medical Center, CSA 37	CALFIRE, Enloe Medical Center, CSA 37
<i>Ambulance</i>	CSA 37	CSA 37
<i>Hospital</i>	Biggs-Gridley Memorial Hospital (Fremont-RideOut Health Group)	Biggs-Gridley Memorial Hospital (Fremont-RideOut Health Group)
Utilities		
<i>Water Retailer - Domestic</i>	City of Gridley/ private wells	Private wells
<i>Water Retailer - Irrigation</i>	Butte Water District, Biggs-West Gridley Water District	Butte Water District, Biggs-West Gridley Water District
<i>Wastewater</i>	City of Gridley, private septic system	City of Gridley, private septic system
<i>Electricity - Wholesale</i>	NCPA, WAPA	PG&E
<i>Electricity - Distribution</i>	City of Gridley, PG&E	PG&E
<i>Solid Waste Planning</i>	Butte Regional Solid Waste Management Authority	Butte Regional Solid Waste Management Authority
<i>Solid Waste Disposal</i>	Butte County	Butte County
<i>Solid Waste Collection</i>	North Valley Waste Management	Oroville Solid Waste Disposal, North Valley Waste Management
Public Works		
<i>Drainage</i>	City of Gridley, RD 833, DD 1, RD 2056	RD 833, DD 1, RD 2056
<i>Street Maintenance</i>	City of Gridley, Caltrans	Butte County, Caltrans
<i>Street Lighting</i>	City of Gridley	Butte County
Community Services		
<i>Parks</i>	City of Gridley	None
<i>Recreation</i>	City of Gridley	None
<i>Swimming Pools</i>	CSA 34	CSA 34
<i>Library</i>	Butte County	Butte County
<i>Mosquito Abatement</i>	Butte Mosquito & Vector Control Dist.	Butte Mosquito & Vector Control Dist.
<i>Vector Control</i>	Butte Mosquito & Vector Control Dist.	Butte Mosquito & Vector Control Dist.
<i>Cemetery</i>	Gridley-Biggs Cemetery District	Gridley-Biggs Cemetery District

GROWTH AND POPULATION PROJECTIONS

The purpose of this section is to evaluate growth and population projections in relationship to the City of Gridley's boundaries and SOI, in order to anticipate the future service needs of the City. Additionally, the anticipated growth patterns of the City are evaluated in order to determine the impact and compatibility of such growth on land use plans and local government structure.

LAND USE

Table 3-3: Parceled Land Use, 2007

Of parceled land within city limits, the largest land use is residential at 48 percent, as shown in Table 3-3. Other significant land uses within the City are for commercial and industrial purposes. Within the SOI outside

Land Use	City		SOI		Total	
	Acres	Percent	Acres	Percent	Acres	Percent
Agriculture	110	10 %	65	13 %	175	11 %
Commercial	165	15	14	3	180	11
Industrial	134	12	--	--	134	8
Residential	521	48	420	84	941	60
Not Defined	150	14	1	0	151	10
Totals	1,080		501		1,581	

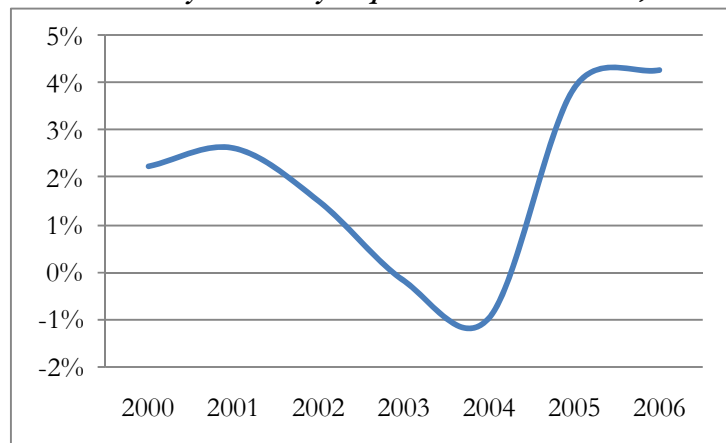
Source: Butte County, 2007.

of the City limits, 84 percent of land use is residential and 13 percent is agricultural.

RECENT GROWTH

Figure 3-4: City of Gridley Population Growth Rate, 2000-7

Between 2001 and 2007, the population of Gridley grew from 5,529 to 6,167, according to the Department of Finance. During that time, the City experienced a 1.9 percent annualized growth rate. In 2004 and 2005, the City had a drop in population as shown in Figure 3-4; however, since that time, the City has rebounded and experienced significant population growth in 2006 and 2007 of 3.9 and 4.3 percent respectively. Some of the population growth in 2007 can be attributed to the Island and Little Avenue annexations approved by LAFCO, which added a total of 22 parcels on 30 acres to the City.



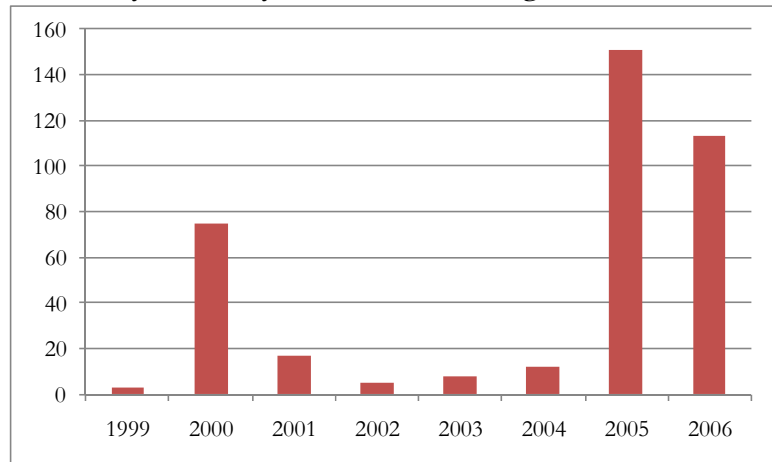
Determination 3-1. There were 6,454 residents in the City limits in 2010.

Determination 3-2. The City’s population has grown between 2000 and 2010 on average by two percent annually, double the countywide growth rate. Within Butte County, Gridley has experienced more rapid recent new housing growth than other cities.

DEVELOPMENT

Figure 3-5: City of Gridley Residential Building Permits, 1999-2006

Gridley housing development activity has escalated rapidly in recent years. Over 140 housing units were permitted in 2005 alone. The number of new residential building permits within the City of Gridley is shown in Figure 3-5.



The majority of residential permits granted in 2005 were filed by Heron Landing, an 80-acre, 292-unit residential community on the north side of Gridley. Another large development within the City is the Eagle Meadows development, by developer Pacific Mountain Partners. Located in the west of the City, north of Sycamore Street, the 35-acre development project will add over 120 housing units to the City at build-out.

The City anticipates continued residential construction over the next 10 to 15 years, with an additional 111 to 156 units being built annually. Over 230 new residential units had already been approved for construction by the City Planning Department at the end of 2006. Over the next 24 years, Gridley is expected to add 2,700 new housing units.⁷

Commercial development is largely concentrated around SR 99 in the east of the City.

GROWTH PROJECTIONS

The Butte County Association of Governments (BCAG) projects population and housing through 2030 for the City of Gridley. Projections are shown in Table 3-6. Overall it is anticipated that the City will add approximately 2,700 housing units by 2030, which would more than double the current housing supply. Correspondingly, the City’s population is expected to grow by 121 percent, reaching 13,170 by 2030.

⁷ BCAG, Butte Regional Growth Projections: 2006-2030.

Table 3-6: BCAG Population and Housing Projections, 2006-30

	2006	2010	2015	2020	2025	2030	Total Increase 2006-2030	Percent Increase 2006-2030	Average Annual Growth Rate
Population	5,949	7,231	9,141	10,804	11,928	13,170	7,221	121%	5.1%
Housing Units	2,224	2,703	3,417	4,039	4,459	4,923	2,699	121%	5.1%

Sources: Butte County Association of Governments, Department of Finance.

BCAG projections are based on collaboration with city and county planning staff. Housing projections were developed based on permit data trends during the last 15 years (1990-2005), and current development activity and subdivision applications as reported by the City. While the City has historically had relatively low levels of housing development, the pace of development activity has increased recently. In 2006, the City reported to BCAG that submitted development projects totaled over 2,000 units. The City anticipated that the pace of housing development would continue and possibly increase until approximately 2020. The estimates shown assume a five percent compound annual increase in housing units until 2014, slowing thereafter to between three and four percent until 2020, and two percent from 2021 to 2030. Population projections were developed by multiplying the number of projected housing units in the City by the average number of persons per housing unit according to 2006 DOF population and housing unit estimates for the City.

This MSR relies on BCAG population projections. It should be noted that BCAG projections were released prior to the 2007 housing market downturn. Based on recent development and permit activity, City staff believes actual growth in the foreseeable future will likely be lower than the five percent growth rate projected by BCAG. However, the City considers the long-term BCAG growth projections, for the purposes of planning for adequate and efficient service and infrastructure provision, to be conservative. The City's planning efforts are geared toward preparing for substantial new growth, whenever that may come.

Determination 3.-3. Through 2030, the annual population growth rate is projected at 3.0 percent by the Butte County Association of Governments. The growth rate is expected to slow around 2014 to between three and four percent until 2020 and two percent from 2021 to 2030.

GROWTH STRATEGIES

The City has initiated a General Plan update and Sphere of Influence (SOI) Amendment that focuses new growth to an area identified in an adopted Area of Concern (AOC) between the Cities of Biggs and Gridley. The area includes property north of the current sphere of influence, south of South Avenue, west of Mead Avenue and east of West Biggs Gridley Road.

The City is focusing growth to this area because it is within the LAFCO adopted AOC, that has been identified by both the cities of Biggs and Gridley as a future urban growth area. An anticipated goal of the AOC is to ensure the provision of fiscally responsible municipal services and utilities. By directing urban development within the AOC, the City hopes to promote opportunities for shared facilities and cooperative actions, such as common stormwater detention facilities, substation locations, sewer, transportation improvements and shared police services. The AOC could set the stage for designating appropriate multi-jurisdictional impact fees (city/county/school/cemetery/transportation/hospital) for the entire AOC. The City's approach for planning in the AOC would strengthen regional cooperation on issues such as air pollution, agricultural preservation, parks and open space, and economic development.

The City has also chosen to focus growth within the Area of Concern to ensure adequate transportation infrastructure and connectivity. Just south of the current City limits, the railroad line runs almost parallel to the State Highway, which makes provision of an at-grade crossing, and thus access to State Highway 99, difficult. In addition, the City understands the California Public Utility Commission will not issue any permits for additional at-grade crossings. North of the City, within the AOC, there would be room to accommodate a potential future grade-separated crossing of the railroad. If development occurs on both sides of the railroad in Gridley and Biggs, as is currently anticipated, a new grade-separated crossing will eventually be required. An over-crossing could be constructed near the mid-point of the AOC, with the cooperation of both Gridley and Biggs, providing benefits to both jurisdictions.

Although LAFCO staff has directed the City to focus this MSR exclusively on the existing General Plan and SOI area, it is anticipated that the updated General Plan will require new policy for managing land use change within the proposed growth area.

The General Plan update is in process, as of the writing of this document, and therefore the policy direction has yet to be determined. However, the City has recently approved a Vision and Guiding Principles document for the General Plan update, which provides some insight into future policy direction. The Vision and Guiding Principles document focuses on the importance of preserving small town character, providing a highly connected multi-modal transportation network, preserving agricultural lands and open space as well as providing employment and housing opportunities.

After the adoption of the new General Plan and new SOI, the City's MSR will be amended to address any new components of growth management that would affect the provision of municipal services to areas recommended for SOI expansion.

Determination 3.-4. In adopting and implementing its General Plan, the City has a number of new policies and implementation strategies that will create more compact development patterns and use land more efficiently. The City's approach is also designed to provide municipal service cost savings when compared with sprawl. Specific new policies include implementation of a new high density land use designation, new development impact fees with lower rates for infill and high-density projects, prioritization of growth in the existing SOI over the planned growth area (i.e., the SOI expansion area), and requirements that will reduce unnecessary pavement by placing new buildings closer to the front property line and ensuring that parking space is not excessive. The City's new smart growth policies affect municipal services primarily by reducing service demands and infrastructure costs that will be generated in infill and new growth areas. Compact development helps reduce vehicle miles, helps economize on street maintenance and drainage needs, and helps reduce the extent of water and wastewater infrastructure needs.

SUMMARY OF WRITTEN DETERMINATIONS

- 3.-1. There were 6,454 residents in the City limits in 2010.
- 3.-2. The City's population has grown between 2000 and 20010 on average by two percent annually, double the countywide growth rate. Within Butte County, Gridley has experienced more rapid recent new housing growth than other cities.
- 3.-3. Through 2030, the annual population growth rate is projected at 3.0 percent by the Butte County Association of Governments. The growth rate is expected to slow around 2014 to between three and four percent until 2020 and two percent from 2021 to 2030.
- 3.-4. In adopting and implementing its General Plan, the City has a number of new policies and implementation strategies that will create more compact development patterns and use land more efficiently. The City's approach is also designed to provide municipal service cost savings when compared with sprawl. Specific new policies include implementation of a new high-density land use designation, new development impact fees with lower rates for infill area (i.e., the SOI expansion area), and requirements that will reduce unnecessary pavement by placing new buildings closer to the front of the property line and ensuring that parking space is not excessive. The City's new smart growth policies affect municipal services primarily by reducing service demands and infrastructure costs that will be generated in infill and new growth areas. Compact development helps reduce vehicle miles, helps economize on street maintenance and drainage needs, and helps reduce the extent of water and wastewater infrastructure needs.

4. INFRASTRUCTURE NEEDS AND DEFICIENCIES

This chapter reviews the existing conditions and facilities and service standards and adequacy in relation to infrastructure needs and deficiencies of the various municipal services.

WATER

INTRODUCTION

Domestic Water

Domestic water is provided within the existing city limits primarily by the City's water system, with the exception of private wells at the fairgrounds and the cannery site. The City serves a total of 2,126 connections, of which 91 percent are residential and the remaining nine percent are commercial, industrial, and landscape irrigation. The City does not provide water service outside of the City limits. In the unincorporated areas of the City's SOI, water is pumped from private wells. The Gridley area is dependent upon groundwater from the East Butte subbasin for domestic water purposes.

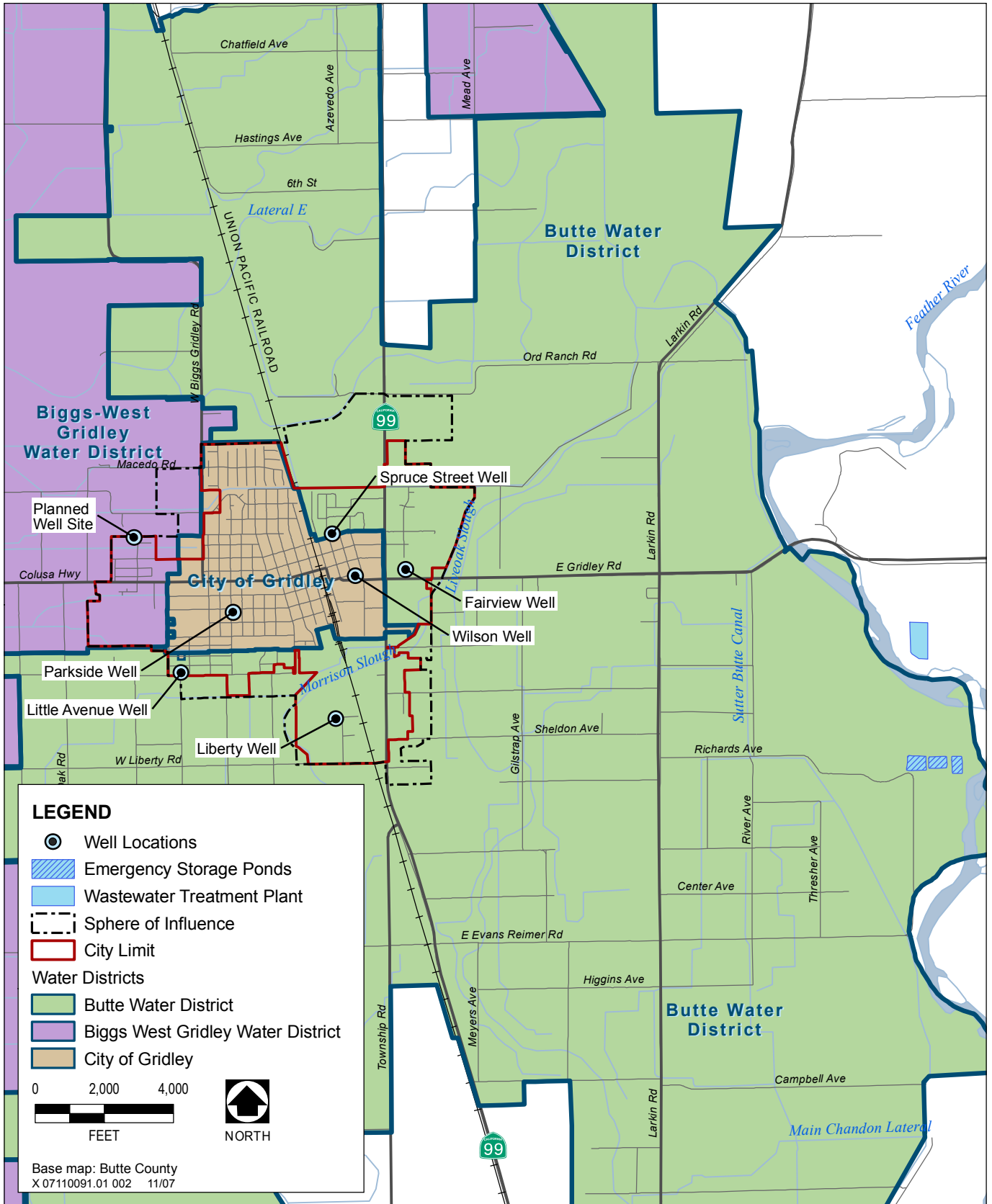
Irrigation

Two irrigation district boundaries overlap the City's boundary and SOI. The two districts provide water for agricultural purposes to some parcels within the City's limits and SOI.

Butte Water District (BWD) provides surface water from the Feather River to 550 agricultural customers on over 18,030 acres. Formed in 1956, the District surrounds the City on the south, east and north and serves the "Area of Concern" between Biggs and Gridley. Generally, as parcels are annexed into the City, they are detached from BWD; however, some parcels remain within both BWD and the City limits. Refer to Figure 4-1 for a depiction of these areas. LAFCO adopted determinations regarding BWD in the *Irrigation Service Provider MSR*.

Biggs-West Gridley Water District (BWGWD) provides surface water from the Feather River to a 32,000-acre boundary area, of which 85 percent is irrigated for agricultural and wetland purposes. Formed in 1942, the District overlaps the western portion of the City approximately to Randolph Avenue and its boundary extends to the west of the City. The District provides water to orchards within the City and City's SOI. Several subdivisions have been approved within orchard areas in the City where the District has provided irrigation water. Conversion of these areas to urban uses will eliminate the need for agricultural irrigation; however the areas have not yet been detached from the District. BWGWD was reviewed in the *Irrigation Service Provider MSR*; however the review was cursory as the District did not respond to LAFCO requests for information.

FIGURE 4-1: WATER AND WASTEWATER SERVICES MAP



Source: Butte County GIS 2006

Water and Wastewater Services

PLANS AND REGULATORY REQUIREMENTS

Regulatory Agencies

Federal, state and local agencies play regulatory roles in California water. Table 4-2 outlines the regulatory agencies and their respective roles. Key regulators of domestic groundwater systems are discussed in more detail below.

Table 4-2: Water Regulatory Agencies

The U.S. Environmental Protection Agency (EPA) is responsible for enforcing drinking water quality standards, although much of this authority is delegated to the states.

The State Water Resources Control Board (SWRCB) develops statewide water protection plans, establishes water quality standards, allocates and adjudicates water rights, and guides the nine Regional Water Quality Control Boards (RWQCB) located in the major watersheds of the state. The Central Valley RWQCB develops and enforces water quality objectives and implementation plans in the area.

Agency	Regulatory Role
U.S. Bureau of Reclamation	Protect Bay-Delta fisheries, Central Valley Project
U.S. Environmental Protection Agency	Drinking water quality standards, source water protection, contaminated site remediation
State Water Resources Control Board	Water rights, water quality standards, water protection plans, discharger enforcement
CA Department of Water Resources	Water planning, dam safety, flood control, State Water Project
CA Department of Health Services	Water provider operational permits, drinking water quality standards, water employee certification, water security
CA Department of Fish and Game	Stream flow requirements, streambed alterations, species conservation
CA Department of Toxic Substances Control	Oversight of hazardous substances, remediation of contaminated sites
Groundwater agencies	Oversight of groundwater levels and quality, groundwater monitoring

The California Department of Health Services (DHS) is responsible for the enforcement of the federal and California Safe Drinking Water Acts and the operational permitting and regulatory oversight of public water systems. DHS also conducts water source assessments, oversees water recycling projects, permits water treatment devices, certifies water system employees, promotes water system security, and administers grants under the State Revolving Fund and Proposition 50 funding water system improvements.

Regulations

Water providers are subject to federal and state requirements covering water quality, water planning, and ensuring that water employees are adequately trained, among others. This section provides an overview of the more significant and recent requirements.

Since 2001, land use agencies in California have been required to obtain written verification of sufficient water supply before approving plans for new development. Any project subject to the California Environmental Quality Act (CEQA) supplied with water from a public water system must be provided a water supply assessment, except as specified in the law. The plan must include

information relating to the quality of existing sources of water available to an urban water supplier over given periods and include the manner in which water quality affects water management strategies and supply reliability.⁸

The groundwater basin is not adjudicated; the Department of Water Resources (DWR) and the Butte Water Users Association conduct groundwater monitoring. Surface water rights are subject to complex legal requirements, many of which have been resolved in the courts.

Comprehensive groundwater quality monitoring is a new requirement for SWRCB. SWRCB expects to complete its first comprehensive groundwater evaluation by 2010. Recent legislation requires comprehensive groundwater monitoring and increased public information on groundwater quality. The legislation followed release of a 2001 Natural Resources Defense Council study that raised concerns over groundwater contamination in California, described the regulatory framework as fragmented and an “ineffective patchwork of monitoring and assessment” and described planning and data as inadequate.⁹

Enhanced water conservation is the policy goal of other recent state law. Since 2005, urban water suppliers have been required to install water meters on municipal and industrial services connections, and must begin by 2010 to charge customers based on volume of water. The City of Gridley has installed water meters throughout its service area.

Domestic water suppliers with more than 3,000 customers are required by the Urban Water Management Planning Act to prepare a water shortage contingency plan every five years. The plan describes and evaluates sources of water supply, projected water needs, conservation, implementation strategy and schedule. Gridley is not yet subject to this requirement.

Drinking Water Standards

The Safe Drinking Water Act (SDWA) is the main federal law that ensures the quality of Americans' drinking water. The law requires many actions to protect drinking water and its sources—rivers, lakes, reservoirs, springs and groundwater wells—and applies to public water systems serving 25 or more people. It authorizes the EPA to set national health-based standards for drinking water to protect against both naturally occurring and man-made contaminants and to oversee the states, localities and water suppliers that implement the standards.

EPA drinking water standards are developed as a Maximum Contaminant Level (MCL) for each chemical or microbe. The MCL is the concentration that is not anticipated to produce adverse health effects after a lifetime of exposure, based upon toxicity data and risk assessment principles. The EPA's goal in setting MCLs is to assure that even small violations for a period of time do not pose significant risk to the public's health over the long run. National Primary Drinking Water Regulations (primary standards) are legally enforceable standards that limit the levels of contaminants in drinking water supplied by public water systems. Secondary standards are non-enforceable guidelines regulating contaminants that may cause cosmetic effects (such as skin or tooth discoloration) or aesthetic effects (such as taste, odor, or color) in drinking water. EPA

⁸ California DWR, 2003, p. 68.

⁹ Helperin, Beckman and Inwood, 2001, pp. 72-75.

recommends secondary standards to water systems but does not require systems to comply. However, states may choose to adopt them as enforceable standards.

The California Department of Health Services (DHS) implements the SDWA in California. State standards are in many cases more stringent than federal standards. DHS requires public water systems to perform routine monitoring for regulated contaminants that may be present in their drinking water supply. A water system with a contaminant exceeding an MCL must notify the public and remove the source from service or initiate a process and schedule to install treatment for removing the contaminant. Health violations occur when the contaminant amount exceeds the safety standard (MCL) or when water is not treated properly. In California, compliance is usually determined at the wellhead. Monitoring violations involve failure to conduct or to report in a timely fashion the results of required monitoring.

Federal and state regulations on maximum contaminant levels in drinking water have evolved and expanded since 1977. Relatively new requirements faced by California water providers include limits on disinfection byproducts and a gasoline additive (MTBE), and tighter standards for arsenic, cyanide, uranium, and various organic contaminants.

EXISTING CONDITIONS AND FACILITIES

Water Supply

Groundwater is extracted for domestic purposes from the East Butte groundwater subbasin. The water table is elevated throughout the Gridley area, ranging from eight to 10 feet below the surface of the ground.¹⁰ A 2006 groundwater status report indicates that there is no declining trend in groundwater levels in the southwest valley portion of the County, and in fact, there was little or no change in groundwater levels during the 1976-77 and 1986-94 droughts.¹¹ The stability of the groundwater level indicates sufficient water supply to accommodate growth.

The groundwater quality is generally good, according to the State. There are localized high concentrations of manganese, iron, magnesium, total dissolved solids, and calcium.¹² There were no complaints by customers in 2006 regarding, taste, odor, color, turbidity, or visible organisms.¹³ Compliance with state and federal requirements is discussed under “Service Standards.”

The irrigation districts have pre-1914 water rights to surface water from the Feather River. The Feather River provides irrigation water to the area, flowing through the Thermalito Afterbay, which is also used for wildlife habitat and recreation. Together the districts have rights to approximately 294,000 acre-feet of water annually through a joint powers agreement (JPA) with Ramirez Irrigation District and Sutter Extension Water District. Water can be transferred to member districts of the

¹⁰ City of Gridley, 1999, p. 7-2.

¹¹ Butte Basin Water Users Association, 2007, p. 24.

¹² Department of Water Resources, 2004, p. 3.

¹³ California Department of Health Services, 2007, p. 6.

JPA, but cannot be transferred outside of the JPA without approval by the Board of Directors and DWR. BWD reports surplus water available to serve other agencies, and is open to providing water for municipal uses.¹⁴ BWGWD has been short of water every year for the past five years by about 5,000 acre-feet. This is discussed under facility-sharing opportunities.

Facilities

City of Gridley

The City supplies domestic water from six wells throughout the City. The depth of the wells ranges from 240 to 450 feet. All of the wells are equipped with backup generators. The City's system has a pumping capacity of 6,280 gallons of water per minute (gpm). Two to three wells are kept online at any given time. The wells and pumps were identified as being in good condition. Each of the wells has fluoride feeders. In addition, the water is treated with chlorine at each well site prior to delivery to customers.¹⁵

There is a single storage tank that is not in use because there is no generator available to maintain water pressure. In lieu of storage capacity, the City is able to provide 2.5 times the maximum day demand through pumping capacity.¹⁶ If demand increases as projected in the *Domestic Water MSR*, the City will need additional pumping capacity by 2010 to maintain California Water Works Standards. The City is permitted for seven wells and is in the process of constructing an additional well in the Eagle Meadows subdivision.

The distribution system consists of 37.7 miles of a combination of iron (50 percent), PVC pipes (40 percent), asbestos(three percent), and steel and galvanized steel (seven percent). The City is in the process of replacing all steel water mains. In 2006, 0.8 miles of mains were installed to eliminate 2-inch and dead-end mains. Due to continued rehabilitation and replacement of the water mains, the system is generally in good condition, according to the City. There is a small number of mains with older valves that cannot be tested due to the possibility of creating leaks.

All except for one connection are metered. In 2006, all meters were replaced with radio-read meters as an efficiency measure. The City did not experience any problems with service connection breaks, main breaks, leaks, water outages or low pressure in 2006.¹⁷ Overall, the Department of Health Services reports that the City's water system is well-maintained and monitored.

Determination 4.1.-1. The City of Gridley's water system is well maintained and monitored, and active wells meet all state and federal water quality requirements.

¹⁴ Butte LAFCO, *Irrigation, Drainage, and Reclamation Providers MSR*, 2007, p. 2-25.

¹⁵ Butte LAFCO, *Domestic Water and Wastewater Service Providers MSR*, 2006, p. 2.9-4.

¹⁶ According to the Office of Drinking Water Standards, a water delivery system should be able to provide 2.5 times the maximum day demand if there is no water storage.

¹⁷ Department of Health Services, 2007, p. 5.

Butte Water District

BWD receives 133,200 acre-feet of water from the Feather River, which is diverted through Thermalito Afterbay and enters the District's canal system through the Sutter-Butte Main Canal. Most of the District's canals and laterals are maintained by private landowners. Some of the District's canals run through and adjacent to Gridley.

Biggs-West Gridley Water District

Similar to BWD, BWGD receives 161,000 acre-feet of water from the Feather River through Thermalito Afterbay and the Sutter-Butte Main Canal. Further information regarding the District's infrastructure within the City's limits and SOI was not available.

Service Demand

The City serves a total of 2,126 connections, which were provided approximately 486 million gallons of water net of distribution losses in 2006. Domestic water use amounted to 225 gallons of domestic water per capita per day (gpcd) in Gridley. By comparison, in the Sacramento region, the average urban community consumes 286 gpcd.

Water usage is dependent upon the season; during the summer months, water usage in Gridley more than triples compared to winter months. This increase in demand is mostly attributable to outdoor water uses such as swimming pools and landscape irrigation. The maximum day demand in 2006 was 3.5 million gallons.

Service Standards and Adequacy

In order to assess infrastructure deficiencies and needs, it is necessary to analyze the adequacy of the facilities and related services in meeting the needs of the populace.

Drinking Water Quality

Generally, there are a number of threats to drinking water: Improperly disposed chemicals, animal wastes, pesticides, human wastes, wastes injected deep underground, and naturally occurring substances can all contaminate drinking water. Likewise, drinking water that is not properly treated or disinfected, or which travels through an improperly maintained distribution system, may also pose a health risk.

Health and monitoring violations since 1997 for the City's drinking water are reported by the U.S. Environmental Protection Agency (EPA). The City had only one health violation in the last ten years for exceeding the coliform maximum contaminant limits in 1999. A monitoring violation for nitrate occurred in 2002. No other violations were reported by the EPA. The City exceeds bacteriological monitoring requirements by collecting more samples than mandated.¹⁸

In January 2006, the EPA adopted more stringent regulations for the contaminant arsenic. The federal MCL for arsenic decreased from 50 micrograms per liter ($\mu\text{g}/\text{L}$) to 10 $\mu\text{g}/\text{L}$. The State MCL for arsenic is being updated and will be at least as restrictive as the federal regulation. The City

¹⁸ California Department of Health Services, 2006, p.4.

reported that three of its six wells—the Fairview, Spruce Street and Little Avenue wells—are in reserve status because they are currently unable to meet the new federal standards due to naturally occurring arsenic. Water providers throughout California are experiencing similar challenges. California water sources exceeding the arsenic MCL increased from 58 to 598 after the new regulations became effective.¹⁹ Sustained doses of arsenic in excess of the MCL may cause skin or circulatory damage and may lead to an increased risk of cancer.²⁰

Potential vulnerabilities in drinking water sources are evaluated by California DHS. Critical vulnerability scores (15 or higher) for the City’s wells are shown in Table 4-3.

Emergency Preparedness

Urban water suppliers are expected to address catastrophic disruptions of water supplies with plans reviewing the vulnerability of source and delivery and distribution systems to events such as regional power outages and system failures. The City has produced a notification plan which outlines strategies to notify the appropriate personnel and residents in case of emergency.

Water Pressure

Urban water systems must maintain adequate pressure in order to provide adequate fire flow. The County Fire Marshall uses State fire flow requirements included in Appendix III-A of the 2000 Uniform Fire Code, which identifies fire flow requirements based on building area, construction type and occupancy. There are no other requirements for water pressure, although customers expect adequate pressure for typical uses.

The City’s system provides adequate pressure with 45-55 pounds per square inch (psi) during normal operating conditions and 25 psi under maximum demand.²¹

Although not a regulatory agency, the Insurance Services Office (ISO) considers fire flow availability in determining ISO ratings for jurisdictions. The ISO uses a uniform set of criteria called the Fire Suppression Rating Schedule (FSRS) in the creation of its Public Protection Classification

Table 4-3: Source Water Vulnerabilities

Well	High Risk Vulnerabilities
Fairview	Gas stations Historic gas stations Known contaminant plumes Underground storage tanks
Parkside	Historic gas stations Septic systems
Spruce Street	Gas stations Historic gas stations Known contaminant plumes Underground storage tanks
Wilson Street	Gas stations Chemical storage Historic gas stations Known contaminant plumes Underground storage tanks Automobile body and repair shops Machine shops Chemical/petroleum pipelines Photo processing/printing Sewer collection systems Utility stations
Little Avenue	Chemical/petroleum processing
Liberty Street	Chemical/petroleum processing

¹⁹ California Department of Public Health, 2007.

²⁰ City of Gridley, 2007, p. 5.

²¹ City of Gridley, 1999, p. 3-1.

(PPC). The PPC is used to rate a community's ability to suppress fires and is based on a survey of water pumps, storage facilities and filtration systems. Forty percent of the PPC is based on water supply factors including the amount of supply maintained and the water flow available. Water flow requirements include water flow rate (gallons per minute) and duration, and vary throughout a community by building area and construction type. Water flows are assessed through a survey of representative locations within the community. Fire flow is adequate in most of the City, as indicated by the CALFIRE battalion chief and the City's ISO rating of four in urban areas. The only fire flow deficiency noted by the battalion chief relates to dead-end water mains; the City is correcting this problem through its capital improvement plans.

Infrastructure Needs and Deficiencies

Gridley needs to remediate the arsenic levels in the three wells using wellhead treatment techniques in order to make use of those wells again. The City of Live Oak in Sutter County is undergoing similar treatment efforts on a larger scale. All of the Live Oak's wells are above federal arsenic MCL standards. Live Oak has received \$2 million in funding from a Small Community Groundwater Program grant to pay for an arsenic filtration system for each of the City's wells. The filtration is anticipated to cost \$1.7 million to construct and \$45,000 annually to maintain.²² The cost for treatment of the Gridley wells would be less than that of Live Oak, as the problem is less extensive. Another option for Gridley is to install new wells to the north of the City where arsenic levels are within federal and state standards. A more expensive alternative would be to purchase surface water; however, this approach would require a centralized water treatment plant.

The City plans to continue replacement of the 2-inch galvanized iron pipes and dead-end water mains until they are eliminated. In FY 07-08, the City budgeted \$400,000 to continue the replacement project. The City anticipates that the replacement project will be completed by 2012.

LAFCO has adopted the following determinations regarding infrastructure needs and deficiencies for the City of Gridley water service in the *Domestic Water and Wastewater Service Providers MSR*:

- The City has adequate pumping capacity to meet the current demands for water.
- Since the City does not have water storage, in order to meet the expected demand in the future, the City will need to drill more wells to meet the requirement for a water system without storage. Construction of adequate storage would eliminate the need for some of these wells.
- The City's water supply generally meets current state and federal water quality regulations. Under the new MCL for arsenic, the City will not be able to meet the new requirement without additional treatment.

²² LaHue, Robert, 2007, p. 1.

Determination 4.1.-2. The City constructed a new municipal well in 2009. As a result, the City's six water wells produce adequate water supply to serve build-out of the existing SOI.

Irrigation Districts

LAFCO has adopted the following determinations regarding infrastructure needs and deficiencies for the BWD irrigation services in the *Irrigation, Drainage and Reclamation Service Providers MSR*:

- It would be beneficial for BWD to prepare a map of the infrastructure it is responsible for maintaining and the portions of the main canal under District ownership.
- The BWD owns or leases a number of parcels on which their headquarter and maintenance facilities are located. The District also indicates that it owns maintenance equipment. It is recommended that the managers of Butte Water District provide LAFCO an inventory of equipment and indicate whether it is owned or leased.

Determination 4.1.-3. The irrigation canals surrounding and passing through the City are vulnerable to urban contamination. The City should work with the irrigation districts and developers to identify cost-effective approaches to maintaining irrigation water quality, to mitigate any safety hazards to residents, and support growth and development of the City.

ANTICIPATED DEMAND AND PLANNED IMPROVEMENTS

Gridley water demand is projected to increase by 35 percent through 2025 due to growth.

Demand Drivers

Per capita water demand is greatest in rural and suburban areas and least in urbanized areas. The per capita water demand differences relate in part to differences in rainfall and outdoor water use between communities. Lot size is another factor affecting differences in per capita demand. Structure age is another factor expected to affect demand differences, as newer buildings tend to have modern, water-efficient plumbing fixtures.

Urban water demand is primarily affected by population and economic growth and by water use efficiency. Clearly, population and economic growth lead to greater water use. As the number of residents and jobs grows, the more showers are taken, toilets flushed and dishes washed. Not only does demographic and economic growth affect water demand, so too does the efficiency of water use.

Domestic residential water is used for outdoor, toilet flush, shower, cleaning, and kitchen uses. Outdoor uses, such as landscaping, swimming pools and washing cars, are the most significant portion, consuming 44 percent of domestic water statewide.²³ Water demand varies over the course of the year, with typically greater use during the summer months. The differences between peak and average water demand largely reflect outdoor water use for landscaping, irrigation and swimming pools. Toilet flushing is the second most important use of water—constituting about 23 percent of use. Showering and bathing consume about 18 percent of domestic water. Dishwashers and clothes washing machines consume 12 percent of domestic water. The remainder of California water consumption relates to cooking and other kitchen uses.

Over time, water use levels change in response to changes in water prices, improvements in the efficiency of plumbing fixtures and conservation programs aimed at encouraging consumers to upgrade to efficient plumbing fixtures. These effects are interrelated. For example, water price increases can encourage consumers to reduce their water use directly (e.g., fewer showers) or prompt them to upgrade fixtures (e.g., water-efficient toilets).

New state and federal requirements for the efficiency of plumbing fixtures have been implemented in the last two decades. Particularly in the early 1990s, new state and federal regulations required high-efficiency showerheads, ultra low-flow toilets and efficient kitchen faucets in new construction. For example, state toilet standards in the 1980s required toilets to consume no more than 3.5 gallons per flush; in 1992, new standards reduced toilet water use to 1.6 gallons per flush. For buildings constructed since 1992, toilet-related water use is less than half the level in buildings built during the 1980s. In buildings constructed prior to 1992, toilets tend to use 4.5-5 gallons per flush. Over time, more efficient plumbing fixtures are becoming prevalent, reducing per capita water use. Although there are no requirements in place for clothes washers, traditional clothes washers use approximately 41 gallons per load while high-efficiency machines use only 23.²⁴

Conservation programs help expedite consumers' rate of conversion to more efficient plumbing fixtures. Conservation efforts may affect outdoor water use efficiency by providing recycled water for large landscape accounts, auditing these accounts and conducting public information campaigns to encourage the use of water-efficient plants and gardening practices.

Planned Improvements

The City has identified approximately \$1.4 million in water capital needs to accommodate growth through 2025.

The City plans to install a new water main on West Biggs Gridley Road, which includes fire hydrants and provisions for future connections with new subdivisions. The \$0.3 million needed to fund the new water main is funded and planned for FY 07-08. In addition, the City is in the process of constructing a new municipal well in the Eagle Meadows subdivision.

To accommodate future growth and development, the City's General Plan outlines plans to maintain loops along the perimeter of the system to maintain adequate pressure and install a large

²³ EPA, 1995. Figures reflect average share of domestic consumption in California.

²⁴ Mayer et al., 2001.

diameter pipe along the easterly boundary of the SOI to provide fire flows to potential development in the area. The large diameter main has been installed and the City anticipates eliminating dead-end mains by 2012.

New development is required to construct distribution mains and lines in the proposed subdivision. As additions are completed to City standards, they are accepted into the City's system.

A barrier to future growth and expansion of the City includes the irrigation canals which run through and adjacent to the City. According to the County, the open canals pose potential health and safety hazards to the surrounding areas as they develop and limits growth of the City. The County is concerned that the cost of bridging, covering or relocating the canals requires significant capital investment.²⁵ BWD noted concerns for irrigation water quality as urbanization occurs adjacent to the canals. As development occurs, the District would like developers to relocate these canals to ensure water quality is unaffected.²⁶

Determination 4.1.-4. The City needs to extend water mains at a cost of approximately \$5.0 million to accommodate build-out of the existing SOI.

Determination 4.1.-5. To accommodate future growth and development, the City's General Plan outlines plans to maintain loops along the perimeter of the system to maintain adequate pressure and install a large diameter pipe along the easterly boundary of the sphere of influence (SOI) to provide fire flows to potential development in the area.

Irrigation Districts

LAFCO has adopted the following determinations regarding anticipated demand and planned development for the BWD irrigation services in the *Irrigation, Drainage and Reclamation Service Providers MSR*:

- Due to the generally stable trend in agricultural land uses, the BWD does not anticipate the need for any potential increases in capacity.
- It is recommended that the BWD work with local municipalities, the County of Butte and LAFCO to address public safety concerns regarding increased development in the Biggs and Gridley area.

²⁵ Butte County, 2005, p. 48.

²⁶ Butte LAFCO, Irrigation, Drainage, and Reclamation Service Providers MSR, 2007, p. 2-25.

SUMMARY OF WRITTEN DETERMINATIONS

- 4.1.-1. The City of Gridley's water system is well maintained and monitored, and active wells meet all state and federal water quality requirements.
- 4.1.-2. The City constructed a new municipal well in 2009. As a result, the City's six water wells produce adequate water supply to serve build-out of the existing SOI.
- 4.1.-3. The irrigation canals surrounding and passing through the City are vulnerable to urban contamination. The City should work with the irrigation districts and developers to identify cost-effective approaches to maintaining irrigation water quality, to mitigate any safety hazards to residents, and support growth and development of the City.
- 4.1.-4. The City needs to extend water mains at a cost of approximately \$5.0 million to accommodate build-out of the existing SOI.
- 4.1.-5. To accommodate future growth and development, the City's General Plan outlines plans to maintain loops along the perimeter of the system to maintain adequate pressure and install a large diameter pipe along the easterly boundary of the sphere of influence (SOI) to provide fire flows to potential development in the area.

WASTEWATER

INTRODUCTION

Wastewater is the water that drains from sinks, showers, washers, and toilets. Wastewater also includes water used for some outdoor purposes, such as draining chlorinated pool water, commercial car washes and industrial processes. Underground sanitary sewer pipelines carry sewage to a wastewater treatment plant, where it is treated, sanitized and discharged.

The section focuses on those City of Gridley collection, treatment and disposal system for wastewater. Private septic systems are not the focus, but are included to provide comprehensive coverage of the study area and local policies.

The City primarily serves territory within its bounds, including wastewater from the Rio Pluma Company (a prune processing facility). Outside its bounds, the City serves two connections in south Gridley and treats septage from septic tanks. Also, the City operates a sewer lift station outside its bounds by contract with the Butte County Housing Authority; the lift station serves a farm labor camp located on the west side of the Feather River across from the WWTP.

Septic systems

Areas that do not lie within Gridley's service area do not receive central wastewater treatment services, but rather rely on septic systems. Septic systems are located on individual properties, provide treatment of wastewater, collect sludge, and discharge effluent into a leach field. Property owners are responsible for septic system maintenance and sludge disposal. Septic systems are allowed in the City and County only if there is no nearby public sewer system. Generally, a public sewer system is considered available if a sewer system or a building connection to a sewer system is within 200 feet of the building, in accordance with Section 713.4 of the Uniform Plumbing Code of the International Association of Plumbing and Mechanical Officials.

Septic systems do not remove pollutants to the extent wastewater treatment plants do. If septic systems are not properly designed, sewage may surface creating odors and health risks. Public health concerns include seepage into groundwater and surface water. Septic system maintenance and failure carry relatively high and potentially unexpected costs which may be unaffordable to some low-income residents.²⁷

There are a few septic systems within city limits. A majority of the unincorporated area inside the City's sphere is reliant on septic systems, with the exception of two residential connections outside of the city limits. Generally, as individual septic systems fail, residents must connect to the City's system. There are 15 septic systems within the city limits.

PLANS AND REGULATORY REQUIREMENTS

In 1972, the U.S. Congress passed the Federal Water Control Pollution Act. Referred to as the Clean Water Act, the law established water quality standards to restore and maintain the chemical, physical, and biological integrity of the nation's waters. The law included the mandate for a permit system known as the National Pollutant Discharge Elimination System (NPDES) to regulate the discharge of pollutants into surface waters. The Clean Water Act authorized the EPA to set water quality standards for all contaminants in surface waters. The standards specify maximum contaminant levels (MCLs) for treated wastewater prior to discharge.

That same year, the California Legislature amended the Porter-Cologne Water Quality Control Act of 1969 to allow the State Water Resources Control Board (SWRCB) to assume the responsibilities prescribed in the Clean Water Act. This signified that SWRCB and its nine regional control boards would regulate federal and state water quality standards, as well as operate the federal permit process for discharging pollutants into open waters. NPDES permits establish specific discharge limits, and monitoring and reporting requirements, and may also require facilities to undertake special measures to protect the environment from harmful pollutants.

The City of Gridley does not discharge to surface waters, but rather conducts land disposal at percolation ponds. For this reason, the City is not subject to an NPDES permit, but instead its WWTP, percolation ponds and emergency ponds are regulated by Waste Discharge Requirements

²⁷ EDAW, 2005.

ordered by the RWQCB.²⁸ Those requirements, and the City's compliance status, are discussed later in this section.

Legislation (A.B. 885) was passed in 2000 requiring SWRCB to adopt regulations for the permitting and operation of septic systems. It stipulates that each regional water quality control board must incorporate SWRCB regulations or standards into the appropriate regional water quality control plans. SWRCB released draft septic regulations in March 2007. The implementation of these regulations in 2008 would require all septic systems statewide to meet equal permitting and operation standards. The proposed regulations include required system inspections, restrictions on septic systems within proximity to impaired water bodies, and development of performance standards and enforcement actions.

The State Water Resources Control Board adopted new policies in December 2004 requiring wastewater collection providers to report sanitary sewer overflows and to prepare and implement Sewer System Management Plans (SSMPs).²⁹ The City is required to complete the SSMP Development Plan and Schedule by February 2, 2008, with implementation by May 2, 2010. SSMP requirements are modeled on proposed federal capacity, management, operations, and maintenance plans. The SSMP policy requires dischargers to provide adequate capacity in the sewer collection system, take feasible steps to stop sewer overflows, identify and prioritize system deficiencies, and develop a plan for disposal of grease, among other requirements. In addition, wastewater providers must now report sanitary sewer overflows greater than 100 gallons to the RWQCB, must keep internal records of overflows of less than 100 gallons, and must produce an annual report on overflows. Overflows from laterals on private property, if caused by an owner, are not required to be reported.

EXISTING CONDITIONS AND FACILITIES

Facilities

Key infrastructure used by the City to collect, treat and dispose of sewage includes 30 miles of collection lines, a treatment plant, treatment ponds, percolation ponds, and emergency storage facilities. Refer to Figure 4-1 for a map of wastewater facilities.

The sewer collection system consists of 30 miles of concrete, vitrified clay and PVC pipes. Approximately 30 percent of the system dates back to before 1919 in the downtown area. Wastewater flows through gravity-fed lines to the primary force main south of the City and is then pumped five miles along Sheldon and Richards avenues to the east. The force main crosses under the Feather River in a trench across the river bottom. The City is reviewing possibilities for a study to determine the condition of the main under the river; however there is no evidence of any leakage.³⁰ The collection system is currently at or slightly above capacity.³¹ The flow through the

²⁸ RWQCB Order No. R5-2006-0127.

²⁹ State Water Resources Control Board, Resolution Number 2004-0080.

³⁰ City of Gridley, 2005, p. 17.

³¹ Ibid, p. 20.

primary force main exceeds the original design criteria, as determined by the City's wastewater capacity report, but not necessarily the maximum allowable operating conditions. An additional force main to the treatment plant is recommended by the City's engineer, to accommodate increased wastewater flows as a result of growth and development.

The wastewater treatment plant (WWTP) was originally built in 1979 and is located on the eastern side of the Feather River. The current permitted capacity of the plant is 1.05 million gallons per day (mgd) of ADWF, while the hydraulic capacity of the plant is 2.62 mgd peak wet weather flow (PWWF). The WWTP treats to secondary standards and consists of a headworks, parshall flume flow meter, an aeration pond, and a polishing pond. Effluent is then discharged to four percolation ponds. The City is not permitted to directly discharge treated effluent to the Feather River. The plant is nearing its functional treatment and permitted capacity but is still adequately treating wastewater.³² The remaining capacity is approximately 680 additional equivalent dwelling units (EDUs).³³

RWQCB updated the City's waste discharge permit in 2006 to include a capacity expansion of the plant to 1.7 mgd ADWF. Once completed, the project will provide treatment capacity for an additional 2,600 EDUs (in addition to the 680 EDUs in remaining capacity). The City anticipates that the expansion will be completed by Fall 2009. The City has received grant funding from SWRCB and the SWRCB Small Community Grant program, and is applying for a grant and/or loan from the U.S. Department of Agriculture to fund the remainder of the project.

The percolation ponds, totaling 8.6 acres, are designed to infiltrate the treated effluent into the groundwater aquifer. Groundwater depths below the percolation ponds average between 10 and 25 feet.³⁴ Twelve piezometers at the percolation ponds monitor groundwater levels around the ponds. If water is found in the piezometer, then the City is required by the RWQCB permit to test the groundwater to ensure nitrates levels do not exceed the groundwater basin plan objectives. Those conditions have not arisen, according to the City Engineer.

The permit requires the City to install groundwater monitoring wells around percolation ponds as well as the emergency storage pond sites on the west side of the river, which the City completed. The City must submit a groundwater quality study report to the RWQCB, which presents a comparison of the groundwater quality at locations both up-gradient and down-gradient from the percolation ponds site; the City is preparing that report for completion by May 2008. As part of the groundwater monitoring report, the City is evaluating nitrate levels, in addition to other constituents. If any constituent is shown to be affecting the groundwater around the plant, the City may be required to upgrade to a tertiary level of treatment.

³² City of Gridley, 2005, p. 32.

³³ The City of Gridley's design flow assumption is 250 gallons per day per equivalent dwelling unit.

³⁴ CVRWQCB Order No. R5-2006-0127, p. 1.

Determination 4.2.-1. The City's wastewater treatment plant currently uses 84 percent of its design capacity and is projected to use the remaining capacity of 680 equivalent dwelling units by 2015. Wastewater treatment plant expansion is underway to accommodate future growth (an additional 2,600 EDUs) in the City's SOI. The expansion project is designed and funded, and construction began in February 2010.

Service Demand

Wastewater demand is affected primarily by growth in residential population and commercial development, and secondarily by factors such as water usage and conservation efforts.

Many of the water demand drivers are also wastewater demand drivers during dry periods. During dry weather, wastewater flows are less than potable water consumed. Water used for outdoor purposes, such as landscape, irrigation, firefighting, street cleaning, and residential car washing, does not flow into the wastewater system.³⁵

The increased use of water-efficient plumbing fixtures reduces wastewater flows. Ultra-low flush toilets (ULFTs) use only about one-quarter as much water as older models. Washing machine replacement is also effective in reducing wastewater flows. Conventional washers discharge about 42 gallons of water per load compared with 26 gallons for new, frontloading washers.

Wastewater flow includes not only discharges from residences, businesses, institutions, and industrial establishments, but also infiltration and inflow. Infiltration refers to groundwater that seeps into sewer pipes through cracks, pipe joints and other system leaks. Inflow refers to rainwater that enters the sewer system from sources such as yard and patio drains, roof gutter downspouts, uncapped cleanouts, pond or pool overflow drains, footing drains, cross-connections with storm drains, and even holes in manhole covers.³⁶ Infiltration and inflow tend to affect older sewer systems to a greater degree and are highest during or right after heavy rain. They are the primary factors driving peak flows through the wastewater system and a major consideration in capacity planning and costs.

Organic loading levels affect the wastewater treatment process. Organic loading originates from toilets and kitchen sink disposals and is the amount of organic matter in the wastewater.

In addition to organic pollutants, wastewater entering a treatment plant may contain metals, nutrients, sediment, bacteria, and viruses. Toxic substances used in the home—motor oil, paint, household cleaners, and pesticides—or substances released by industries also make their way into

³⁵ Although some drains in outdoor stairwells and yards connect to the wastewater system, most water used for outdoor purposes flows into the stormwater system.

³⁶ A sewer cleanout is a pipe rising from the underground sewer line to the ground surface with a removable cap; it is used to access the sewer line to clear blockages.

sanitary sewers. Industries and commercial enterprises may produce high-strength wastewater or wastewater containing pollutants that could upset treatment processes.

Service Connections

The City provides wastewater services to 2,110 connections.³⁷

Wastewater Flows

The City currently uses 0.88 mgd or 84 percent of the plant's design capacity. Of the daily effluent flow, 11 percent is from the Rio Pluma Company, 0.2 percent from septage and the remainder is flow from the City sewer system and the labor camp. The plant currently operates within the capacity; however, it will need additional capacity to accommodate any further growth.

The City's peak wet weather flows are higher due to infiltration and inflow. The peak day wet weather flow in 2005 was 2.03 mgd. The City's peaking factor is 2.3 times greater than dry flow for the system.

Demand Management Strategies

Demand management strategies include sewer infiltration and inflow control, industrial pretreatment and recycling, and water conservation.

Service providers can reduce infiltration and inflow with capital improvements, such as pipeline rehabilitation, manhole cover replacement, and root eradication. They can also address sources on private property, such as broken service lines, uncapped cleanouts and exterior drains, through public education, incentives and regulatory strategies.

Communities use various techniques to prohibit discharge of unwanted pollutants or to reduce the quantity and strength of wastewater discharged to sewers. These techniques include 1) permit limitations on the strength and contaminant levels of industrial and commercial wastewater; 2) increased rates or surcharges on high-strength wastes; and 3) incentives or requirements for water recycling and reuse within the industrial or commercial operation.

Water conservation measures are effective for reducing average wastewater flows, but have less impact on peak flows, which are usually strongly influenced by infiltration and inflow contributions. Water conservation has little or no impact on organic loading to the treatment plant.

Service Standards and Adequacy

In order to assess infrastructure deficiencies and needs, it is necessary to analyze the adequacy of the facilities and related services in meeting the needs of the populace.

Regulatory Compliance

RWQCB enforces the Clean Water Act, NPDES permit conditions and other requirements of wastewater providers. The Board may levy fines or order the provider to take specific actions to comply with water quality regulations. The Board posts online actions it has taken since 2002.

³⁷ City of Gridley CIWQS Questionnaire (completed September 12, 2007) provided by the City.

The City had no violations of its permit conditions and no enforcement actions were taken by the RWQCB between 2002 and 2007.³⁸

Treatment Effectiveness

Wastewater treatment providers are required to comply with effluent quality standards under the waste discharge requirements determined by RWQCB.

The American Water Works Association (AWWA) conducts an annual benchmarking study, called QualServe, of water and wastewater performance indicators on behalf of subscribers. This measure is included in the benchmarking study. QualServe 2003 subscribers had a median treatment effectiveness rate of 99.5 percent, meaning that treatment did not meet requirements on two of 365 days.

The City was asked how many days in 2006 they were out of compliance with effluent quality requirements. The City reported that treatment requirements were attained every day in 2006. The City had a treatment effectiveness rate of 100 percent—above the median rate of other service providers.

Sewer Overflows

Sewer overflows are discharges from sewer pipes, pumps and manholes. Reduction, if not prevention, of the size and number of sewer overflows is the key objective of new SWRCB policy.

The City was asked to report the number of overflows in 2006 related to limitations or problems with the collection system under the control of the agency, and to exclude overflows caused by limitations/problems with customer-controlled piping/facilities. Thus defined, overflows reflect the capacity and condition of collection system piping and the effectiveness of routine maintenance. The City reported that there were no sewer overflows of the City's sewer system in 2006.

Inspection Practices

The EPA recommends closed circuit television (CCTV) inspection of sewer lines as the most cost-efficient and effective inspection approach.³⁹ Nationwide, the average wastewater provider conducts CCTV inspection of seven percent of its system annually and cleans 30 percent of the system annually, according to a study by the American Society of Civil Engineers. Collection system problems tend to be concentrated in older areas; it is most important to inspect lines more than 20 years old. The City uses CCTV to inspect sewer lines. The City inspects as much of the sewer collection system as possible each year based upon current available manpower and funding. On average, 0.19 miles, or 0.6 percent of the system, are inspected every year. This amount will improve with the implementation of the Sewer System Management Plan required by the RWQCB.

³⁸ California Integrated Water Quality System Project, 2007.

³⁹ EPA, 1999, page 5.

Infiltration and Inflow

Gridley's wastewater collection system experiences some infiltration and inflow (I/I) entering the gravity system, particularly during periods of rain.⁴⁰ The City has reviewed peaking factors for the east and west side tributary gravity flow mains and found that the west side main has a higher peaking factor than the east side indicating a higher degree of I/I. The City suspects that the downtown area has a high degree of I/I due to older sewer mains; however, inflow locations and necessary corrective measures have not yet been identified.⁴¹ The City's *Wastewater System Capacity Analysis* recommends a detailed study to determine where the most serious degradation is occurring.

Infrastructure Needs and Deficiencies

The sewer collection pipe on the west end of Sycamore Street has such a level slope that it does not drain by gravity and needs to be replaced at a cost of \$0.9 million. The project is presently unfunded. Until funding is identified, public works staff regularly flush out the pipe from nearby manholes.

The following determinations were adopted by LAFCO regarding infrastructure needs and deficiencies in the City of Gridley in the *Domestic Water and Wastewater Services MSR*:

- The City currently has the capacity to collect and treat the wastewater produced within its existing boundaries. Future collection capacity requirements are ensured by City oversight during the permitting process for significant developments.
- The City's collection system needs to be repaired to address the significant I/I problem.
- The City will need to expand its wastewater treatment plant and complete other infrastructure improvements to accommodate future growth. The City will need to replace or construct a parallel main to increase capacity to the treatment plant.

ANTICIPATED DEMAND AND PLANNED IMPROVEMENTS

Wastewater demand is affected primarily by growth in residential population and commercial development, and secondarily by factors such as water usage and conservation efforts.

The City anticipates that wastewater flow will increase by 0.44 mgd ADWF by 2015 due to planned and anticipated development within the City's existing sphere. The existing treatment plant is operating at 84 percent of its design capacity. Based on projected wastewater flows in the *Wastewater System Capacity Analysis*, the City will exceed permitted capacity by 2015. Expansion is needed to accommodate future growth in the City's sphere of influence.

⁴⁰ Infiltration refers to groundwater that seeps into sewer pipes through cracks, pipe joints and other system leaks. Inflow refers to water that enters the sewer system from sources such as yard and patio drains, roof gutter downspouts, uncapped cleanouts, pond or pool overflow drains, footing drains, cross-connections with storm drains, and even holes in manhole covers.

⁴¹ City of Gridley, 2005, p. 8.

The City has designed a major expansion of its wastewater treatment plant, and plans to begin the \$2.5 million construction project in Fall 2008 with completion by Fall 2009. The City solicited bids in 2006 without awarding the contract, and has requested grant funding from SWRCB to offset construction costs.

The City plans to construct a new sewer main in northwest Gridley to provide adequate capacity for new and proposed subdivisions. The \$0.6 million project is funded and planned for FY 2007-08.

Capital improvements necessary to accommodate future development through build-out of the City's sphere are outlined in the City's *Wastewater System Capacity Analysis*. The plans include construction of new gravity and force mains and pump stations to direct flow around the City, as the collection system in the core of the City has reached capacity. These recommended improvements are estimated to cost just over \$5 million. In addition, the report recommends a second parallel force main crossing the Feather River at the bridge to the north of the WWTP. An additional force main pipeline would increase collection system capacity, lessen the load on the current primary force main and act as backup to the existing main. The parallel main and new pump station are projected to cost approximately \$6 million.

Determination 4.2.-2. To accommodate future development, the City needs a \$10 million investment by 2015 in new gravity and force mains and pump stations to direct flow around the City, as the collection system in the core of the City has reached capacity. In addition, a \$6.9 million investment in a parallel force main and new pump station is needed to accommodate development by 2015. The City is phasing in such improvements. In 2010, the City focused its funding and efforts on replacing one mile of old sewer main and rerouting collection lines to better use gravity flows and eliminate a pump station.

Determination 4.2.-3. Funding for the capacity expansion of the WWTP and collection system will determine the rate at which new development can be absorbed into the system. The City regularly updates its capital plans, rates and connection fees, and competes for grants to ensure adequate funding mechanisms.

Determination 4.2.-4. Portions of the wastewater collection system date back to 1914. Infiltration and inflow is affecting older collection pipes downtown and possibly elsewhere. The City would benefit from a thorough review of the wastewater collection system to develop a capital improvement plan. The City's 2010 sewer rate increase was designed to fund its sanitary sewer management plan efforts.

SUMMARY OF WRITTEN DETERMINATIONS

4.2.-1. The City's wastewater treatment plant currently uses 84 percent of its design capacity and is projected to use the remaining capacity of 680 equivalent dwelling units by 2015. Wastewater treatment plant expansion underway to accommodate future growth (an additional 2,600 EDUs) in the City's SOI. The expansion project is designed and funded, and construction began in February 2010.

4.2.-2. To accommodate future development, the City needs a \$10 million investment by 2015 in new gravity and force mains and pump stations to direct flow around the City, as the collection system in the core of the City has reached capacity. In addition, a \$6.9 million investment in a parallel force main and new pump station is needed to accommodate development by 2015. The City is phasing in such improvements. In 2010, the City focused its funding and efforts on replacing one mile of old sewer main and rerouting collection lines to better use gravity flows and eliminate a pump station.

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4.2.-4. Portions of the wastewater collection system date back to 1914. Infiltration and inflow is affecting older collection pipes downtown and possibly elsewhere. The City would benefit from a thorough review of the wastewater collection system to develop a capital improvement plan. The City's 2010 sewer rate increase was designed to fund its sanitary sewer management plan efforts.

DRAINAGE

INTRODUCTION

The Gridley SOI area drains primarily in a southwestern direction through ditches and sloughs toward the Sacramento River. The Gridley area lies between the Feather and Sacramento Rivers; it is outside the 100-year floodplain and is not classified as a flood hazard area. Groundwater elevations throughout much of the Gridley area are high, about 8-10 feet below the surface. Drainage rates are slow due to relatively flat terrain, with an average gradient of 0.5 foot per thousand feet in the ditches and sloughs.

The City and Caltrans operate stormwater collection systems within the Gridley SOI area. Stormwater is discharged to sloughs and ditches maintained by three special districts: Reclamation District No. 833, Reclamation District No. 2056 and Drainage District No. 1. Local drainage channels are subject to backup conditions due to inadequate channel capacity, lack of pumping capacity, or lack of capacity in downstream discharge waterways that are also used by the State for flood control purposes.

Determination 4.3.-1. Gridley's stormwater collection system discharges to sloughs and open drainage ditches located near the perimeter of the city. The ditches are maintained by three special districts: Reclamation District No. 833, Reclamation District No. 2056 and Drainage District No. 1. The ditches were designed to convey agricultural rather than urban flows.

PLANS AND REGULATORY REQUIREMENTS

The Central Valley Regional Water Quality Control Board (RWQCB) is responsible for water quality control plans (basin plans), water quality objectives and regulating stormwater runoff pollution. Stormwater is water flow that occurs during precipitation. Cities and industries known to contribute to stormwater runoff pollution are regulated by National Pollution Discharge Elimination System (NPDES) permits and waste discharge requirements issued by RWQCB. Stormwater NPDES permits are issued to protect water quality from non-point source discharges, such as road runoff or construction sites. RWQCB issues individual NPDES permits to cities with population of 100,000 or more, and has issued a general permit to smaller cities that either a) meet the EPA definition of urbanized areas, or b) are designated as regulated areas by RWQCB in light of high population growth, population density, growth potential, and/or discharge levels. The City of Gridley has not been designated as a regulated entity.⁴²

⁴² RWQCB also regulates point sources of pollution, such as the wastewater treatment plant, under a separate NPDES permit, that is discussed in the wastewater section of this chapter.

In the Basin Plan, RWQCB has designated beneficial uses for local aquifers, streams, marshes, and rivers, as well as the water-quality objectives and criteria that must be met to protect these uses. A number of existing beneficial uses have been designated for the lower Sacramento River, and are considered to reasonably apply to its tributaries. These include agricultural supply, contact and non-contact aquatic recreation, cold and warm freshwater habitat and wildlife habitat.

To reduce pollution in watersheds, the Clean Water Act directed the states to establish Total Maximum Daily Loads (TMDLs) of pollutants. The TMDLs require monitoring of pollutant levels and remedial actions that will prevent contaminants from exceeding maximum allowable levels. TMDLs present numerical targets for water quality pollutant levels in impaired water bodies. To date, established TMDLs affecting the Gridley area cover only agricultural pesticides—diazinon and chlorpyrifos—on the Feather and Sacramento Rivers.

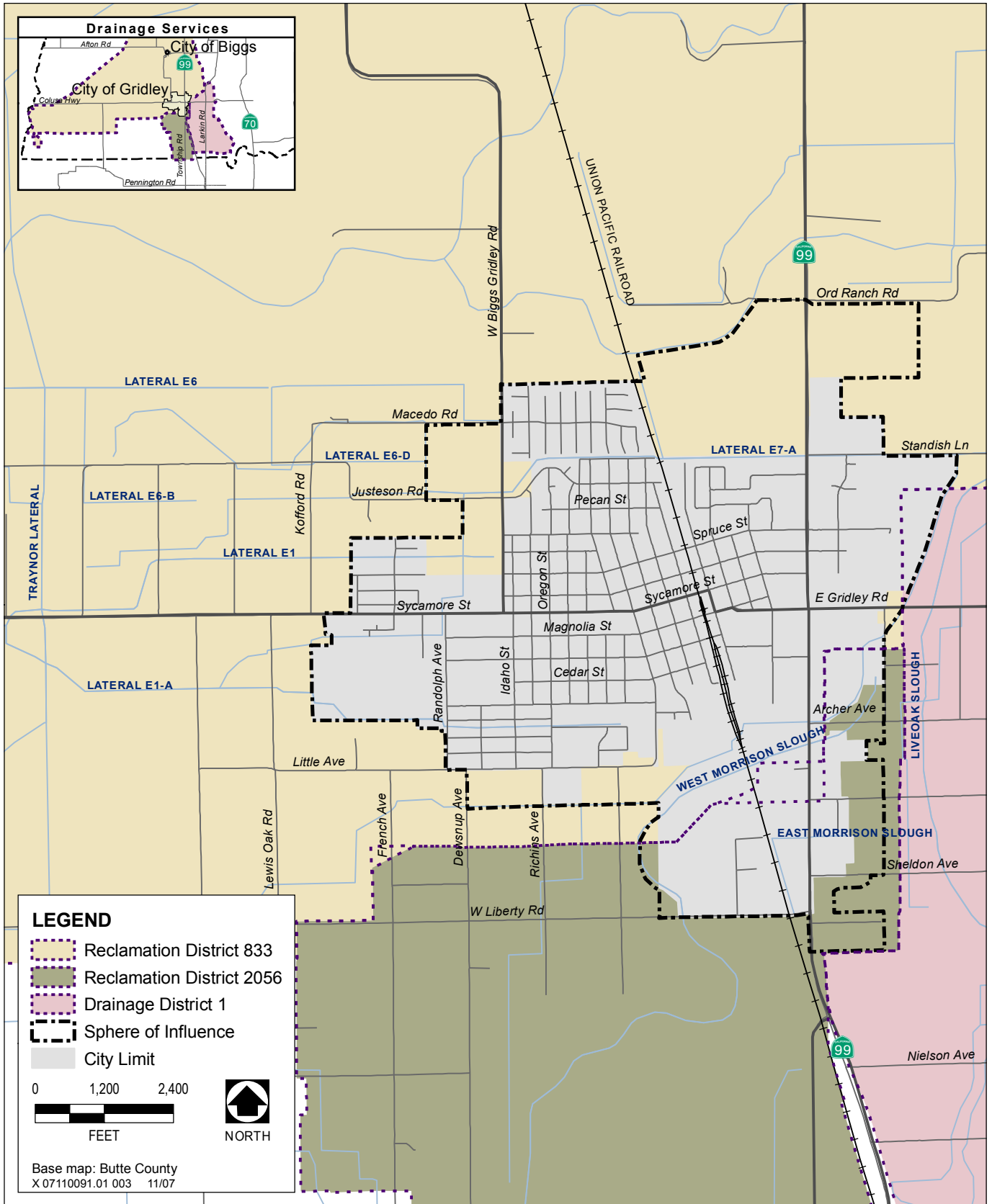
The 2006 Sacramento Valley Integrated Regional Water Management Plan includes water quality objectives for the Gridley area, Butte County and other northern California jurisdictions.

The City's policy goals are to protect Gridley from flood hazards and minimize flood-related impacts of development in Gridley on downstream properties and public. The City requires new development to install drainage infrastructure to ensure that peak flows are not increased and to coordinate review of development projects with affected reclamation and drainage districts. The City has adopted a master drainage plan, which was prepared in 1988. The master plan identifies infrastructure capacity issues and future infrastructure needs. A master drainage study was performed more recently for RD 833, RD 2056 and DD1 (1992). In addition, a peak flow and detention study was prepared in 1998 at the request of RD 833 in cooperation with and with funding from the City. Due to its small size, the City is not required to adopt a stormwater management plan.

Butte County's planning efforts include a stormwater management plan covering the 2003-8 period and an integrated water resources plan adopted in 2004.

None of the three drainage districts serving the Gridley area have adopted master plans or capital improvement plans.

FIGURE 4-4: DRAINAGE SERVICE MAP



Source: Butte County GIS 2006

Drainage Services

EXISTING CONDITIONS AND FACILITIES

Facilities

Within city bounds, an underground stormwater collection system serves new development and the old city area west of SR 99. The area east of SR 99 is served by above-ground channels. There are four detention basins serving the city, and new development is required to install detention basins to contain peak flows at pre-development levels. Caltrans maintains a collection system along portions of SR 99 in the City; its drainage pipe system operates at capacity.

Gridley's stormwater collection system discharges to several open drainage ditches located near the perimeter of the city. Those ditches are maintained by three districts. All three districts report their drainage systems operate at capacity during peak flow periods. Although the open ditches had been located outside city limits in the past, annexations have brought the ditches within city limits. Ditches in urban areas are protected by fencing. The districts have requested that ditches adjacent to new development be undergrounded.

Most of the Gridley area—the western portion of the City and SOI—drains to sloughs for which Reclamation District No. 833 (RD 833) bears maintenance responsibility. The Gridley area drains through RD 833 Laterals E-1, E-1A, E-6, E-7, E-7A through the Traynor Lateral; certain of these drainage ditches cross under irrigation ditches. Under a 2005 settlement agreement between RD 833 and the City, the City is authorized but not obligated to clean trash and debris, spray for weeds, and make structural changes to RD 833 laterals in the urban area. The City conducts routine maintenance of RD 833 facilities within the city limits, but this is limited to City-owned drainage pipes.

RD 833 also serves the primarily agricultural areas west of the City and the City of Biggs to the north. RD 833 maintains approximately 157 miles of drainage ditches, and a 720-acre area in Butte Sink used for drainage detention, duck club and farming purposes.⁴³ Its drainage system extends more than 12 miles to the west of Gridley and two miles to the south to the point of discharge at the duck clubs located approximately where the Cherokee Canal and Butte Creek enter the Butte Sink.⁴⁴ Butte Creek conveys irrigation and flood water for a number of districts, including RD 833.

The area east of the railroad and south of Magnolia Street and East Gridley Road is in the bounds of RD 2056, and drains to Morrison Slough. Morrison Slough originates in Gridley, extends 20 miles south and discharges through the Wadsworth Canal to the Sutter Bypass, a floodwater bypass from the Sacramento River. RD 2056 also serves farmlands south of Gridley, with the majority of its service area in Sutter County. The District maintains 35 miles of drains, of which 18 miles are in Butte County.⁴⁵ The capacity of Morrison Slough is approximately 15 cubic feet per

⁴³ Butte LAFCO, *Final Municipal Service Review: Irrigation, Drainage and Reclamation Service Providers*, adopted April 5, 2007, p. 4-25.

⁴⁴ City of Gridley, *City of Gridley General Plan Public Facilities Element*, adopted June 21, 1999, p. 15-3.

⁴⁵ Sutter LAFCO, *Municipal Service Review Staff Report*, February 15, 2007, p. 12.

second per square mile, the equivalent of a two-year storm.⁴⁶ The system was designed to convey agricultural drainage flows.

The eastern Gridley area drains to Live Oak Slough, which is maintained by private vendors retained by Drainage District No. 1 (DD 1). DD 1 also serves the primarily agricultural area east of the City. Live Oak Slough flows south/southwest through Sutter County, and eventually discharges to the Feather River. About five miles south and three miles east of Gridley, water is diverted from Live Oak Slough to the Feather River at Chandon Avenue. When river flows peak, DD 1 relies on a pumping station to pump drainage into the Feather River.⁴⁷

During periods of high flows on the Sacramento River, the California Department of Reclamation and the Department of Water Resources ease flood levels by releasing flows into the Butte Sink area and other floodwater detention areas along the Sacramento River. These flood control activities create a backflow of waters up drainage tributaries that serve the Gridley area.

Determination 4.3.-2. The districts' drainage systems are unable to discharge peak flows and subject to backup conditions due to inadequate channel capacity, lack of pumping capacity, or lack of capacity in downstream discharge waterways also used by the State for flood control purposes.

Service Demand

Drainage needs are primarily affected by precipitation, urban development, downstream flood conditions, and the capacity of drainage facilities. Drainage needs and conditions are also affected by regional flows that originate outside the MSR area.

In the Gridley area, rainwater percolation is already limited by the high groundwater elevation. Urban development expands impervious surfaces—paved streets, sidewalks, driveways, building footprints and parking lots—and decreases rainwater absorption into soil. As development proceeds, new pollutant sources are introduced and pollution levels increase. The runoff leaving a developed area may be much greater in volume, velocity and/or pollutant load than pre-development runoff from that area unless mitigating drainage facilities are installed.

Urban runoff—and water quality impacts related to stormwater and urban runoff—can be reduced by the introduction of proper watershed management and planning techniques and the use of materials, such as permeable asphalt, open space preserves, infiltration basins, soil erosion control, monitoring of development plans and projects, and public education.

As areas urbanize, cities and counties often need to conduct more extensive stormwater planning and implementation of best management practices.

⁴⁶ Sutter LAFCO, *Municipal Service Reviews and Sphere of Influence Update*, January 2007, p. 7.0-3.

⁴⁷ Butte LAFCO, *Final Municipal Service Review: Irrigation, Drainage and Reclamation Service Providers*, adopted April 5, 2007, p. 3-6.

Conditions outside the urban area also affect capacity needs for the drainage infrastructure serving Gridley. The drainage system is subject to backup conditions south of Gridley, and is affected by Sacramento River flood conditions and competing drainage flows through Butte Creek and the Cherokee Canal. Butte Creek capacity, which is shared by RD 833 with other districts, is exceeded by flows during wet months.⁴⁸ The Butte Sink discharge area is also used by the State for Sacramento River overflow during heavy storms. When Sacramento River, Butte Creek or Cherokee canal flows are high, the RD 833 system cannot discharge and flooding occurs south of Gridley on agricultural lands. RD 833 believes these problems are associated with development in Chico and federally managed discharges from Shasta Dam to the Sacramento River.⁴⁹

Service Standards and Adequacy

NPDES Compliance

In urban areas, counties and cities must develop stormwater plans and implement best management practices (BMPs). Counties and cities must show that they are implementing BMPs to the maximum extent practicable in urban areas. BMPs include program elements, such as marking of drainage inlets, public education, monitoring and inspections of facilities, and “good housekeeping” practices at municipal facilities. Butte County has adopted a stormwater management plan. In non-urban areas like Gridley, NPDES stormwater requirements only affect general industry and new construction. The City of Gridley and the three districts are not required to implement BMPs; however, the City has implemented BMPs, such as marking drainage inlets, regular street sweeping, and public education.

Flood Protection

The Gridley area is outside the 100-year floodplain and is not classified as a flood hazard area.

Maintenance Standards

There are no official standards for maintenance of drainage ditches and facilities. The City and the drainage districts conduct maintenance on an as-needed basis, subject to financing constraints.

Infrastructure Needs and Deficiencies

The primary existing drainage infrastructure need is additional drainage conveyance and discharge capacity. Installation of stormwater detention facilities is the primary infrastructure strategy available to the City. The City has found that other alternatives—expanded ditch capacity, pumping runoff to the Feather River, and use of irrigation canals—are impractical due to excessive costs, engineering obstacles and limitations on expanding drainage easements, according to its master plan and 1999 general plan.

⁴⁸ Butte Slough Irrigation District, Butte Creek Drainage District, Drainage District No. 100, and Drainage District No. 200 also rely on Butte Creek. A 1936 multi-party maintenance agreement stipulates cost sharing for related maintenance needs. Butte LAFCO determined in 2007 that these parties need to clarify who actually undertakes maintenance work.

⁴⁹ City of Gridley, *City of Gridley General Plan Public Facilities Element*, adopted June 21, 1999, p. 15-6.

The portion of the City east of SR 99 does not have underground drainage pipes from the roads to the drainage channels.

Determination 4.3.-3. Growth-induced drainage infrastructure needs are addressed by City requirements for development to install detention infrastructure to prevent increases in peak drainage flows.

Determination 4.3.-4. The drainage ditches and laterals operated by the districts in Gridley are uncovered. The districts have asked that the City “underground” open ditches, although the City has determined that related costs are often excessive due to the high groundwater table and that fencing of these ditches is the practical solution.

Drainage Districts

Agricultural drainage providers lack downstream pumping systems and capacity to convey runoff into receiving waters during peak flow periods. Drainage channels are subject to backup due to a lack of downstream discharge and pumping capacity. RD 2056 has no pumping systems. The DD 1 pumping system capacity is not adequate to convey peak flows into the Feather River.⁵⁰

Butte and Sutter LAFCO have adopted the following infrastructure determinations related to existing drainage needs:

- RD 833 facilities are generally well-maintained, albeit within a severely restricted budget that does not allow for significant contingencies. No need for additional facilities was identified.
- RD 833 is part of a multi-district maintenance agreement with Butte Slough Irrigation District, Butte Creek Drainage District and Drainage Districts Nos. 100 and 200 for shared maintenance of Butte Creek and Moulton Cut. Additionally, the District maintains a 720-acre drainage management area in the Butte Sink area located in Sutter County, including the “833 Weir.” It is recommended that the details of how the maintenance agreement is fulfilled be made clear to all districts involved, in addition to Butte LAFCO.
- The physical capacity of the DD 1 to accommodate drainage or alterations to peak flows is uncertain. Flooding of roads within the District and complaints of flooding from landowners have been documented.

⁵⁰ Interview with Jeff Spence, District Engineer, November 1, 2007.

- RD 2056 is comprised of eighteen miles of drains in Butte County and seventeen miles of drains in Sutter County, which are currently sufficient to provide drainage for their intended use. The canals are maintained on an “as-needed” basis and as the funds are available for maintenance.

ANTICIPATED DEMAND AND PLANNED IMPROVEMENTS

The City’s policy is to require new development to install appropriate on-site and off-site infrastructure to ensure that there is no net increase in peak drainage flows during a 100-year (1 percent probability) storm event. The City requires new development projects to provide on-site or off-site detention sufficient to maintain pre-development levels of peak stormwater runoff at predetermined locations in drainage canals. Detention can occur on the project site or downstream; it can occur above ground in swales or ponds, or below ground, in holding tanks or oversized pipes, in consultation with the affected reclamation or drainage district.

New development has constructed onsite detention facilities to comply with the requirement. The Gridley industrial park development installed private onsite storm drainage basins where runoff is detained and later released to the drainage canals. The Eagle Meadows development installed a six-acre detention basin. The City accepts responsibility for maintenance of new facilities, forms a maintenance district in the new subdivision or growth area, and property owners pay assessments to fund maintenance of new detention facilities.

Historically, the development process in the Gridley area was complicated by conflicts between the City and RD 833 on appropriate drainage-related development requirements. This problem was resolved by mutual agreement on standards for drainage improvements installed by new development under a 2005 settlement agreement between the City and RD 833. The City is now clearly responsible for implementing requirements on new development. The RD 833 role is now limited to commenting on the location and design of pipe and drainage structures entering district ditches and whether planned facilities meet the agreed upon criteria.

Detention and storage facilities must have adequate security fencing to control access, and must be designed to minimize pooling water (for mosquito control purposes). New developments must also plan to remove pollutants from urban runoff, as required and regulated by RWQCB.

The City has considered installation of a regional detention basin, which would require upsizing the drainage pipes to convey water to the basin in addition to basin construction costs. In the event the City decides to proceed with such a basin in the future, agreements with recent development projects would require them to contribute toward the infrastructure cost.

Drainage Districts

Butte and Sutter LAFCO have adopted the following determinations related to growth-induced drainage infrastructure needs:

- A substantive, comprehensive, and regional drainage plan is needed to support anticipated urban growth in the southern and western portions of Butte County. Such a drainage plan should include mitigation fees or other funding mechanisms to provide the needed facilities.

- RD 833 infrastructure is not able to accommodate any increase in peak flow. It is recommended that all future developments be required to submit to the appropriate local government jurisdiction and to the District engineered drainage plans that ensure post-project peak flow conditions do not exceed pre-project conditions. Furthermore, it is recommended the plans be made a part of project approval and enforced during construction and prior to occupancy of the project.
- As more development occurs and more urbanized areas are added to RD 2056, District officials have noted that the capacity of the canals will be inadequate unless flow rates are mitigated. RD 2056 will not be able to accommodate projected service demands over the next 10 years and beyond unless new development within urban areas can effectively mitigate the increase in runoff resulting from the growth.

SUMMARY OF WRITTEN DETERMINATIONS

- 4.3.-1. Gridley’s stormwater collection system discharges to sloughs and open drainage ditches located near the perimeter of the city. The ditches are maintained by three special districts: Reclamation District No. 833, Reclamation District No. 2056 and Drainage District No. 1. The ditches were designed to convey agricultural rather than urban flows.
- 4.3.-2. The districts’ drainage systems are unable to discharge peak flows and subject to backup conditions due to inadequate channel capacity, lack of pumping capacity, or lack of capacity in downstream discharge waterways also used by the State for flood control purposes.
- 4.3.-3. Growth-induced drainage infrastructure needs are addressed by City requirements for development to install detention infrastructure to prevent increases in peak drainage flows.
- 4.3.-4. The drainage ditches and laterals operated by the districts in Gridley are uncovered. The districts have asked that the City “underground” open ditches, although the City has determined that related costs are often excessive due to the high groundwater table and that fencing of these ditches is the practical solution.

ROADWAYS

INTRODUCTION

Circulation within the City of Gridley is provided by a highway, three rural principal arterial roads, three rural major collector roads, six rural minor collector roads, and various urban and rural local roads. SR 99 provides north-south circulation, traveling through the eastern portion of the City. The City of Live Oak is located along SR 99 to the south, and the City of Biggs is located west of SR 99 to the north. SR 99 is a four lane facility in the City of Gridley.

The three rural principal arterial roads are Spruce Street, West Biggs Gridley Road, and Sycamore Street, from Lewis Oak Road to West Biggs Gridley Road. Spruce Street provides east-west circulation, connecting the west side of the city to SR 99. West Biggs Gridley Road provides north-south circulation in the northwest of the city, north to the City of Biggs and farmland areas in between. The portion of Sycamore Street classified as principal arterial connects West Biggs Gridley Road to the Colusa Highway in the west. Urban arterial roadways are fed by local and collector roads and provide intra-city circulation and connection to regional roadways.

The three rural major collectors are East Gridley Road, Jackson Street and Magnolia Street. East Gridley Road provides east-west circulation, connecting SR 99 in the west to SR 70 in the east. Jackson Street provides north-south circulation from Magnolia Street in the south to the northern city limits. Magnolia Street provides east-west circulation from SR 99 in the east to Randolph Avenue in the west. Of the six rural minor collectors that provide circulation in the city, four travel north-south and two travel east-west. The four north-south minor collector roads are Oregon Street, Randolph Avenue, Vermont Street and Washington Street. The two east-west minor collector roads are Little Avenue and Sycamore Street, from West Biggs Gridley Road to Jackson Street.⁵¹ Urban collector roadways are intended to collect traffic from local roadways and carry it to arterial roadways and highways.

There are various urban and rural local roads maintained by the City. Local roadways are intended to only serve adjacent properties, and have very low volumes. They are often found in residential areas, and are used to travel relatively short distances.

Streets within the City of Gridley SOI but outside of the City boundary are maintained by Butte County Public Works Department.

Public Transit

Butte Regional Transit serves the City of Gridley through the B-Line fixed route bus system. During the weekday schedule there are three trips per day that depart Gridley for the Oroville Transit Center on the northbound route, and three trips per day that depart Gridley for Biggs on the southbound route. On Saturdays there are four departures in each direction, as of the November

⁵¹ Road classifications are based on Caltrans Highway Performance Monitoring System Functional Classifications for 2006.

2006 schedule.⁵² The regular fare for local service within the Gridley/Biggs area is \$1.00. For regional service to a destination outside of the Gridley/Biggs area the fare is \$1.25.

The City of Gridley operates the Gridley Golden Feather Flyer (GGFF) paratransit service. GGFF is a subsidized curb-to-curb taxi service for the elderly (62 and over) and disabled, with service to the Gridley area and limited surrounding areas in unincorporated Butte County. The service hours are 8:00 a.m. to 6:00 p.m. Monday through Friday, and by appointment on Saturdays. The fare for GGFF service is \$1.50 as of October 2007.

Pedestrian and Bicycle Facilities

Pedestrian facilities are present within the downtown area of the City and within various residential subdivisions, but are lacking in other areas.⁵³ Pedestrian facilities are especially deficient along SR 99, where curbs, gutters and sidewalks are not consistent or continuous.⁵⁴ Heavy vehicular traffic and inadequate pedestrian facilities make SR 99 a significant barrier to non-automotive travel trying to reach Gridley High School, the Heritage Oaks Shopping Center and the Butte County Fairgrounds.⁵⁵

Bikeways are also deficient within the City. The City of Gridley 2003 Bicycle Plan found that the City had made no previous expenditures for bicycle facilities and that no bikeways existed within the City.⁵⁶ Since this time, however, the City has been awarded two Caltrans grants for new bike lanes, including along Spruce Street from SR 99 to West Biggs Gridley Road.

PLANS AND REGULATORY REQUIREMENTS

The City of Gridley 1999 General Plan Circulation Element contains guiding policies related to transportation and circulation. The Circulation Element addresses the street circulation system, standards for traffic levels of service, planned improvements to the circulation system, and planned sources of funding. Relevant policies to the provision of roadway service in the City are listed in Table 4-5.

The City of Gridley also participates in regional transportation planning through the Butte County Association of Governments (BCAG). BCAG is the Regional Transportation Planning Agency (RTPA) and Metropolitan Planning Organization (MPO) for Butte County. As the RTPA and MPO for Butte County, BCAG is responsible for preparing and updating a Regional Transportation Plan (RTP) every three years. The 2004 RTP identifies the region's future transportation needs over a 21-year time horizon, through 2025, and serves as the foundation for the preparation of the Regional Transportation Improvement Program (RTIP) and the Federal

⁵² Butte Regional Transit, Schedules and System Map, November 2006.

⁵³ City of Gridley, *Industrial Park Draft EIR 2003*, p. 3.2-2.

⁵⁴ Swift and Associates, *Streetscape Design Plan for Highway 99*, 2002, p. 2.

⁵⁵ City of Gridley, *Bicycle Plan*, adopted November 17, 2003, p. 5.

⁵⁶ *Ibid.*, p. 6.

Transportation Improvement Program (FTIP). The 2004 RTP identifies the widening of SR 99 from East Gridley Road to Spruce Street as a key infrastructure need in the City of Gridley.

Table 4-5: 1999 City of Gridley General Plan Circulation Element Policies

Number	Policy
II. B. 1	Require new development to share the cost of improvements necessary to maintain adequate service levels in areas affected by said development.
II. B. 2	Limit access along roads in commercial strip development.
II. B. 3	Where possible, require two access routes for all major new developments with both routes preferably avoiding residential neighborhoods.
II. B. 4	Permit private streets when they are deemed to be in the public interest, constructed consistent with City street standards whenever feasible, and their maintenance is guaranteed.
II. B. 5	Include provisions for preserving the Highway 99 Bypass route in the review of development projects.
II. B. 6	Facilitate circulation within the City by improving the capacity of existing arterials and, if needed, by the designation of new routes, as shown on the Circulation Element Diagram.
II. B. 7	Encourage construction of sidewalks along all street frontages throughout the City.
II. B. 8	Encourage the use of alternate modes of transportation, including bus, bicycle and walking, to reduce demands upon the street system.
II. B. 9	Establish right-of-way widths by street classification.
II. B. 10	Establish a standard Level of Service "C" for local designated arterial streets, Level of Service "D" for intersections with designated local arterial streets, and Level of Service "E" for State Highway 99.

Source: 1999 City of Gridley General Plan, Circulation Element.

The City received a Community Based Transportation Planning (CBTP) grant from Caltrans to develop its Bicycle Plan, which the City adopted in November 2003. The Bicycle Plan, prepared in accordance with California Streets and Highways Code 891.2, calls for the City to construct various bicycle-related facilities, including bike lanes and trails, and more secure bike parking.

EXISTING CONDITIONS AND FACILITIES

Facilities

There are in excess of 26 miles of roads maintained by the City of Gridley. The majority of these roads (over 17 miles) are classified as urban local roads, while almost nine miles are classified as rural arterial, major and minor collector, and local roads. Arterial roads account for 1.8 miles, collector roads make up 3.9 miles and local roads consist of 3.3 miles.

There are two City-owned signalized intersections within the City, which are maintained by the City, located at the intersection of Magnolia Street and West Biggs Gridley Road, and Sycamore Street and Virginia Street. Additionally, Caltrans owns and maintains three signalized intersections in the City, with a fourth one planned.

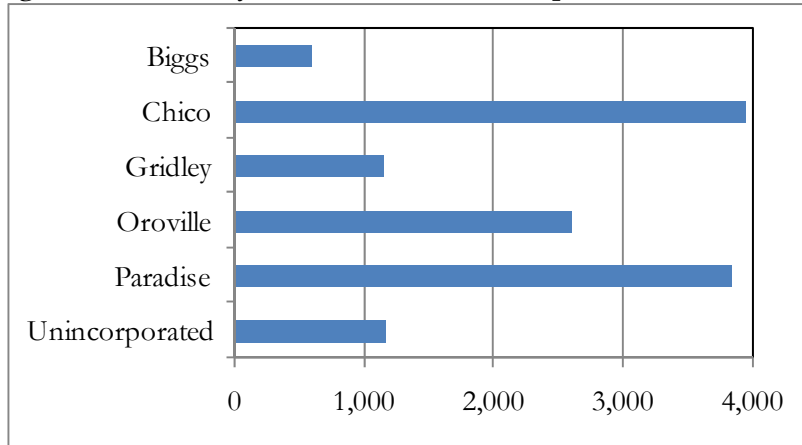
There are approximately 500 streetlights owned by the City of Gridley. Streetlights within the City are maintained by the City Electric Department.

There are no significant bridges in the City.

Service Demand

Street service demand is affected by population and job concentrations, the availability and desirability of public transit, gas prices, and other factors such as the locations of child care, schools, stores and other common stops. Pavement depreciation rates also affect service needs, and are primarily influenced by the volume of traffic, preventative maintenance and weather.

Figure 4-6: Daily Vehicle Miles of Travel per Street Mile, 2006



An important indicator of roadway service demand is the daily vehicle miles of travel (DVMT). DVMT per street mile is the total mileage traveled by all vehicles on a given day, divided by the mileage of roadway in the jurisdiction. Figure 4-6 shows DVMT per street mile for all cities in Butte County, and the unincorporated area. The cities of Chico and Paradise have the highest levels of DVMT per street mile, at just under 4,000. DVMT per street mile is just over 2,600 in Oroville, and about 1,100 in the unincorporated area of Butte County and in the City of Gridley.

Service Standards and Adequacy

Deferred Maintenance

The condition of street pavement is typically evaluated by local agencies using a Pavement Management System (PMS), which regularly evaluates pavement condition and establishes a cost-effective maintenance strategy. Each segment of pavement is rated for distress (i.e., cracks and potholes) and the extent and severity of distress. Having an up-to-date PMS allows the local agency to quickly and efficiently gauge road maintenance needs and efficiently allocate resources. The City of Gridley does not have an up-to-date PMS, although it reports that streets are well maintained.

The life cycle of pavement in good condition can be extended through preventative maintenance by applying a thin layer of asphalt mixture, better known as slurry sealing or seal-coating. When pavement is in fair condition—with moderate potholes and cracks—it can be treated with one- to two-inch thick overlays. Pavement with minor structural distress—with significant cracks—often requires rehabilitation involving grinding of portions of the existing street and application of a thick overlay. Pavement with major structural distress—with extensive cracks—often requires reconstruction involving removal and replacement of the street segment.

Pavement management studies have shown it is more cost effective to maintain pavement in good condition over its useful life than to let it deteriorate to the point that it requires a major overlay or reconstruction. Deferring maintenance can increase long-term maintenance costs as much as four times greater than a consistent preventative maintenance strategy, according to the Transportation Research Board. Street reconstruction is typically needed once asphalt is 20-35 years old, with the asphalt lifespan depending on the use of preventative maintenance efforts.

The City of Gridley has performed preventative maintenance on many of its roadways, including slurry sealing various roads in FY 01-02. Due to the high cost of street reconstruction, the City has identified a desire to slurry seal more roads in FY 07-08 to extend their lifespan. Having an up-to-date PMS would facilitate this process by tracking the precise condition of all road segments, to ensure that preventative maintenance is being provided where it is needed most.

Congestion

Traffic congestion is measured based on the daily number of vehicle hours of delay due to congestion. Levels of service (LOS) on streets and highways is rated on a scale of A-F, where “A” is the best rating and “F” the worst. LOS “E” means significant delays, unstable traffic flow, and rapidly fluctuating speeds and flow rates; LOS “F” means considerable delay with forced traffic flow and speeds dropping to zero.

The 1999 General Plan Circulation Element establishes a policy of LOS “C” for local arterial streets, such as Sycamore and Spruce Streets, LOS “D” for intersections with arterial streets, and LOS “E” for SR 99. A 2003 LOS study found congestion to be heaviest at the intersections of SR 99 and Magnolia Street (LOS “C”), and SR 99 and West Liberty Road (LOS “C” at a.m. peak hour volume and LOS “B” at p.m. peak hour volume).⁵⁷ The most congestion on a roadway segment was SR 99 south of West Liberty Road, at LOS “D.”⁵⁸ All other roadway segments and intersections studied achieved at least LOS “B.” Average daily traffic (ADT) volumes on key roadways in the Gridley area are shown on Table 4-7.

Table 4-7: Average Daily Traffic Volume, 2006

Route	Location	Classification	ADT
SR 99	North of Archer Ave.	Highway	19,400
SR 99	North of E. Gridley Rd.	Highway	23,300
E. Gridley Rd.	East of SR 99	Major Collector	8,443
Magnolia St.	West of SR 99	Major Collector	5,113
Sycamore St.	West of SR 99	Other Principal Arterial	3,445
SR 99	North of Spruce St.	Highway	15,200
Spruce St.	West of SR 99	Other Principal Arterial	7,053

Source: 2006 BCAG Traffic Counts and 2006 Caltrans Traffic and Vehicle Data Systems Unit.

⁵⁷ City of Gridley, *Industrial Park Draft EIR 2003*, p. 3.2-2.

⁵⁸ *Ibid.*, p. 3.2-5.

Determination 4.4.-1. Roadway services are adequate in the Gridley area with all streets operating at an acceptable level of service (LOS C or better) A traffic signal is presently needed to ensure adequate flows during peak traffic hours on SR 99 at West Liberty Road. The City will need to install seven traffic signals to accommodate planned growth through 2030.

Existing highway service levels are currently inadequate on the two-lane portion of SR 99 between Spruce Street and Ord Ranch Road. Widening the highway to four lanes would be needed to deliver a level of service in compliance with local standards. Caltrans envisions a four-lane highway through Gridley ultimately. Although clearly a regional priority, the project has not yet been funded. Highway congestion may be avoided presently by most Gridley residents due to availability of alternative routes on local roadways. Caltrans will need to install seven traffic signals to accommodate planned growth through 2030.

Street Sweeping

Street sweeping services are provided directly by the City. Streets are swept every other week over most of the year; however, they are swept every week during the fall season due to the increased amount of leaves.

Street Service Response Time

The City reported that it receives an average of two to three calls per year for road repairs. In most cases, street service issues are identified by the street sweeper and reported directly for maintenance. Traffic signal repairs are handled directly by the City. There is a 15-minute response time policy for completing a traffic signal service call.

Infrastructure Needs and Deficiencies

Various street repair needs have been identified for FY 07-08. These include the replacement of broken curbs and gutters on various streets, and other miscellaneous maintenance needs such as crack sealing and pavement repairs. Public works has proposed doing these general repairs by contracting out to construction companies, using gas tax 2105 funds.⁵⁹ The City also expressed the desire to slurry seal more roads as part of its preventative maintenance schedule. The City of Gridley FY 07-08 budget identifies \$150,000 in funds available to do slurry sealing or additional street repair work this fiscal year.

The 2003 Bicycle Plan identifies various bikeway facility needs in the City, including over 13 miles of bike lanes and paths. Over two miles of Class II bike lanes were identified as high priority,

⁵⁹ City of Gridley FY 07-08 Budget, p. G-13.

meaning that funding for these projects will be sought first. The two high-priority projects are along Spruce Street and Magnolia Street, from the western portion of the city to SR 99, to provide better roadway sharing between automotive and non-automotive traffic, reduce automobile speeds with narrower drive lanes, and provide access to downtown destinations, Gridley High School and all elementary schools. The total estimated cost of the two high-priority projects is \$11,000. The most ambitious project identified in the Bicycle Plan is a 3.4-mile Class I trailway, along the railroad corridor from Gridley to Biggs, estimated to cost \$374,000. The City of Biggs has given early indications that it would be amenable to possible coordination on bicycle path connections.⁶⁰

Gridley is concerned about truck traffic, and through-traffic in the City. To help ease this problem the City has considered an extension of Washington Street along the railroad tracks to connect to Biggs. This would have the effect of reducing traffic on SR 99, diverting a significant amount of truck and through-traffic from the central portion of the City, and would allow West Biggs Gridley Road to remain a rural agricultural road by minimizing the amount of commuter traffic.

No infrastructure needs were identified by Butte County for streets within the City of Gridley SOI but outside of the City bounds.

Determination 4.4.-2. Although the City does conduct preventative maintenance to extend the pavement lifespan, it should consider implementing a computerized Pavement Management System to optimize its roadway investments.

Determination 4.4.-3. Pedestrian and bicycle facilities are minimal in the City. The City of Gridley Bicycle Plan outlines various bicycle-related facility needs in the City that should continue to be explored, including the feasibility of creating regional trailways in conjunction with Butte County, Caltrans, Union Pacific Railroad, and the City of Biggs.

ANTICIPATED DEMAND AND PLANNED IMPROVEMENTS

As part of the Butte County General Plan 2030, peak hour traffic volumes and LOS measurements were taken in various areas of the County, including in the Gridley area. Traffic volume and LOS for 2006 were used to estimate roadway service demand in 2025. The results of the traffic studies for the Gridley area are shown in Table 4-8.

⁶⁰ Butte County General Plan 2030 Gridley/Butte County Meeting Summary Notes, March 15, 2007, p. 3-4.

Table 4-8: Gridley Area Peak Hour Volumes and LOS, 2006 and 2025

Route	Location	2006		2025 Estimate	
		Peak Hour Volume	LOS	Peak Hour Volume	LOS
SR 99	South of Archer Ave.	1,800	D	1,400	D
SR 99	Archer Ave. to Spruce St.	2,350	D	2,650	D
SR 99	North of Spruce St.	1,650	E	1,700	E
Colusa Hwy.	Biggs Gridley Rd. to SR 99	750	C	800	C
East Gridley Rd.	SR 99 to Larkin Rd.	740	C	800	C

Source: Butte County General Plan 2030, Transportation and Circulation.

The most significant increase in traffic volume on the roadways studied in the Gridley area is projected to be on SR 99 from Archer Avenue to Spruce Street, right in the heart of Gridley. While within the LOS range established by the 1999 City of Gridley General Plan, the projected increase in traffic volume underscores the need for proper planning of the roadway network.

SR 99 Gridley Widening

A planned improvement aimed at alleviating congestion in Gridley is the widening of SR 99 from four lanes (two in each direction) to five lanes, by adding a continuous two-way left turn lane and coordinating the timing of existing traffic signals with a new traffic signal installed at Sycamore Street. According to BCAG, all necessary rights of way are scheduled to be acquired by Caltrans by December 2007, with construction set to begin in Summer 2008.⁶¹ The project, estimated to cost \$3.8 million, is fully funded by BCAG and the City of Gridley. Caltrans is the lead agency for right of way and construction.⁶²

SR 99 Bypass Corridor

The SR 99 bypass corridor project has been in consideration by Caltrans since the 1960s. In the 1970s, Caltrans acquired the majority of the properties within the right of way adjacent to the City in order to allow for future construction of the route. In 2007 Caltrans sent a letter to the City of Gridley explaining that it plans to abandon the bypass project, and has indicated that it is considering selling the land it had acquired east of SR 99. The City objects to the abandonment of the bypass project, and is considering purchasing the parcels to keep the land available for when a bypass is needed and funding is available.

⁶¹ BCAG, Current Project Status Update, 2007.

⁶² BCAG, 2006 Regional Transportation Improvement Program, p. 5.

SUMMARY OF WRITTEN DETERMINATIONS

4.4.-1. Roadway services are adequate in the Gridley area will all streets operating at an acceptable level of service (LOS C or better). A traffic signal is presently needed to ensure adequate flows during peak traffic hours on SR 99 at West Liberty Road. The City will need to install seven traffic signals to accommodate planned growth through 2030.

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4.4.-2. Although the City does conduct preventative maintenance to extend the pavement lifespan, it should consider implementing a computerized Pavement Management System to optimize its roadway investments.

4.4.-3. Pedestrian and bicycle facilities are minimal in the City. The City of Gridley Bicycle Plan outlines various bicycle-related facility needs in the City that should continue to be explored, including the feasibility of creating regional trailways in conjunction with Butte County, Caltrans, Union Pacific Railroad, and the City of Biggs.

LAW ENFORCEMENT

INTRODUCTION

City of Gridley

The City provides law enforcement, traffic and parking enforcement, investigation, dispatch and animal control services within the City limits. The City has also provided contract service to the City of Biggs for police and animal control services since 2001, when it changed the name of its police department to the Gridley-Biggs Police Department (PD).

The City staffs its PD with 17 sworn officers and six civilians in addition to reserve officers and part-time dispatchers. Special assignments include a school resources officer to address school violence in both cities, a Butte Interagency Narcotics Task Force officer (full-time) and as-needed participation in the Butte County Anti-Gang Enforcement unit. Additional gang suppression services include community meetings directed at educating parents on gang issues, four to five gang sweeps annually, and a detective dedicated primarily to gang-related crime.

The PD operates a full dispatch center where 911 calls from land lines in the City limits are initially dispatched. The dispatch center handles animal control calls, and coordinates call-outs for after-hours public works and electric emergencies. The center is operated by a supervisor and five dispatchers.

The City relies on the Butte County Sheriff's Office for search and rescue, SWAT, bomb squad, and long-term holding facilities at the Butte County Jail. Crime laboratory services are provided by the State Department of Justice's Chico Office.

In addition to law enforcement, the PD provides animal control services and a shelter located in downtown Gridley. Animal control services include enforcing animal laws and ordinances, picking up stray and dead animals, enforcing rabies control and licensing, and taking state-mandated bite reports. The shelter also works to return pets to owners and offers stray animals for adoption in collaboration with animal rescue organizations.

Determination 4.5.-1. The Gridley-Biggs Police Department (PD) provides police and animal control services to the Cities of Gridley and Biggs.

Unincorporated SOI area

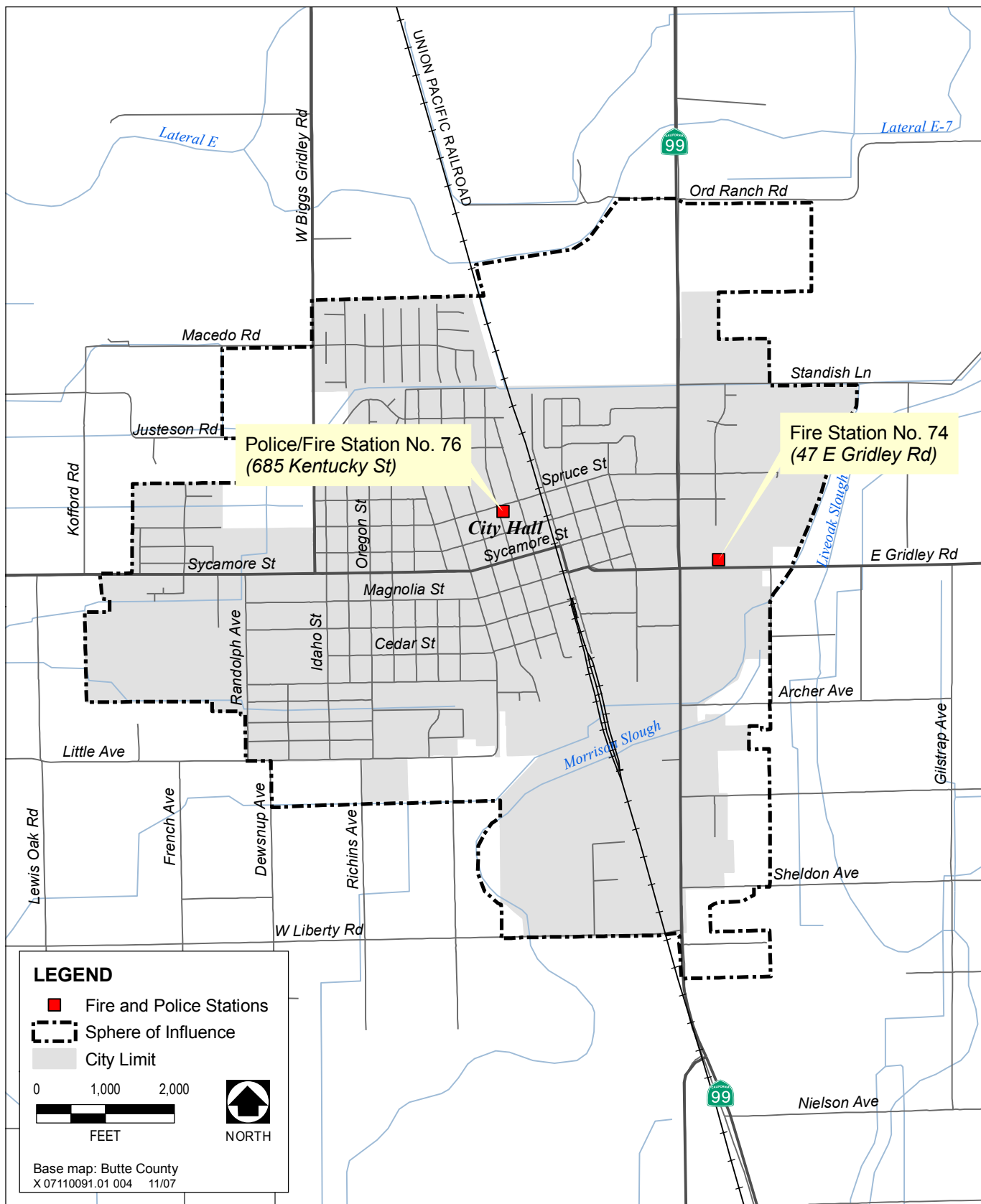
The Butte County Sheriff's Office provides law enforcement in unincorporated areas in the City's SOI. The Sheriff assigns one deputy to the Gridley-Biggs area about one-quarter of the time (40 of 168 weekly hours) on a variable schedule. The remainder of the time, the Sheriff responds to incidents from its Oroville station 15 miles northeast of Gridley.

California Highway Patrol (CHP) is responsible for traffic enforcement in unincorporated areas. The PD receives and dispatches all 911 calls from cellular phones.

The PD, Sheriff and CHP exchange general law enforcement assistance when needed. The City PD can often respond to calls faster than the Sheriff, particularly when there is no deputy in the Gridley-Biggs area. The PD and the Sheriff both reported the working collaboration to be effective.

Animal control services in the unincorporated area are provided by Butte County from Oroville, and financed by an assessment levied through County Service Area (CSA) 164. As territory in the SOI is annexed to Gridley, it is detached from the CSA and animal control services are provided by the City.

FIGURE 4-9: LAW ENFORCEMENT AND FIRE SERVICES MAP



Source: Butte County GIS 2006

Fire and Police Services

PLANS AND REGULATORY REQUIREMENTS

The City's adopted policy in the 1999 General Plan is to maintain a service level of at least one sworn officer per 1,000 residents. The City requires all new development to meet adopted standards for access, safe negotiation and turnarounds set by the City PD. Major commercial or residential development site plans must be reviewed by the PD Department to ensure adequate lighting and safety factors are incorporated into the proposed development.

Best practices include developing law enforcement agency policies on use of force, use of safety belts, review of complaints about personnel, fitness for duty evaluations, and law enforcement values. The Gridley-Biggs PD has implemented law enforcement policies customized by Lexipol, a firm that has developed policies for 400 police departments. The Gridley-Biggs PD investigates all complaints, maintains use of force and seat belt policies, and conduct fitness for duty evaluations every three years. Its policies cover a wide range of issues, from pursuits, discipline and sexual harassment to elder abuse and anti-reproductive rights reporting.

EXISTING CONDITIONS AND FACILITIES

Facilities

The PD maintains one facility, located at 685 Kentucky Street adjacent to City Hall. The facility was built in 2000 and is in excellent condition. The facility does not have temporary holding facilities, but does have interview rooms. The PD typically transports arrested suspects directly to the County Jail with the help of computer and communication systems coordinated with the Sheriff.

The PD currently operates a fleet of 18 vehicles. Twelve vehicles are fully marked police cars, three are unmarked police cars, and three specialized vehicles are used for undercover narcotics, senior citizen patrol and animal control.

The City-owned animal shelter is located at 895 Sycamore, and is in good condition.

Service Demand

Calls for Service

The police workload involves responding to 911 calls, burglar alarms and non-emergency calls, in addition to patrol activities and citations. The Gridley-Biggs PD receives approximately 1,500 911 calls per year and 13,000 total calls for service. Service calls have consistently increased due to growth, and particularly increased when the City began serving Biggs in 2001.

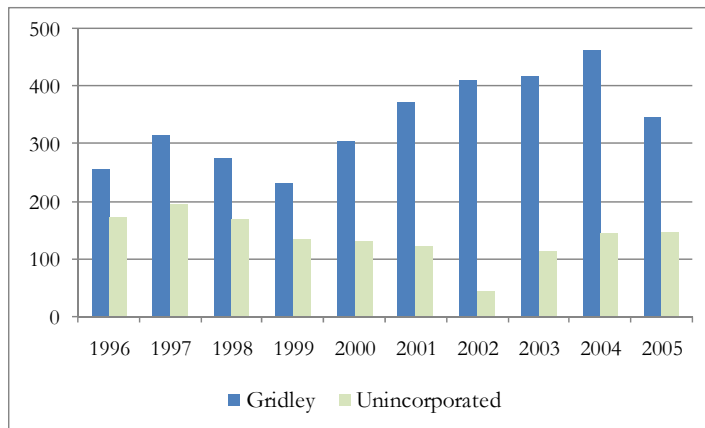
Crime Rates

The Uniform Crime Reporting Program provides nationally standardized criminal statistics for use in law enforcement. In California, this program is administered by the Department of Justice (DOJ). The crimes, selected because of "seriousness, frequency of occurrence, and the likelihood of being reported to the police," are homicide, forcible rape, robbery, aggravated assault, burglary, larceny-theft over \$400, motor vehicle theft, and arson. DOJ categorizes these crimes as either

violent (homicide, forcible rape, aggravated assault, and robbery) or property (burglary, motor vehicle theft, and larceny-theft over \$400) crimes.⁶³

Figure 4-10: Serious Crime Rates (per 10,000 residents)

Serious crime rates, as shown in Figure 4-10, reflect the ratio of violent crimes and serious property crimes per 10,000 residents. From 1999 to 2004, there was a general increase in the City’s crime rate. The most recent year of data available, 2005, shows a 26 percent decline in Gridley’s crime rate from the year prior. The unincorporated areas of the County declined from 1997’s peak crime rates through 2002, but have had an increase each year since then.



No official gang-specific statistics were available, tracking number of incidents in Gridley or neighboring areas. Gang-related crime and violence is a concern throughout Butte and neighboring counties, as demonstrated by the formation in 2004 of a federal-local task force that has conducted gang sweeps in Butte, Sutter and Glenn counties, in response to escalating gang violence.⁶⁴ The City of Gridley has experienced several shooting incidents suspected to be gang-related, including a drive-by shooting in 2004⁶⁵ and shootings at two Gridley homes in May and July 2007.

Service Standards and Adequacy

Crime Clearance Rates

The effectiveness of a law enforcement agency can be gauged by many factors, including crime clearance rates or the portion of crimes that are solved. There are no standards or guidelines on the proportion of crimes that should be cleared.

Cleared crimes refer to offenses for which at least one person was arrested, charged with the offense, and turned over to the appropriate court for prosecution. A crime is also considered cleared by exceptional means if the offender dies, the victim refuses to cooperate or extradition is denied.

The PD cleared 62 percent of violent crimes in Gridley and 100 percent in Biggs in 2005. By comparison, the Sheriff cleared 38 percent, Oroville cleared 56 percent and Chico cleared 31 percent. Property crime clearance rates were lower in Gridley and other jurisdictions. The PD

⁶³ Criminal Justice Statistics Center, 2004, p. 2.

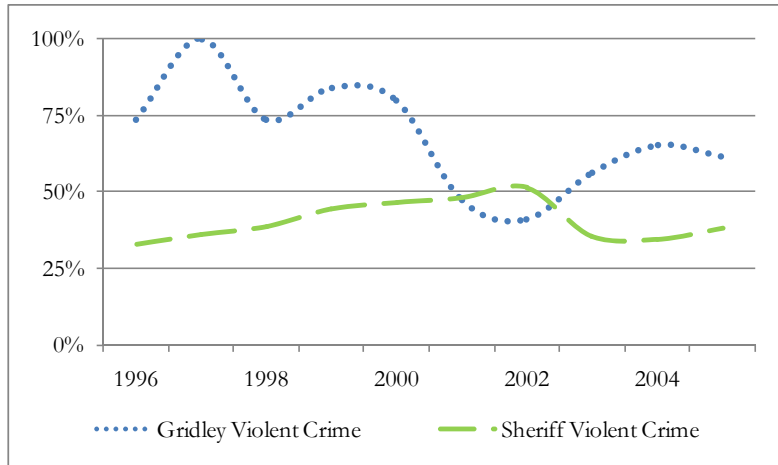
⁶⁴ Criminal Intelligence Bureau, 2004, p. 8.

⁶⁵ Criminal Intelligence Bureau, 2004, p. 8.

cleared six percent of burglaries; the Sheriff cleared five percent. The PD cleared 13 percent of motor vehicle thefts in Gridley and 29 percent in Biggs; the Sheriff cleared five percent.

Figure 4-11: Crime Clearance Rates, 1996-2005

The PD's crime clearance rates declined when Gridley began serving Biggs in 2001. Violent crime clearance rates have subsequently improved as the City adjusted to new service responsibilities. Property crime clearance rates declined in 2001, and have not recovered.



Arrest rates, measured as felony and misdemeanor arrests per capita, declined in 2004 and 2005.

The City provided part-time and on-call service to Biggs through 2006, but found the arrangement to be financially negative. The new 2007 contract with Biggs provides for the same service levels in both jurisdictions. Crime clearance rates are expected to recover now that the workload is more predictable.

Determination 4.5.-2. Law enforcement services are adequate. The current service level is higher than the median among small California cities and the City's adopted minimum standard. The City manages to solve crimes effectively; crime clearance rates are comparable to neighboring cities and higher than Sheriff rates.

Response Times

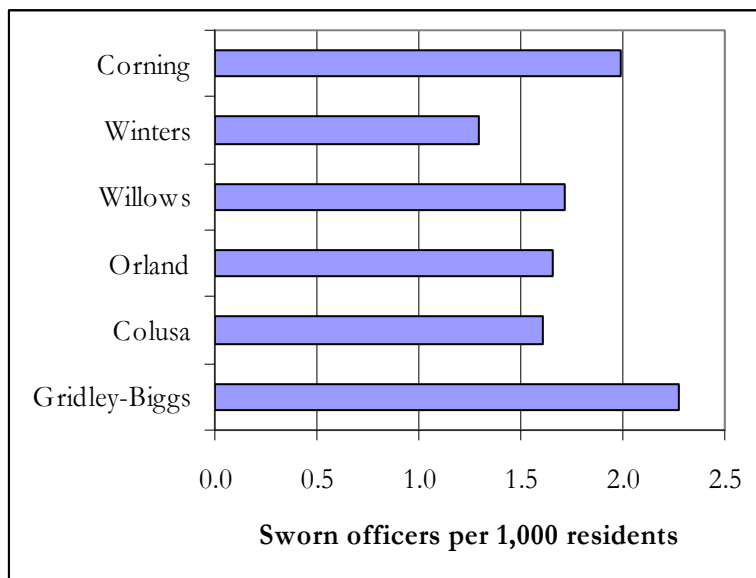
Although police response times for serious crimes in progress are an important indicator of service adequacy, there are not clear standards as to what that response time should be. Police response times are traditionally used to measure effectiveness. The average response time for the Gridley-Biggs PD is 2.5 minutes, according to the City.

Staffing

Sworn officers provide emergency and law-enforcement related activities. The Department is currently staffed by 26 personnel, 17 of which are sworn officers: the Chief of Police, a deputy chief, three sergeants, two detectives, and 10 patrol staff. The City has a minimum of two officers on duty at all times, and usually three on duty in the evenings. During standard business hours, the Chief, Deputy Chief, detective and school resource officer are on duty.

Figure 4-12: Sworn Officers per 1,000 Residents, FY 04-05

The number of sworn officers per capita is a traditional indicator of service level; however, there are no established State or national standards for police staffing levels. The median California city with an independent police department had 1.3 sworn officers per 1,000 residents in FY 04-05.⁶⁶ Staffing levels tend to be higher in small cities. Among smaller cities with a population of 5-10,000 residents, the median city had 1.7 sworn officers per 1,000 residents. Nearby cities with similar populations to serve provided staffing levels per capita somewhat lower than Gridley in FY 04-05, as shown in Figure 4-12.



The City's General Plan has a goal of maintaining a law enforcement level of service of at least one sworn officer per 1,000 population. The current staffing ratio is more than double this goal: 2.1 sworn officers per 1,000 population in the combined Gridley-Biggs service area. The Chief of Police aims to sustain a minimum ratio of 1.7 sworn officers per 1,000 population; this goal would be accommodated with the existing staffing level until more than 2,000 new residents move into the area.

The Chief of Police has expressed a need for a non-sworn traffic officer to address accidents and traffic, plus a canine unit to assist with drug enforcement. A traffic officer would particularly be useful on SR 99. Canine units may be specially oriented toward drug detection, bomb detection, finding missing persons, or protecting police officers.

Non-sworn personnel include five reserve officers, five dispatchers (plus one supervisor) and one animal control officer. Volunteers include two chaplains, who are responsible for death notifications, and 10 seniors who engage in clerical work and parades.⁶⁷

The Sheriff assigns one deputy to the Gridley-Biggs area 40 hours per week. At other times, the Sheriff responds from its Oroville headquarters. The Sheriff has a total of 44 patrol officers to cover over 1,600 square miles of unincorporated territory in the County.⁶⁸

⁶⁶ Authors' calculations based on State Controller's Office Annual Cities Report, FY 04-05 and California Department of Finance population data.

⁶⁷ Interview with Gary D. Keeler, Chief of Police, Gridley-Biggs Police Department, October 2007.

⁶⁸ Butte County Sheriff Organizational Chart, Operations Division, <http://www.buttecounty.net/sheriffs/misc/organization.pdf>

Training

The PD meets the standards of the California Commission for Peace Officer Standards and Training (POST). The Department hires personnel who are already trained. Additional training for range defensive tactics is provided in-house. Staff are also sent to POST classes.

Determination 4.5.-3. Service demands have increased in recent years due to growth and development, the onset of service to Biggs in 2001, increasing serious crime rates, and gang issues in Gridley.

Infrastructure Needs and Deficiencies

The evidence and storage facility is becoming crowded; an expansion will be needed. An additional sergeant's office is also needed. The PD will likely expand in the future to use the adjacent unmanned volunteer fire station where trucks are currently stored. The station was designed and constructed so the buildings can easily be connected. The Chief would like this connection to take place in the near future.⁶⁹

Additionally, the railroad running through the Gridley-Biggs area has a policy dictating no new crossings. The Chief indicates a need for a crossing, which may require an overpass due to the railroad's policy.

Radio upgrades and replacement are needed; the City has set aside funds for the last 10 years to finance the \$40-50,000 upgrade.

The City sets aside funds for replacement of vehicles and computers. Marked police vehicles are leased and are in good condition. Vehicles must be replaced every five to seven years. Generally, five new cars are required every three years.⁷⁰

Determination 4.5.-4. The PD currently has sufficient facility space and equipment except for storage and evidence facilities. The PD plans to expand into the adjacent unmanned station space.

⁶⁹ Written communication with Police Chief Gary Keeler, November 2, 2007.

⁷⁰ Written communication with Police Chief Gary Keeler, November 2, 2007.

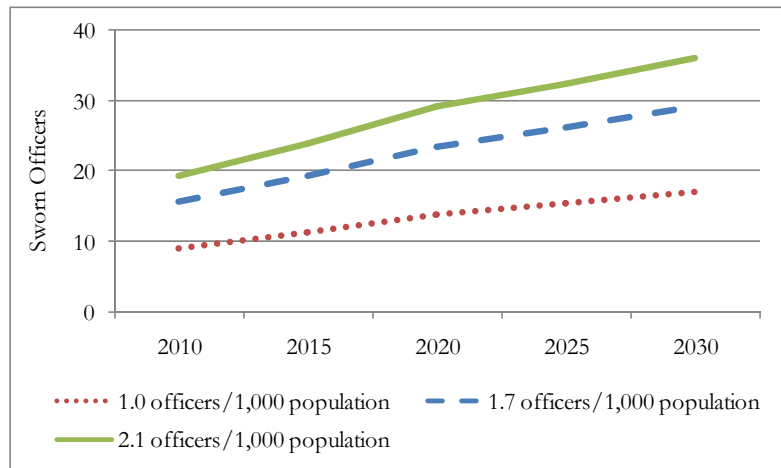
ANTICIPATED DEMAND AND PLANNED IMPROVEMENTS

The Department does not anticipate any problems in providing service to the existing SOI as areas are annexed. The Chief reported that the service area is relatively easy to serve because of the small and compact size, and no difficult-to-serve areas. As Gridley grows, it will need additional police officers to sustain existing service levels.

The 2007 Gridley population is 6,167 and the Biggs population is 1,769, for a total population served of nearly 8,000.⁷¹

Figure 4-13: Projected Sworn Officer Staffing, 2010-30

Figure 4-13 illustrates the number of sworn officers needed to meet service levels defined by the ratios of sworn officers to 1,000 population as projected by BCAG. No new hires would be needed to maintain the minimum adopted policy of 1.0 officer per 1,000 residents. About 16 additional officers would be needed by 2025 to sustain existing service levels, and nine officers would be needed to maintain the median service level (of 1.7 officers per 1,000 residents) among small California cities.



In addition to staff increases, the City will need additional resources to fund equipment for new officers. The City levies a development impact fee of \$116 per unit for residential development and \$51 per dwelling unit equivalent for commercial development to provide for future police equipment needs.

Determination 4.5.-5. Development and growth in Gridley and Biggs will eventually require increased staffing of sworn and non-sworn officers. The City would need up to 16 new officers by 2025 to sustain service levels as the City grows.

⁷¹ California Department of Finance, 2007.

SUMMARY OF WRITTEN DETERMINATIONS

- 4.5.-1. The Gridley-Biggs Police Department (PD) provides police and animal control services to the Cities of Gridley and Biggs.
- 4.5.-2. Law enforcement services are adequate. The current service level is higher than the median among small California cities and the City’s adopted minimum standard. The City manages to solve crimes effectively; crime clearance rates are comparable to neighboring cities and higher than Sheriff rates.
- 4.5.-3. Service demands have increased in recent years due to growth and development, the onset of service to Biggs in 2001, increasing serious crime rates, and gang issues in Gridley.
- 4.5.-4. The PD currently has sufficient facility space and equipment except for storage and evidence facilities. The PD plans to expand into the adjacent unmanned station space.
- 4.5.-5. Development and growth in Gridley and Biggs will eventually require increased staffing of sworn and non-sworn officers. The City would need up to 16 new officers by 2025 to sustain service levels as the City grows.

FIRE & EMS

INTRODUCTION

The City provides emergency medical and fire protection, prevention, investigation, and permitting services through a contract with California Department of Forestry and Fire Protection (CALFIRE). The City retains funding control and policy direction, while the CALFIRE Unit Chief provides for the daily needs of full-service fire protection. CALFIRE provides professional staffing of one fire station (Station No. 74) within the City. The City provides space and equipment for a volunteer fire station (Station No. 76) manned primarily by Butte County Fire Department (BCFD). Volunteer firefighters are managed by CALFIRE.

Service in the unincorporated area is provided through a similar arrangement. The County also contracts with CALFIRE for services, and staffs the volunteer fire station in Gridley (which responds to areas outside of the city limits).

Gridley benefits from automatic aid agreements with the City of Biggs (also contracting with CALFIRE) and Sutter County Fire Department, which includes the City of Live Oak Fire Department. These aid agreements provide for additional fire suppression support when necessary. In addition, the City receives service from 11 professionally staffed county stations and six state fire stations when needed through a cooperative agreement.

Table 4-14: Service Providers in the City of Gridley

Other providers of fire and medical emergency services within the City and its SOI are shown in Table 4-15. Butte County Fire Department provides for Hazardous Materials through a contract with CALFIRE. Advanced life support and ambulance transport are provided by Enloe Medical Center. County Service Area 34 acts as a financing mechanism for services provided by the medical center.

Service	Agency
Fire Suppression	CALFIRE
EMS/BLS	CALFIRE
EMS/ALS	CALFIRE, Enloe Hospital
Ambulance Transport	Enloe Hospital
Fire Suppression Helicopter	CALFIRE
Fire/EMS Dispatch	CALFIRE
Hazardous Materials	CALFIRE
Air Rescue & Ambulance Helicopter	Enloe Hospital
Public Safety Answering Point	Gridley PD; Butte County Sheriff
Source: Interview with Russ Fowler, Interim Battalion Chief, CALFIRE.	

All 911 calls made from landlines are answered by the Public Safety Answering Point—the Gridley Police Department within city limits and Butte County Sheriff in unincorporated areas. Once it has been determined that the call is fire or emergency medical related, it is transferred to the CALFIRE Command Center in Oroville, which dispatches appropriate personnel.

PLANS AND REGULATORY REQUIREMENTS

The City of Gridley strives to provide adequate fire protection to its residents. New development in the City must meet adopted standards for access, safe negotiation and turnarounds set by the City. Moreover, periodic inspections of vacant properties are proposed to ensure that dry weeds and other combustible fuels are not permitted to accumulate. The Fire Department’s goal is to provide a four-minute emergency response time to fire alarms, according to the City’s General Plan. CALFIRE recommends that the City adopt a seven-minute response time, which includes one minute for dispatch and two minutes for exiting the stations.⁷²

CALFIRE engages in contractual cooperating agreements with local fire departments under the provisions of the Public Resources Code (PRC). CALFIRE Gridley Fire Department has a Schedule A cooperating agreement with CALFIRE that is renewable on a year-to-year basis. The PRC also regulates what is commonly called the “Amador Plan.” This plan allows for fire protection services during winter non-fire season in stations that are staffed in the summer under the State’s responsibility.

EXISTING CONDITIONS AND FACILITIES

Facilities

The City is currently served by five fire stations, as seen in Table 4-15; two are located within City limits, one station is located in the City of Biggs, one in the community of Palermo, and another

⁷² Correspondence from Battalion Chief Michael Brown to Butte LAFCO, January 22, 2008.

in Richvale. The Biggs station provides automatic aid response in Gridley. The station in Palermo does not provide primary service to the City, but responds with a back-up engine when required.

Station No. 74 is located at 47 East Gridley Road and is owned by BCFD. It operates 24 hours a day, seven days a week and is in good physical condition, as reported by CALFIRE. It is staffed by four paid professional firefighters at all times.

Table 4-15: Fire Stations Serving Gridley

Name	Location	Hours of Operation	Staffing	Condition	Fleet
Station No. 74	47 E. Gridley Road	Continuous	4 firefighters	Good	1 fire engine, 2 squad trucks, 1 ladder truck, 1 wildland engine, 1 air and lighting unit
Station No. 76	685 Kentucky Street	N/A	Not staffed	Fair	None
Biggs Station	434 B Street, Biggs	Continuous	2 firefighters	Good	2 Type 1 engines, 1 water tender
Palermo Station	Palermo	Continuous	2 firefighters	Good	2 Type 1 Engines
Richvale Station	Richvale	Continuous	Not Reported	Good	2 Type 1 Engines 1 squad truck 1 rescue unit

Source: Interview with Russ Fowler, Interim Battalion Chief, CAL FIRE.

The City maintains ownership of Station No. 76, which is located next to City Hall. It is unmanned and volunteers are called upon when needed. The station was constructed in 2000 and is identified as being in excellent condition. The station was designed and built as expansion space for the police department as the City grows. CALFIRE did not report any infrastructure needs at this station. As discussed later in this section, the station location is not optimal and a new station is likely to replace this station in the future.

The City’s fleet of fire engines includes one ladder truck, one reserve engine, a wildland engine, two squad trucks, and a air and lighting unit at Station No. 74.⁷³ The City has recently purchased a new ladder truck and one Type 3 engine and ordered a new Type 1 engine. CALFIRE did not identify a need for other vehicles.

In addition, the Sutter County / Live Oak Fire Department responds to City incidents under an automatic aid agreement.

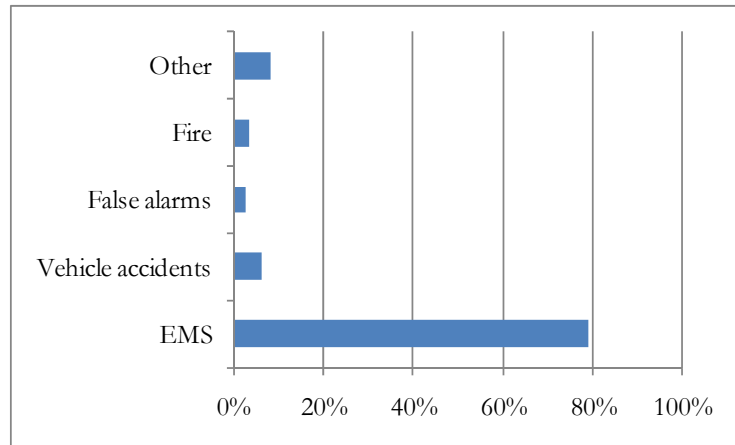
Determination 4.6.-1. There is adequate capacity to provide fire service to planned development within city limits and the SOI area.

⁷³ The City’s fleet includes only those vehicles which are owned by the City. The City also benefits from CALFIRE apparatus, which are not listed here.

Service Demand

The number of service calls is indicative of demand for fire and EMS services. CALFIRE responded to 585 service calls in 2006. Almost 79 percent of the calls were related to EMS, as seen in Figure 4-17. Additional calls included vehicle accidents (six percent) and false alarms (three percent). Fire alarms accounted for 21 calls, or four percent of the total calls for service.

Figure 4-16: Calls for Service, 2006



Service Standards and Adequacy

Training

CALFIRE conducts in-house training for fire personnel year-round. Some training is also provided by the Butte College Fire Academy. Rescue crews include certified “EMT-1” personnel who are equipped and able to operate the latest in lifesaving techniques and equipment.

New career firefighters attend a formal six-week CALFIRE Fire Fighter Academy. All new employees complete a mandated three-year apprenticeship program. Fire fighters who are being promoted to Fire Apparatus Engineers attend an additional six-week CALFIRE Engineer/Company Officer Academy. All employees attend refresher training in areas such as technical rescue, hazardous materials, confined space rescue, and Emergency Medical Technician. Fire suppression employees participate in two multi-company drills per month as well as daily engine company training. Additionally, all fire suppression employees are encouraged to attend both in- and out-of-state fire service conferences. All employees must maintain training qualifications according to the CALFIRE Procedures Handbook. On average, a CALFIRE employee participates in over 400 hours of training each year. Some employees also attend additional formal training to maintain their EMT-Paramedic license and Hazardous Materials Specialist certifications.⁷⁴

Response Times

For fire and paramedic service, there are service standards relating to response times, dispatch times, staffing, and water flow. Particularly in cases involving patients who have stopped breathing or are suffering from heart attacks, the chances of survival improve when the patient receives medical care quickly. Similarly, a quick fire suppression response can potentially prevent a structure fire from reaching the “flashover” point at which very rapid fire spreading occurs—generally in less than 10 minutes.⁷⁵

⁷⁴ Interview with Russ Fowler, Interim Battalion Chief, CALFIRE/Butte County Fire Department, Gridley Fire Department, Battalion 6, dated October 30, 2007.

⁷⁵ NFPA Standard 1710, 2004.

The guideline established by the National Fire Protection Association⁷⁶ (NFPA) for fire response times is six minutes at least 90 percent of the time, with response time measured from the 911-call time to the arrival time of the first-responder at the scene.⁷⁷ The fire response time guideline established by the Center for Public Safety Excellence (formerly the Commission on Fire Accreditation International) is 5 minutes 50 seconds at least 90 percent of the time, as seen in Table 4-17.⁷⁸

Table 4-17: Regional and Local Response Times

Agency Providing Guideline	Dispatch	Fire	Full	Advanced	Ambulance Transport
			Structure Fire	Basic Life Support	
National Fire Protection Association	1:00	6	10	6	10
Center for Public Safety Excellence	0:50	5:50		5:50	
CA EMS Agency					
Urban/Metro				5:00	8
Suburban/Rural				15	20
Wilderness				AQAP	AQAP
NorCal EMS					
Urban/Metro					8
Note					
(1) AQAP means as quickly as possible.					

Gridley Fire Department provides first-response to emergency medical calls and basic life support (BLS) prior to Enloe Medical Center arriving on the scene to provide ALS and ambulance transport. If needed, a paramedic captain is trained to provide ALS as well. The BLS medical response time guideline established by the California EMS Agency is five minutes in urban areas, 15 minutes in suburban or rural areas, and as quickly as possible in wilderness areas. Gridley Fire Department responds within 6.2 minutes 90 percent of the time.

Northern California Emergency Medical Services, Inc. is the regional agency that implements the state EMS Authority’s policies in Butte County and regulates ALS and ambulance providers. California EMS guidelines for Advanced Life Support (ALS) first-response times are eight minutes in urban areas and 20 minutes in suburban areas. Enloe Medical Center achieves the first-response goal 90 percent of the time.⁷⁹

ISO Classification

The Insurance Service Office (ISO), an advisory organization, classifies fire service in communities from 1 to 10, indicating the general adequacy of coverage. Communities with the best systems for water distribution, fire department facilities, equipment and personnel and fire alarms

⁷⁶ The National Fire Protection Association is a non-profit association of fire chiefs, firefighters, manufacturers and consultants.

⁷⁷ Guideline for a full structure fire is response within ten minutes by a 12-15 person response team at least 90 percent of the time.

⁷⁸ Commission on Fire Accreditation International, 2000.

⁷⁹ Mitchell, Larry, 2007.

and communications receive a rating of 1. A Public Protection Classification (PPC) rating has a direct impact on the cost of property insurance for every home and building in a community.⁸⁰

The current ISO classification within Gridley's city limits is 4, for both urban and rural areas. In the SOI, the City has an ISO classification of 4 for urban areas and rural areas within 1,000 feet of a hydrant. Structures within five miles of a fire station that have no hydrants are classified as ISO 8B. The ISO rating was updated in 1996. The Fire Department completed a review in 2007 and is waiting for the results.

Coverage Adequacy

In urban areas, fire stations must be located strategically within five minutes driving distance from potential victims. In rural areas, fire stations must be located strategically within 15 minutes driving distance. The driving distance is affected not only by service area size, but also by congestion, topography and street layouts.

CALFIRE indicated a challenge in responding west of the railroad tracks. As there are no railroad overpasses, when a train comes through or is parked in the City, firefighters must drive around the train—leading to longer response times.

CALFIRE indicated growth in the Gridley-Biggs area will require another career firefighter on duty, perhaps by 2015. Funding for such a position is yet to be determined. Presently, the County and the City contribute funding toward the four existing positions at Station No. 74.

Infrastructure Needs and Deficiencies

The railroad tracks are a barrier to service on the west side of the City. Options to improve response times include a new station on the west side of the tracks, an overpass or an at-grade crossing. An at-grade crossing (a crossing at the same level as the railroad tracks) is estimated to cost approximately \$0.5 million. An overpass (a crossing which would bridge over the railroad tracks and trains) would cost an estimated \$17 million. The City has no plans for an at-grade crossing or an overpass at this time. The City has chosen instead to construct a new station. Tentative plans for the new station have been developed; however, there are currently no approved plans or selected parcels for a new station. Construction timing will depend on development activity in the area. In the meantime, before the additional station is completed, an acceptable level of service is currently maintained in the area west of the railroad tracks; however, response times will become slower as subdivisions are constructed further to the west until an additional station can be built. If growth is directed to the north, then an additional station will not be necessary for a while and may be planned in cooperation with Biggs to allow for maximum response efficiency, according to the CALFIRE battalion chief.

Water pressure and water reserve challenges were identified by CALFIRE in the northern part of the City along SR 99, as a result of dead-end water mains. The City is in the process of replacing all dead-end water mains, which is anticipated to be completed by 2012.

⁸⁰ The ISO classification affects fire insurance for both residential and commercial properties. Generally, property owners in communities with a lower PPC rating pay a lower fire insurance premium than property owners in communities with a higher PPC rating.

ANTICIPATED DEMAND AND PLANNED IMPROVEMENTS

The Fire Department has the capacity to provide fire service to planned development within city limits and the sphere of influence area, according to CALFIRE. However, the area to the north of Gridley—around Ord Ranch Road—will need water flow improvements to provide for greater water flows.

Determination 4.6.-2. The City has determined that a new fire station would be needed to serve future residents on the western side of the railroad tracks at build-out of the General Plan scenario and maintain the City’s standard of a four-minute response time.⁸¹

Determination 4.6.-3. Water pressure and water reserve challenges in the northern part of the City along SR 99 result from dead-end water mains. The City is in the process of replacing all dead-end water mains, which is anticipated to be completed by 2012.

Determination 4.6.-4. The area to the north of Gridley—around Ord Ranch Road—will need water flow improvements to provide for greater fire flows.

⁸¹ City of Gridley, 2005, p. 14.

SUMMARY OF WRITTEN DETERMINATIONS

- 4.6.-1. There is adequate capacity to provide fire service to planned development within city limits and the SOI area.
- 4.6.-2. The City has determined that a new fire station would be needed to serve future residents on the western side of the railroad tracks at build-out of the General Plan scenario and maintain the City's standard of a four-minute response time.
- 4.6.-3. Water pressure and water reserve challenges in the northern part of the City along SR 99 result from dead-end water mains. The City is in the process of replacing all dead-end water mains, which is anticipated to be completed by 2012.
- 4.6.-4. The area to the north of Gridley—around Ord Ranch Road—will need fire flow improvements to provide for greater fire flows.

PARKS AND RECREATION

INTRODUCTION

The City of Gridley owns and maintains four parks within the city limits through the city Recreation Department. Vierra Community Park (12.5 acres), the largest of the four park facilities, is located between Washington and Haskell Streets, south of Norman Street. The other three neighborhood park facilities are Daddow Plaza, Rotary Park and Quota Park (totaling 4.4 acres), located in downtown Gridley, along the Union Pacific Railroad line, south of Hazel Street.

Other park and recreational areas located within the city limits are the Butte County Fairgrounds, the Gridley Swimming Pool on East Hazel Street, August Boeger Park (1.9 acres), Eagle Meadows Park (5 acres) and school recreation facilities located on the campuses of the McKinley School, Wilson School, Sycamore Middle School, and Gridley High School. The August Boeger Park is located in the Heron Landing subdivision on the northern side of the City and the Eagle Meadows Park is located in the Eagle Meadows subdivision in the west of the City, north of Sycamore Street. Outside of the city limits, the use of the Manzanita School gym for up to 20 hours per week is provided by joint use agreement between the City and the Manzanita School District.⁸² The City also owns and maintains a boat launch area on the Feather River as part of its recreation facilities.

⁸² Butte LAFCO, *Final Municipal Service Review: Recreation and Park Services*, adopted September 1, 2005, p. 3.11-10.

PLANS AND REGULATORY REQUIREMENTS

The City of Gridley conducts planning and sets regulatory requirements for park and recreation services in the open space element of its General Plan. The City's standard for neighborhood and community parkland is five acres per 1,000 residents.⁸³

EXISTING CONDITIONS AND FACILITIES

Facilities

Facilities in Vierra Park include softball and baseball fields, two playgrounds and a tot lot play area, two recreation buildings, two tennis courts, and a barbeque and picnic area. Facilities in the adjacent Daddow Plaza, Rotary Park and Quota Park areas include a bandstand, picnic tables, benches, and a gazebo.⁸⁴ Daddow Plaza, Rotary Park and Quota Park were owned by the railroad and leased by the City as parkland since 1906. In FY 04-05 the park areas were purchased from the railroad by the City using Proposition 12 grant funds.⁸⁵ The City reports that all current park facilities are in good condition.

The boat ramp owned and maintained by the City is located on the Feather River frontage of the City wastewater treatment land site on the east side of the river, south of the East Gridley Road bridge.⁸⁶ Due to problems with vandalism the boat ramp is protected by a locked gate. Permits for use of the ramp and keys to the gate are sold annually, with revenue used to pay for minor ongoing expenses at the facility. Significant upgrades to the facility are planned, with improvements budgeted in FY 07-08.

Facilities located on the campuses of Gridley-area schools include various playground areas, baseball, softball and little league fields, soccer fields, outdoor basketball and handball courts, indoor basketball, volleyball and tumbling facilities, tennis courts, a football field, and a running track.⁸⁷ The Gridley Community Center on East Spruce Street is jointly owned and operated by the City and the Gridley School District.

The City reports that a grant-funded skate park and water park are in the planning stages, funded by Proposition 40 competitive funds.⁸⁸ The skate and water park will be located at a new 0.81-acre park facility on Washington Street, north of Hazel Street, purchased by the City in FY 04-05 with funds from Proposition 12.

⁸³ City of Gridley, *City of Gridley General Open Space Element*, adopted June 21, 1999, p. 7.

⁸⁴ Butte LAFCO, *Final Municipal Service Review: Recreation and Park Services*, adopted September 1, 2005, p. 3.11-4.

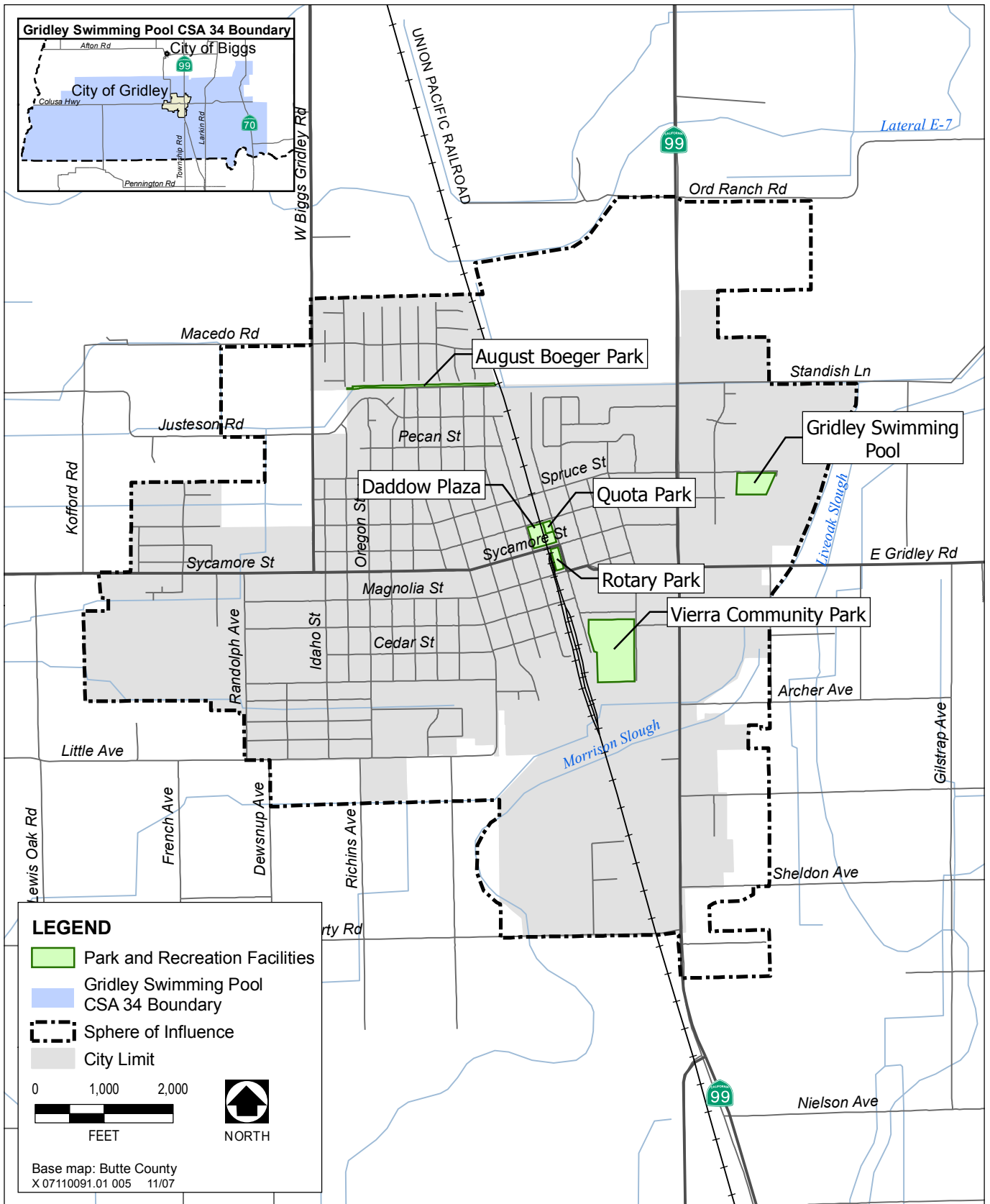
⁸⁵ City of Gridley FY 07-08 Budget, p. E-4.

⁸⁶ City of Gridley, *City of Gridley General Open Space Element*, adopted June 21, 1999, p. 6.

⁸⁷ *Ibid.*, pp. 13-14.

⁸⁸ City of Gridley FY 07-08 Budget, p. E-4.

FIGURE 4-18: PARK SERVICES MAP



Source: Butte County GIS 2006

Park and Recreation

Service Demand

Park demand is measured through population growth, but is also affected by other factors such as community preferences and climate. Population projections for the City of Gridley are discussed in Chapter 3.

Service Standards and Adequacy

Park Acres

There are several standards for the adequate amount of park acreage, ranging from three to 10.25 acres of developed parks per 1,000 residents.

For developer park dedication requirements (i.e., “Quimby” fees), the California statute sets a benchmark of three to five acres per 1,000 residents.⁸⁹ Cities with a policy of as much as five acres per 1,000 residents in their General Plans may impose that requirement on developers. Otherwise cities may require developers to dedicate or finance up to three acres of parkland per 1,000 residents. The City of Gridley’s standard for neighborhood and community parkland is five acres per 1,000 residents.⁹⁰ The parkland dedication standards established by the 1999 City General Plan are shown in Table 4-19.

Table 4-19: City Parkland Dedication Standards, 1999

Standard for Fees In-Lieu of Parkland Dedication
(Dwelling units) times (average household population) times (5 acres divided by 1,000 persons) times (per-acre cost of the lot) times (6/5) = in-lieu fee. The 6/5 figure represents the improvement costs for off-site improvements for development of the lot.
Standard for Parkland Dedication In-Lieu of Fees
(Average household population) divided by (1,000 persons divided by 5 acres) = minimum acreage dedication.
Source: 1999 City of Gridley General Plan, Open Space Element.

The National Recreation and Park Association (NRPA) is the nationally recognized authority on recreation planning and amenities. Although NRPA now suggests that municipalities decide upon their own set of standards, NRPA recommends that a municipal park system be composed of at least 6.25 to 10.5 acres of developed open space per 1,000 residents.⁹¹ More specifically, NRPA has developed a service level formula that can be applied to determine park needs.⁹²

- NRPA recommends 0.25 to 0.5 mini-park acres per 1,000 residents. Mini-parks serve an area within a quarter-mile and are one acre or less in size.

⁸⁹ Government Code §66477(a)(2).

⁹⁰ City of Gridley, *City of Gridley General Open Space Element*, adopted June 21, 1999, p. 7.

⁹¹ The 1983 NRPA standard was 10 acres of park space per 1,000 inhabitants.

⁹² Mertes & Hall, 1996, p. 72-79.

- NRPA recommends one to two neighborhood park acres per 1,000 residents. Neighborhood parks serve an area within a quarter-mile to a half-mile distance, and are 15 or more acres.
- NRPA recommends five to eight community park acres per 1,000 residents. Community parks serve an area within a one to two mile distance, and are at least 25 acres in size.

There are a total of 24.6 acres of developed or soon to be developed parkland within the City of Gridley. This translates into 4.1 acres per 1,000 residents.⁹³

Infrastructure Needs and Deficiencies

An additional 5.6 acres of developed parkland are needed to achieve the City's standard of five acres per 1,000 residents.

The City has pursued funding for upgrades to park sprinkler systems and landscaping to reduce maintenance costs.⁹⁴ The City indicates that Daddow Park's trails and irrigation system are in need of extensive rehabilitation.⁹⁵

The City reports that park maintenance services are needed at August Boeger Park adjacent to the Heron Landing development, north of Orange Avenue. Additional funding would be required for improvements if Orange Avenue is developed to supplement the park, in addition to a plan for maintaining the facility.⁹⁶

No specific infrastructure needs were identified for the Gridley Swimming Pool by the CSA 34 Swimming Pool District advisory committee, although the aging facility requires continual maintenance.

Determination 4.7.-1. The City has 3.1 acres of developed parkland per 1,000 residents in 2010. To achieve the City's adopted standard of five acres per 1,000 residents, an additional 12 acres of developed parkland are needed.

⁹³ Based on the City's 2006 population of 6,041 according to Department of Finance data, and the total acreage of Vierra Park, Daddow Plaza, Rotary Park, Quota Park, August Boeger Park, the planned skateboard/water park, and the park at Eagle Meadows. Park acreages were provided by the City, and calculated using Butte County GIS data.

⁹⁴ Butte LAFCO, *Final Municipal Service Review: Recreation and Park Services*, adopted September 1, 2005, p. 3.11-4.

⁹⁵ City of Gridley FY 07-08 Budget, p. E-4.

⁹⁶ Ibid.

ANTICIPATED DEMAND AND PLANNED IMPROVEMENTS

Anticipated demand for park service is largely contingent upon the population of the City. Population projections for the City of Gridley are discussed in Chapter 3. As the City population continues to grow, more developed parkland must be provided in order to meet City standards.

Planned improvements to existing park facilities include the completion of the irrigation project at Vierra Park (scheduled for November 2007), and improvements to Quota Park including seating, lighting and installation of a fountain. The City plans to replace wood tables and benches with concrete tables, benches and trash receptacles in all parks.⁹⁷

In FY 06-07 the City was awarded \$935,000 by the California Boating and Waterways Commission for various improvements to the boat ramp facility. Tentative improvements include a fully functional boat dock and various riverbank renovations, bathrooms, improved parking, signage, and an automated gate to the facility.⁹⁸ As of FY 07-08 the project is in the planning and design phase.

Various renovations of the recreation building at Vierra Park are slated to better accommodate recreation programs in the City, including the installation of access ramps along with a remodel of the building. The Vierra Park tennis courts are scheduled to be resurfaced along with these projects⁹⁹.

Determination 4.7.-2. The City's 2009 General Plan identifies potential park sites within the existing SOI. City policy is to prioritize adding parkland in areas lacking adequate park acreage according to City parkland standards. In keeping with its smart growth principles, the City aims to expand parkland at joint use sites shared with schools and to collaborate with the County and City of Biggs in developing a regional park for shared use.

⁹⁷ Ibid., p. E-3.

⁹⁸ Ibid., p. E-15.

⁹⁹ Ibid., p. E-4.

SUMMARY OF WRITTEN DETERMINATIONS

- 4.7.-1. The City has 3.1 acres of developed parkland per 1,000 residents in 2010. To achieve the City's adopted standard of five acres per 1,000 residents, an additional 12 acres of developed parkland are needed.
- 4.7.-2. The City's 2009 General Plan identifies potential park sites within the existing SOI. City policy is to prioritize adding parkland in areas lacking adequate park acreage according to City parkland standards. In keeping with its smart growth principles, the City aims to expand parkland at joint use sites shared with schools and to collaborate with the County and City of Biggs in developing a regional park for shared use.

SOLID WASTE

INTRODUCTION

The Butte Regional Waste Management Authority (BRWMA) regulates waste collection and recycling services in the cities of Biggs and Gridley, and in the unincorporated areas of Butte County.

Solid waste service for the City of Gridley is provided by franchise agreement with North Valley Waste Management. Solid waste generated in the city is disposed of at the Neal Road Landfill, in unincorporated Butte County, approximately 19 miles north of Gridley. The facility is located on 190 acres, 140 of which are used for solid waste disposal. The landfill is owned by Butte County, and operated by the County Public Works Department.¹⁰⁰ The Ord Ranch Transfer Station is located in unincorporated Butte County, approximately one-half mile east of SR 99 on Ord Ranch Road. The transfer station is leased by the City of Gridley from Butte County, and is operated by North Valley Waste Management. The transfer station has a maximum permitted throughput of 64 tons of solid waste per day, with all materials collected at the transfer station hauled to Neal Road Landfill for disposal.¹⁰¹

Recycling services for the City of Gridley are provided by North Valley Waste Management. Curbside recycling containers for green waste and commingled recycling are provided at no additional charge to the standard solid waste service. Household hazardous waste disposal is available to all Butte County residents at the Butte Regional Household Hazardous Waste Collection Facility, including but not limited to residents of Gridley at the Gridley Household Hazardous Waste disposal facility located at the Ord Ranch Transfer Station. Electronic hazardous waste (e-waste)

¹⁰⁰ Butte County, 2007, p. 6-39

¹⁰¹ Ibid., p. 6-37.

facilities are available to all Butte County residents at the Neal Road Landfill e-waste collection site and satellite locations, including one in Gridley (Applied Computers).

PLANS AND REGULATORY REQUIREMENTS

In 1989, the California legislature passed the California Integrated Waste Management Act (AB 939), which established an unprecedented framework for integrated waste management planning and waste disposal compliance in an effort to conserve resources and extend landfill capacity. Based on a 1990 disposal baseline, AB 939 required cities and counties to reduce the amount of solid waste generated in their jurisdictions and disposed in landfills by 25 percent by the year 1995 and by 50 percent by the year 2000.¹⁰² AB 939 also required local governments to prepare comprehensive integrated waste management plans that detail how the waste diversion mandates will be met and to update elements of those plans every five years. BCRWMA completes this plan for the City.

In 1986, California enacted legislation (AB 2948) that established procedures for regional hazardous waste planning. AB 2948 required counties to develop hazardous waste plans and projections by 2000.

AB 939 established the California Integrated Waste Management Board (CIWMB) to oversee integrated waste management planning and compliance according to new regulations and to aid local agencies in implementing programs to meet the state's three main policy goals.¹⁰³ It refined a statewide system of permitting, inspections, maintenance, and enforcement for waste facilities in California, and also required the CIWMB to adopt minimum standards for waste handling and disposal to protect public health and safety and the environment.

The CIWMB serves as the permitting and enforcement agency. It is responsible for approving permits for waste facilities, approving local agencies' diversion rates, and enforcing the planning requirements of the law through Local Enforcement Agencies (LEAs). The LEA for Butte County is the Butte County Environmental Health Division (BCEHD). LEAs are responsible for enforcing laws and regulations related to solid waste management, issuing permits to solid waste facilities, ensuring compliance with state-mandated requirements, coordinating with other government agencies on solid waste related issues, and overseeing corrective actions at solid waste facilities. LEAs inspect facilities, respond to complaints, and conduct investigations into various aspects of solid waste management.

Any potential discharge to surface or groundwater is regulated by the Regional Water Quality Control Board (RWQCB). The owner or operator of any facility that discharges, or proposes to discharge, waste that may affect groundwater quality (including solid waste disposal facilities) must first obtain a waste discharge requirement permit (WDR) from the appropriate RWQCB. A WDR order adopted by RWQCB for an individual facility defines measures to mitigate any potential contamination of the groundwater. Activities at the Neal Road Landfill are regulated by WDR Order No. R5-2002-0145.

¹⁰² A Senate bill passed in 1997 allowed for extensions through 2005 for jurisdictions that made a "good faith effort" to comply.

¹⁰³ Solid waste in California was regulated by the part-time Solid Waste Management Board before CIWMB was established.

The Butte County Air Quality Management District issued a Title V operating permit (Permit No. NRL-01-01-TV) for landfill operations air emissions control to the Public Works Department for operation of the Neal Road Landfill in March 2003.¹⁰⁴

EXISTING CONDITIONS AND FACILITIES

Facilities

Neal Road Landfill has a maximum permitted capacity of approximately 25 million cubic yards, and a maximum permitted throughput of 1,500 tons per day. The landfill accepted 183,000 tons of waste in 2005. The estimated remaining capacity of the facility is 21.7 million cubic yards, as of July 2006. The landfill's tentative closure date is January 1, 2033.¹⁰⁵

Service Demand

The Butte County Public Works Department estimates that 6,099 tons of solid waste was generated by the City of Gridley in 2006, or over 5.5 pounds per person per day. This is slightly higher than the 5.2 pounds per person per day averaged countywide in 2006.¹⁰⁶

Service Standards and Adequacy

Regulatory Compliance

The Neal Road Landfill is inspected monthly by BCEHD. From February to July 2007, there were four documented areas of concern and 10 violations following facility inspections.¹⁰⁷ All violations were regarding gas control. A violation indicates non-compliance with regulations, whereas an area of concern indicates a condition approaching non-compliance.

Diversion Rates and Recycling Efforts

In 1989, California passed historic legislation that sought to radically decrease the amount of materials deposited in the state's landfills. Assembly Bill 939 (A.B. 939) mandates that cities reduce trash delivered to landfills by 50 percent in the year 2000 from 1990 delivery estimates. Under the law, the State can fine an LEA \$10,000 a day for failing either to prepare an approved diversion plan or to make a good faith effort to implement such a plan. A Senate bill passed in 1997 offered extensions through 2005 to jurisdictions falling short of the A.B. 939 standards, which have made a "good faith effort" to comply.

¹⁰⁴ Butte County, 2007, p. 6-40.

¹⁰⁵ CIWMB, Solid Waste Information System, 2007.

¹⁰⁶ Butte County Public Works Department, *Butte County Annual Waste Origin Report*, 2006. Pounds per person per day calculation is based on Department of Finance 2006 population of 6,041 residents for the City of Gridley, and 217,025 for the County of Butte.

¹⁰⁷ CIWMB, Facility/Site Inspection Listings, 2007.

Time extensions were granted for the jurisdictions from 2000 to 2005. Butte County indicates that the BRWMA currently meets the 50 percent diversion rate requirement of A.B. 939.¹⁰⁸ In 2005, approximately 110,000 tons (52 percent) of solid waste generated within the BRWMA was diverted from disposal facilities, although the diversion rate has not yet been certified by CIWMB. The certification is expected to be complete by 2008.

Infrastructure Needs and Deficiencies

The Neal Road Landfill was expanded in 2002 to extend the closure date of the landfill by 15 years, from 2018 to 2033. The remaining capacity of the landfill is 21.7 million cubic yards, as of July 2006.¹⁰⁹ No further expansions of the landfill are planned at this time.

Determination 4.8.-1. There is adequate landfill capacity, and services are adequate.

ANTICIPATED DEMAND AND PLANNED IMPROVEMENTS

The anticipated demand for solid waste services is largely dependent upon population growth. Population projections for the City of Gridley are discussed in Chapter 3. The Neal Road Landfill anticipates a 2.5 to 3.5 percent increase in waste per year due to anticipated growth in Butte County.¹¹⁰ The Neal Road Landfill’s tentative closure date is January 1, 2033. There are no planned expansions of the landfill at this time.

SUMMARY OF WRITTEN DETERMINATIONS

4.8.-1. There is adequate landfill capacity, and services are adequate.

ELECTRICITY

INTRODUCTION

The City’s electric utility purchases and distributes power, maintains its distribution system, trims trees, and maintains and operates the City’s street lighting system. The City serves power to most of the city boundary area, except newly annexed areas in the southwest portion of the City. Gridley has owned its electrical utility since 1910. Gridley has one of only 12 city-owned utility systems in Northern California. The Department employs a superintendent, three line workers and two apprentice line workers.

¹⁰⁸ Butte County, 2007, p. 6-34.

¹⁰⁹ CIWMB, Solid Waste Information System, 2007.

¹¹⁰ City of Chico, p. 4.8-4.

Generation and Transmission

Gridley does not directly generate its own power, but is a member of the Northern California Power Agency (NCPA) and the Western Area Power Administration (WAPA). NCPA is a joint powers authority empowered to purchase, generate, transmit, distribute, and sell wholesale electrical energy. Members are public or publicly-owned entities, including the City and ten other municipal electric utilities, that participate in specific projects on an elective basis.¹¹¹ WAPA is one of four power marketing administrations within the U.S. Department of Energy. WAPA markets and transmits hydroelectric power within a 15-state region of the central and western U.S.¹¹²

The City has ownership interests in two generation facilities operated by the NCPA and has a long-term contract for a percentage in WAPA's base resources. The first of the NCPA interests is a two-unit geothermal generation facility in Lake County with a generation capacity of 220 megawatts (mw) of power. The City of Gridley's ownership percentage is approximately 0.34 percent, or 3,200 megawatt-hours (mwh) per year. The second NCPA facility in which the City has an ownership interest is a five-unit combustion turbine peaking project. This system has a capacity of 125 mw. This second system operates at peak usage times across NCPA member communities to insulate members from high prices of spot market power.¹¹³

The City has a long-term contracted interest of 0.62 percent in WAPA base resources, generated by several dams in the Central Valley Project. The amount of power available to the City in any one year from this system is subject to gross production, which is dependent on water and on energy needs for system operations. In an average year, this system provides 17,600 mwh of power to Gridley, but a wet year can generate over 30,000 mwh while a critically dry year could result in zero power generation.¹¹⁴ Total WAPA capacity is more than 2,000 mw.¹¹⁵

The Gridley electrical system is linked to this generation mix through its interconnection with Pacific Gas and Electric Company's (PG&E's) transmission system, which is maintained by the ISO.

Distribution and Maintenance

The Gridley Electric Department owns, operates and maintains the electrical distribution system in the City. In addition, the City is a member of the California Joint Pole Association and shares common poles throughout the City with other utilities such as PG&E, Comcast and AT&T.

The City provides certain services to the City of Biggs' electrical utility.¹¹⁶ The Department provides operation and maintenance of the distribution system. This includes maintenance of their

¹¹¹ Northern California Power Agency, FY 05-06 Annual Report.

¹¹² Western Area Power Administration, About Western, <http://www.wapa.gov/about/>

¹¹³ Northern California Power Agency, FY 05-06 Annual Report, Communication with Gary Davidson, Electric Department.

¹¹⁴ Communication with Gary Davidson, Electric Department, 2007.

¹¹⁵ Western Area Power Administration, About Western, <http://www.wapa.gov/about/>

¹¹⁶ Communication with Gary Davidson, Electric Department, 2007.

60 kv transmission system (from SR 99 to Biggs' substation). Shutoffs are performed by Gridley line workers when necessary. Contracted services exclude maintenance of Biggs' substation and billing functions such as reading meters.

Other Activities

In addition to the purchase and distribution of electricity, the Electric Department performs citywide tree trimming (especially surrounding primary and service wires), installs decorations and banners for special events, and maintains and operates the City's street lighting system. The Department also provides annual tree trimming services to the City of Biggs.

Unincorporated SOI Area

PG&E serves the unincorporated areas around Gridley. Under law, if an area served by PG&E is annexed to the City then customers may opt to remain with PG&E as their electric provider or change to the municipal utility. PG&E may not serve customers within city limits except under this circumstance. The City of Gridley may not provide electrical service to residents outside city limits.

PLANS AND REGULATORY REQUIREMENTS

Municipal utilities are subject to federal, state and local oversight. On the federal level, the Federal Energy Regulatory Commission (FERC) and Congress set policy and oversee wholesale markets and transmission access.

State energy regulations are implemented through legislation. SB 1037, signed into law in September 2005, mandates that all publicly-owned utilities (POUs) report to the California Energy Commission (CEC) on cost-effective and feasible energy efficiency programs. AB 2021, chaptered in 2006, built upon SB 1037, further requiring POUs to develop energy efficiency targets on a triennial basis. The CEC is authorized to set targets for all municipal utilities. POUs do not report to the California Public Utilities Commission, which oversees investor-owned utilities.

EXISTING CONDITIONS AND FACILITIES

Facilities

The City owns and operates a modular electric substation with a primary voltage rating of 60 kilovolts (kv). It is in good condition and located on Fairview Drive. The substation was constructed in 1983; its design life is 50 years. The substation has a rated capacity of 12.5 mw and an operational capacity of about 15 mw. The average daily load is about 36 percent of capacity. When peak load nears 10 mw, the use is at about 66-80 percent of capacity.

Gridley also owns a back-up substation. It was constructed in 1950. This substation is used annually during the annual maintenance and testing of the primary substation. Otherwise, it is only used for emergencies, which has not been necessary for the past 10-15 years.

The City's main substation taps into the regional PG&E high-voltage (60 kv) transmission line, transforms the high-voltage power, and feeds it into the City's electrical distribution lines. The distribution lines total 25-27 miles in length. The distribution system was upgraded from 4,000 to 12,000 volts in 1975, and uses three main circuits. One is primarily for SR 99 traffic signals, the

Hospital and Gridley's main shopping center. The other two circuits split the remaining northern and southern areas of the City.¹¹⁷

When areas served by PG&E are annexed and opt for City electric service, the City installs wiring to connect such areas. The City would like to purchase the relevant infrastructure from PG&E but has found this to be a challenge in previous annexations.

Service Demand

Accounts

The utility provides services to 2,667 accounts. The majority of accounts are residential, followed by commercial accounts. Transportation and industrial accounts are minimal.¹¹⁸

Most energy usage is industrial, followed by commercial and residential. Although residential accounts make up most connections, residential use is much lower than commercial. Residential electric usage in California averaged just over 570 kwh per month in 2005, while commercial averaged nearly 5,700 kwh/month. Industrial accounts averaged over 52,000 kwh/month.¹¹⁹

Load

Total energy usage in Gridley reached 35.9 gigawatt-hours (gwh) in FY 05-06. By comparison, usage in Biggs reached 18.2 gwh.¹²⁰ Summer monthly usage in Gridley is about 4,000-4,500 mwh (133 to 150 mwh per day); winter usage is closer to 2,500-3,000 mwh (83 to 100 mwh per day).¹²¹

Peak demand indicates the maximum load in a system. The peak demand in FY 05-06 was 9.7 mw. In Biggs it was 3.8 mw.¹²² The last three years have seen a handful of 10 mw loads to the system. During the heat storm of July 2006, the peak reached 10.4 mw. The average peak in non-summer months (October to May) is 4.5-5 mw.¹²³ By comparison, net peak demand for all of California in 2005 was 58,900 mw.¹²⁴

¹¹⁷ Communication with Gary Davidson, Electric Department, 2007.

¹¹⁸ As of September 30, 2007. Ibid.

¹¹⁹ Energy Information Administration, U.S. Department of Energy. Electric Sales, Revenue, and Average Price 2005, Table 5. http://www.eia.doe.gov/cneaf/electricity/esr/esr_sum.html

¹²⁰ Northern California Power Agency, 2006, p. 29.

¹²¹ Communication with Gary Davidson, Electric Department, 2007.

¹²² Northern California Power Agency, 2006, p. 29.

¹²³ Communication with Gary Davidson, Electric Department, 2007.

¹²⁴ California Energy Commission, Historic Statewide Demand, http://www.energy.ca.gov/electricity/historic_peak_demand.html

Service Standards and Adequacy

The primary indication of adequate service is consistency or, in other words, lack of outages. The Department is able to adequately serve the City. The Department began tracking the main measure of adequacy, power outages, in May of 2007. There have been several minor outages since then, and one outage lasting over 15 hours. The City reported that outages are relatively rare, and that the seven-month period may not be representative of its overall performance record.

Infrastructure Needs and Deficiencies

The Electric Utility has adequate infrastructure to serve the current City area. The substation usually operates at 36 percent of capacity, although peak demand can use up to 88 percent of capacity.

The distribution system is currently under review by the Electric Superintendent to assess system infrastructure needs and to propose a plan of action to the City based on findings. There are no known problems, but the Department aims to shorten outages and prevent problems as possible.

Determination 4.9.-1. Electricity service is adequate, and capacity is adequate to serve current customers.

ANTICIPATED DEMAND AND PLANNED IMPROVEMENTS

New development will require additional electric infrastructure, specifically new distribution lines and transformers. Subdivisions typically require the construction of self-contained distribution systems that are then connected to one of the three existing circuits. Infill opportunities within the City require connections to the existing distribution system. All three circuits have adequate capacity to serve the immediate existing sphere of influence as it builds out.

New distribution facilities are necessary to serve new load. New distribution systems for subdivisions are only constructed after the subdivision has been approved through the planning process and all costs to construct the distribution system have either been paid to the City or the developer has constructed the facilities to Public Works standards.

The Department will likely require a new substation with increased capacity to accommodate growth in the existing SOI.¹²⁵ The City hopes to recruit a large commercial entity, which would still leave more than sufficient power for residents within the current SOI as well as foreseeable expansions of the SOI. New subdivisions contribute impact fees for the eventual construction of this new substation.

Determination 4.9.-2. The electric utility can accommodate growth within the existing SOI.

¹²⁵ The location of the new substation has not been determined. The City Electric Department reports that the ideal location is east of Rio Pluma, east of I-99 and north of Standish Lane, within one span of the 60-kilovolt line.

Determination 4.9.-3. As new areas are annexed and built out, demand will increase such that expansion of the existing substation or construction of a new substation will eventually be necessary.

SUMMARY OF WRITTEN DETERMINATIONS

4.9.-1 Electricity service is adequate, and capacity is adequate to serve current customers.

4.9.-2 The electric utility can accommodate growth within the existing SOI.

4.9.-3 As new areas are annexed and built out, demand will increase such that expansion of the existing substation or construction of a new substation will eventually be necessary.

5. FINANCING CONSTRAINTS AND OPPORTUNITIES

CITY FINANCIAL OVERVIEW

BUDGET

Figure 5-1: City of Gridley Budgeted Expenditures by Type, FY 07-08

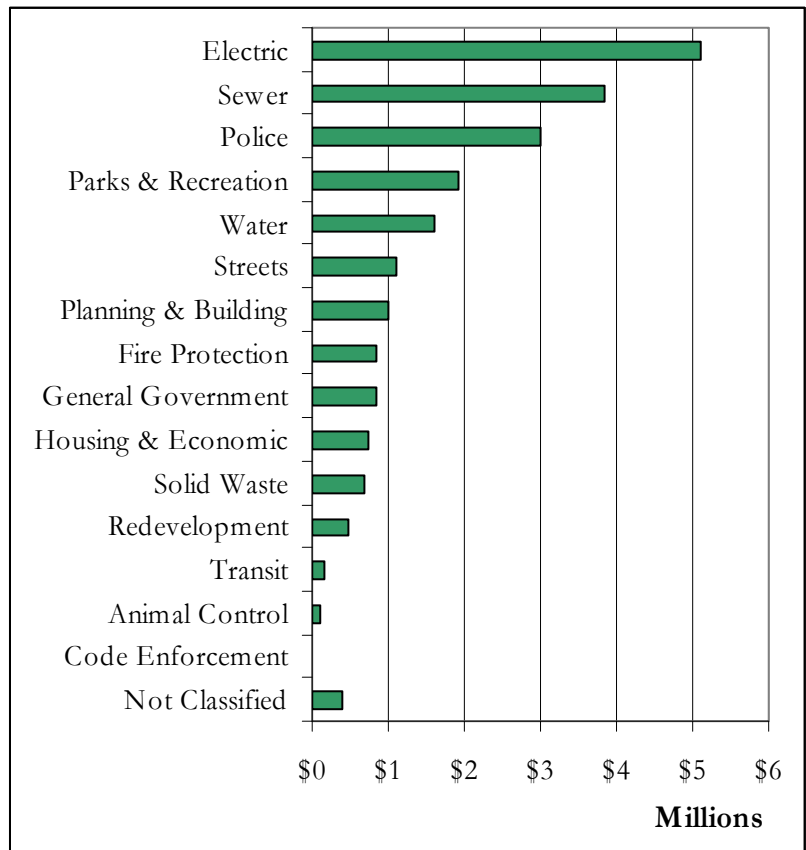
The City's total budget is \$22 million in FY 07-08. Electric, sewer and police services are the most costly municipal services.

Electric services and infrastructure were expected to cost \$5.1 million, or 23 percent of the total budget, as shown in Figure 5-1. These services are financed primarily by electric rates charged on utility bills.

The City expects to spend \$3.8 million on wastewater services in FY 07-08. Wastewater operations are financed by ratepayers. Wastewater capital projects are financed by connection fees, development impact fees, rates, loans and grants. The City has designed and plans to construct a \$2.1 million wastewater treatment plant expansion project in FY 07-08. The treatment plant expansion will be financed by connection fee revenues (saved over the past 10 years), rates and grant funding.

Water and solid waste services are also funded primarily by rates charged on utility bills. Water connection fees finance new capital projects, such as extension of water infrastructure to new development, while rates, grants and loans finance replacement of old water mains.

Law enforcement costs are expected to be \$3.0 million, of which \$0.7 million reflects the cost of serving the City of Biggs. Policing is funded primarily by the City's general fund, in addition to grants, fines and fees.



Street and related capital projects and maintenance are expected to cost \$1.1 million, and are financed by gas tax, transportation sales tax and general fund revenues.

Parks and recreation is expected to cost \$1.9 million, which is higher than in most years due to \$0.9 million grant-funded boat dock, skate and water park, and recreation building remodel construction projects. Grants and development impact fees are the primary funding sources for new parks and capital projects. The City’s general fund finances park maintenance. Recreation programming is funded by user fees.

Fire protection and general government are financed by the City’s general fund. Animal control services are funded by the general fund, reimbursement by the City of Biggs, and grants.

Housing and economic development projects are funded by loans and grants. The redevelopment agency was activated recently in 2002. Redevelopment activities are funded by property tax increment; during the start-up phase, redevelopment also has been funded by general fund loans.

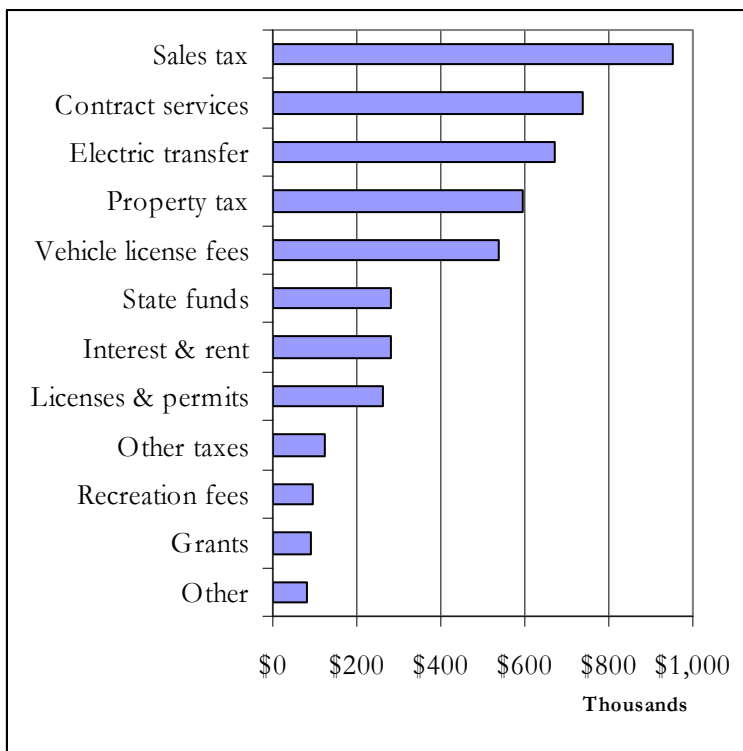
Determination 5.-1. The City’s total budget is \$22 million in FY 10-11. Electric, sewer and police services are the most costly municipal services.

GENERAL FUND

The \$4.9 million general fund finances police and fire services, general government costs, and portions of park and street-related costs. Major general fund revenue sources are sales tax, payments by the City of Biggs for contract services, electric revenue, property taxes, and vehicle license fee revenue.

Sales and use tax is the most important revenue source financing the City’s general fund. This revenue source is expected to generate \$1 million in revenue in FY 07-08, financing one fifth of general fund expenditures. Sales tax revenue is allocated to the City based on taxable sales activity located within the city limits.

Figure 5-2: General Fund Revenues by Source, FY 07-08



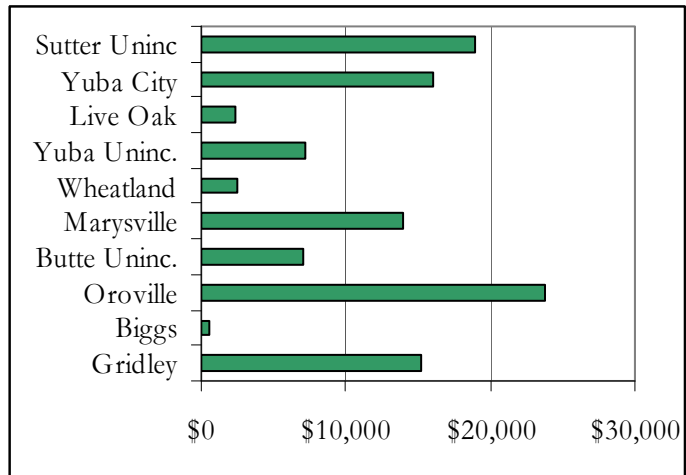
The City of Gridley receives \$0.7 million in revenue from the City of Biggs as reimbursement for the cost of law enforcement and animal control services provided by contract to the neighboring

city. The City’s electricity enterprise is an important revenue source, transferring \$0.7 million to the general fund to help finance municipal services. Property taxes generate \$0.6 million in revenue.

The general fund receives \$0.5 million from vehicle license fees (VLF) and related in-lieu revenues, and \$0.3 million in other revenues from the State. VLF is a State tax on the ownership of a registered vehicle. The State distributes revenues to cities based on population levels and growth in the property tax base. The State revenue allocation formula rewards cities that annex undeveloped areas, but offers much lower revenue for annexation of developed areas beginning in 2009.

Figure 5-3: Taxable Sales per Capita, FY 05-06

Compared with nearby jurisdictions, Gridley businesses attract a relatively high level of sales on a per capita basis. There were \$15,252 in sales per capita in Gridley in FY 05-06. Gridley sales per capita were comparable to Yuba City and Marysville, and substantially higher than in nearby cities and unincorporated areas, as shown in Figure 5-3. The City’s location along SR 99, economic development efforts and land use decisions are important factors in maintaining and enhancing this revenue stream.



Determination 5.-2. The \$4.8 million general fund finances police and fire services, general government costs, and portions of park and street-related costs. Major general fund revenue sources are sales tax, payments from the City of Biggs for contract services, electric revenue, property taxes, and vehicle license fee revenue.

DEVELOPMENT

Development impact fees (DIFs) are charges paid by developers for the cost of capital improvements needed to serve growth. Jurisdictions must conduct studies to establish the fees, and may not charge for existing capital needs or operations.

Gridley charges DIFs of \$20,584 per new housing unit for the various growth-related infrastructure needs. The median California city charges \$22,159 in DIFs for the same services (excluding, for example, libraries and drainage).

Figure 5-4: Development Impact Fees, FY 07-08

The City and County charge different DIF rates due to differences in the services provided and in capital needs and expectations. The police, water, roads, and parks DIFs in Gridley are quite low compared with the state median. The Gridley Fire DIF is higher than in the median California city due to the anticipated cost of constructing and equipping a new fire station. Similarly, the wastewater DIF is relatively high compared with other jurisdictions due to a combination of the small size of the City's potential growth area and complex engineering of an upgraded, expanded wastewater plant.

Type	Gridley	Butte County	CA median
Fire	\$1,559	\$1,074	\$473
Police/Sheriff	\$116	\$754	\$604
Parks & Recreation	\$3,564	na	\$5,962
Sewer	\$10,685	na	\$4,376
Water	\$2,265	na	\$6,341
Electric	\$972	na	na
Streets & Roads	\$1,423	\$1,338	\$4,403
Library	na	\$408	\$717
General Government	na	\$971	\$1,388
Drainage	na	na	\$1,213
Schools	na	na	\$5,240

Sources: City of Gridley, Butte County, Duncan Associates

RESERVES

The City practices prudent financial planning by setting aside financial reserves for future capital needs and contingencies:

- General fund reserves were \$1.8 million, or 38 percent of annual expenditures, in FY 07-08. The City maintains general fund reserves for the City Hall building and for equipment replacement needs.
- Electric enterprise reserves were \$2.4 million, or 47 percent of annual expenditures. The City maintains separate reserve funds for electric capital improvements and for contingencies, such as energy price fluctuations.
- Water enterprise reserves were \$0.8 million, or 52 percent of annual expenditures. The City maintains separate water reserve funds for capital improvements and for water well replacement.
- Wastewater enterprise reserves were \$1.5 million, or 38 percent of annual expenditures in FY 07-08. The City plans to use much of the reserve fund to finance expansion of the wastewater treatment plant. It will also rely on a portion of its saved development impact fees to finance this project.

LONG-TERM DEBT

The City has a relatively low debt load, and relies primarily on financial reserves and planning to finance capital projects.

The City had \$0.9 million in long-term debt associated with government activities at the end of FY 05-06. That debt consisted of a bank loan used to finance purchase of 38 acres of land at the industrial park, capital leases for police vehicles, and compensated absences.

The City's enterprises had a total of \$2.6 million in long-term debt at the end of FY 05-06. The sewer enterprise had \$1.4 million in outstanding debt from a USDA rural development loan used to finance sewer capital projects. The water and electric enterprises had a \$1 million lease agreement for the installation of water and electric utility electronic metering systems.

The City has not issued bonds in the past. Consequently, bond rating agencies have not rated the creditworthiness of the City.

FINANCING CONSTRAINTS

GENERAL FUND

Proposition 13, which California voters approved in 1978, limits the ad valorem property tax rate, limits growth of the assessed value of property, and requires voter approval of certain local taxes. Generally, this measure fixes the ad valorem tax at one percent of value, except for taxes to repay certain voter approved bonded indebtedness. Significantly, this limitation does not apply to user-type fees like ambulance charges and false alarm fees because these fees are dependent on the property's use and not on ownership of the real property.

In response to the adoption of Proposition 13, the Legislature enacted Assembly Bill 8 (AB 8) in 1979 to establish property tax allocation formulas. Generally, AB 8 allocates property tax revenue to the local agencies within each tax rate area (TRA) based on the proportion each agency received during the three fiscal years preceding adoption of Proposition 13. This allocation formula benefits local agencies that had relatively high tax rates at the time Proposition 13 was enacted.

Proposition 98, which California voters approved in 1988, requires the State to maintain a minimum level of school funding. In 1992 and 1993, the Legislature began shifting billions of local property taxes to schools in response to State budget deficits. Local property taxes were diverted from local governments into the Educational Revenue Augmentation Fund (ERAF) and transferred to school districts and community college districts to reduce the amount paid by the State general fund. Local agencies throughout the State lost significant property tax revenue as a result of this shift.

ERAF revenue losses were only partially offset by Proposition 172, which was enacted in 1993. Proposition 172 provides the revenue of a half-cent sales tax to counties and cities for police, fire, district attorneys, corrections and lifeguards. Proposition 172 also requires cities and counties to continue providing public safety funding at or above the amount provided in FY 1992-93.¹²⁶ Proposition 172 revenues partially replace property tax revenues that were shifted to the ERAF for

¹²⁶ The maintenance of effort provision for local public safety spending requires cities and counties to fund public safety at the 1992-93 levels, adjusted annually by a cost-of-living factor commencing with the 1994-95 fiscal year.

schools in 1992 but with the caveat that the funds be used for public safety. Revenues are allocated to the cities based on the AB 8 allocation factors.

Proposition 218, which California voters approved in 1996, requires voter- or property owner-approval of increased local taxes, assessments, and property-related fees. Majority voter approval is required for imposing or increasing general taxes such as business license or utility taxes. Proposition 218 reiterated the Proposition 13 requirement for two-thirds voter approval of special taxes for which revenues are designated for specific purposes, such as paramedic services. In addition, Proposition 218 added new substantive and procedural steps that must be followed to impose a property-related fee or charge. The requirement does not apply to user fees, development impact fees and Mello-Roos districts.

California cities are precluded from taxing incomes. Likewise, state and federal law precludes local agencies from taxing financial institutions, insurance companies, and sales of alcoholic beverages, tobacco, and gasoline.

WATER AND WASTEWATER

Compared with other municipal services, there are relatively few financing constraints for wastewater enterprises. Generally, agencies may establish service charges on a cost-of-service basis and are not required to obtain voter approval for rate increases or restructuring. There is no voter approval requirement for connection fees or for the issuance of sewer revenue bonds.

Water providers must maintain an enterprise fund for the water utility separate from other funds, and may not use water utility revenues to finance unrelated governmental activities. Furthermore, cities providing water service must account for water enterprise finances separately from their general funds. Cities may not use the water enterprise fund to finance general fund activities. Water rates are restricted to the amount needed to recover the costs of providing water service. The water rates and rate structures are not subject to regulation by other agencies.

Similarly, connection fees for the various enterprises may recover the costs of extending infrastructure and capacity to new development. The fees must be reasonable and may not be used to subsidize operating costs.

DRAINAGE

Drainage districts are primarily financed by assessments and secondarily by property tax revenues. Drainage assessment increases must be approved by two-thirds of voters or a majority of landowners. The cost of elections may in some cases exceed the potential revenue from assessment increases. Districts are often hesitant, as a result, to ask voters to increase assessments even when financing is inadequate to fund services.

Determination 5.-3. The most significant financing constraint is the requirement for voter approval of new or increased taxes or assessments.

Determination 5.-4. Water, wastewater and solid waste rates and charges may be increased and restructured, but taxes, general revenue sources and drainage assessments require voter approval to be restructured or increased.

FINANCING OPPORTUNITIES

Strategic growth, redevelopment and economic development offer financing opportunities to the City in the form of enhanced property and sales tax revenues.

The City may increase its financial resources through economic development efforts that enhance the sales tax base, and beautification and infrastructure investments that enhance the property tax base. The City is actively pursuing this financing opportunity. The City activated its redevelopment agency recently to eliminate blight and promote economic development along SR 99. The City recently conducted a visitor study in which it envisioned beautification efforts along commercial corridors.

The City has successfully competed for various grants in recent years, including grants for park improvements, and construction of a new boat dock facility. The City pursues competitive grant funding opportunities for transportation, wastewater, housing purposes and recreation.

Another financing opportunity is to increase development impact fees to fund highway capacity improvements. The City has been interested in construction of a bypass to SR 99 to reduce through-traffic and ease congestion; however, Caltrans has recently indicated it no longer plans to pursue the project. The City would need to find local financing to construct a bypass.

A related opportunity is for the City to collaborate with other jurisdictions located in Butte, Sutter and/or Yuba counties to enhance regional freeway capacity between these areas and Sacramento. Establishment of regional traffic impact fees helps local agencies not only develop the needed infrastructure but also avoid competing away each other's traffic impact fees.

Although voters are often hesitant to increase general taxes, they are more likely to approve assessments or special taxes that are dedicated toward fire protection and emergency medical services. Many jurisdictions have had success with voter approval of assessments for parks and open space. Finally, voters usually are willing to approve increased hotel taxes, as such taxes are primarily borne by outsiders visiting the area.

Determination 5.-5. Compared with nearby jurisdictions, Gridley businesses attract a relatively high level of sales tax per capita. The City's location along SR 99, economic development efforts and land use decisions are important factors in maintaining and enhancing this revenue stream.

Determination 5.-6. Strategic growth, redevelopment and economic development offer financing opportunities to the City in the form of enhanced property and sales tax revenues.

SUMMARY OF WRITTEN DETERMINATIONS

- 5.-1. The City's total budget is \$22 million in FY 10-11. Electric, sewer and police services are the most costly municipal services.
- 5.-2. The \$4.8 million general fund finances police and fire services, general government costs, and portions of park and street-related costs. Major general fund revenue sources are sales tax, payments from the City of Biggs for contract services, electric revenue, property taxes, and vehicle license fee revenue.
- 5.-3. The most significant financing constraint is the requirement for voter approval of new or increased taxes or assessments.
- 5.-4. Water, wastewater and solid waste rates and charges may be increased and restructured, but taxes, general revenue sources and drainage assessments require voter approval to be restructured or increased.
- 5.-5. Compared with nearby jurisdictions, Gridley businesses attract a relatively high level of sales tax per capita. The City's location along SR 99, economic development efforts and land use decisions are important factors in maintaining and enhancing this revenue stream.
- 5.-6. Strategic growth, redevelopment and economic development offer financing opportunities to the City in the form of enhanced property and sales tax revenues.

OPPORTUNITIES FOR RATE RESTRUCTURING

Rates generally refer to ongoing service charges for use of enterprises, such as water and sewer treatment. Agencies may not increase rates for business-type utility operations in order to finance unrelated services.

Water and wastewater rates vary among service providers as a result of a number of factors, including purchased water cost and quality, distance from the water source, service area topography and density, infrastructure needs resulting from system age, and capital financing approaches.

Table 5-5: Water and Sewer Monthly Rates, 2007

	Wastewater	Water
Last Updated	FY 02-03	FY 02-03
Metered Rate	N/A	\$0.85/1,000 gallons
Flat rate with meter		
Single family residential	N/A	\$21.75
Retail & Commercial	N/A	\$32.62
Flat rate unmetered		
Single family residential	\$23.95	\$51.50
Retail & Commercial	\$29.44	\$51.50

As of 2007, water and wastewater rates were as shown in Table 5-5.

WATER

All water connections, with the exception of one, are equipped with radio-read meters. Water utility rates are based on a flat monthly fee and an additional charge for usage. A single family residential unit pays a flat fee of \$21.75 and \$0.85 for each additional 1,000 gallons of use. The City approved a four-year staggered water rate increase in FY 93-94 to establish reserves for well and water main replacement and correct the ongoing cash deficit of the water department, which has since been rectified.¹²⁷ The City continues to use this reserve to accumulate monies for water main replacement. Rates have been increased annually through FY 06-07 according to the Construction Cost Index. The City continues to accumulate adequate reserve funds to finance capital improvements based on the current rates, according to the City's FY 07-08 budget.

Water rates may need to be increased if the City faces more expensive water treatment costs.

LAFCO adopted the following determination regarding rate restructuring opportunities for water and wastewater in the City of Gridley:¹²⁸

- The water proprietary fund operates as a successful stand-alone fund. Revenues historically have exceeded expenditures. Rates and fees are reflective of the cost of providing related services.

WASTEWATER

Wastewater rates are based on a flat monthly fee schedule dependent upon type of use. In FY 97-98, wastewater user rates were not sufficient to cover operation and maintenance costs of the system. Subsequently, a wastewater rate study was completed in FY 99-00, and City Council approved four rate increases through FY 02-03 in accordance with the findings. Subsequently, rates have been adjusted annually according to the Construction Cost Index, similar to water utility rates. A portion of revenues from the rate increase are reserved for the debt service requirements of the USDA loan. The City noted that additional rate increases will be necessary to finance infrastructure needs related to I&I and implementation of recent State Water Resource Control Board requirements.¹²⁹

¹²⁷ City of Gridley, 2007, p. I-24.

¹²⁸ Butte LAFCO, *Domestic Water and Wastewater Service Providers MSR*, 2006, p. 2.9-9.

¹²⁹ City of Gridley, *Budget FY 07-08*, p. I-31.

Rate restructuring opportunities include prospects to promote conservation and increase service charges. The City could promote water conservation by charging sewer rates on the basis of sewer flow (as measured by water flow) for both residential and non-residential customers. The City currently charges a flat rate, regardless of flow. Sewer rates will need to be increased in the future to finance repairs to the aging collection system and to cover increased expected costs of the new sewer plant.

- The wastewater proprietary fund operates as a successful stand alone fund. Revenues historically have exceeded expenditures. Rates and fees are reflective of the cost of providing related services.

SOLID WASTE

Table 5-6: Garbage Collection Rates, 2007

The City approved a franchise agreement with North Valley Waste Management in 2001, which enabled the City to reduce solid water collection rates by 10 percent compared with the previous provider.¹³⁰

Rates for solid waste collection were most recently increased by the City in 2007. Rates are based on the size of the collection container and type of use as shown in Table 5-6. As the City contracts through North Valley Waste Management, rates are set during the contract negotiation process. The City can influence collection rates through franchise negotiations and a competitive bid process with haulers when the contract with North Valley Waste Management expires December 31, 2007. The City plans to extend this contract before this expiration, but as of late November had not yet done so.

Carts Size (gallons)	Monthly Rate
Residential	
35	\$18.83
64	28.23
90	37.64
Commercial	
35	21.32
64	31.19
90	53.94

ELECTRICITY

Rates for the electrical utility were increased for the first time in 12 years in 2003, due to a rise in wholesale energy costs. They increased again in 2007. Rates are based on a minimum monthly charge and usage. A life support program is available for customers that meet certain eligibility requirements. The current rates have generated sufficient contingency reserves for the past three years.¹³¹ No significant rate restructuring opportunities were identified.

Gridley residents pay on average \$71.32 a month for electric utility for the average use of 525 kwh per month. For the same amount of usage, PG&E rates in the area total \$78.13 in the summer months and \$201.96 in winter months.¹³² By comparison, consumers throughout California, who

¹³⁰ Ibid, p. I-3.

¹³¹ City of Gridley, *Budget FY 07-08*, p. I-17.

¹³² Pacific Gas and Electric Company, <http://www.pge.com/tariffs/pdf/e-1.pdf>. Rates calculated from Schedule E-1 (Residential), Baseline Territory S, Code H (all electric utilities).

use an average of 572 kwh per month, pay on average \$71.50 a month.¹³³

Determination 5.-7. Water, wastewater and electric rates are reasonable compared with other providers, and provide incentives for users to conserve.

Determination 5.-8. Sewer rates will need to be increased in the future to finance repairs to the aging collection system. Water rates may need to be increased if the City faces more expensive water treatment costs. Otherwise, no significant rate restructuring opportunities were identified.

SUMMARY OF WRITTEN DETERMINATIONS

5.-7. Water, wastewater and electric rates are reasonable compared with other providers, and provide incentives for users to conserve.

5.-8. Sewer rates will need to be increased in the future to finance repairs to the aging collection system. Water rates may need to be increased if the City faces more expensive water treatment costs. Otherwise, no significant rate restructuring opportunities were identified.

¹³³ Average monthly electric consumption per consumer (connection) is 572 kwh statewide, according to the Department of Energy.

6. MANAGEMENT AND EFFICIENCY

MANAGEMENT PRACTICES

The City of Gridley delivers municipal services with a combination of staff, contracts with other agencies and contracts with private contractors.

City operations are organized into six primary departments: administration, finance, police, community development, public works and electric utility. The City's management team includes department heads responsible for each of these departments. This section profiles management activities of the four departments not already reviewed in Chapter 4.

Administration

The City is professionally managed by a full-time City Administrator, who is appointed by the Council. The Administrator's office is responsible for managing day-to-day operations and staff. The City Administrator monitors productivity and performance. The annual budget process involves a review of accomplishments, upcoming goals and programs, and specific funding needs.

The Administration Department includes the City Clerk's Office, which coordinates and administers records retention and management; maintains legislative history; and is the custodian of the City Seal and Records. The Clerk's office is responsible for legal notices, receiving and processing initiative petitions, administration and enforcement of the Local Conflict of Interest Code, and municipal elections.

The City contracts an attorney to act as an advisor to the Council, department heads, and various commissions regarding their legal rights, responsibilities, and limitations of municipal government. The City Attorney is responsible for preparing and reviewing legal documents and for representing the City in all court action.

The Administration Department also manages the Gridley Redevelopment Agency (RDA). The City Council activated the RDA in 2002. The agency is charged with implementing an adopted redevelopment plan.

This office is also responsible for economic development, grant management, recreation, and human resources services.

Finance

The Finance Department is responsible for the management of all City funds and for providing central support services to other City departments. Services provided include: purchasing, facilities maintenance, risk management, payroll, accounts payable, revenue collections, budget development, treasury management, grant management, financial reporting and information services. The

department is also responsible for utility billing services for solid waste, water, sewer and electric, and the management of 2,200 resident and business utility customer accounts.¹³⁴

The City prepares financial statements annually. The City retains an independent auditor to audit its finances annually and to ensure both financial accuracy and accountability. The City is financially transparent, and discloses its finances in a timely manner to its constituents through its website. The City prepares a master fee schedule to ensure that service charges and fees are clear and transparent to both the public and City staff.

The City's activities are categorized into separate funds in accordance with legal requirements and governmental accounting standards. Revenues that must be used for specific purposes, such as grants or development fees, are segregated into special funds. Finances associated with electric, sewer, water and solid waste enterprises are tracked through separate enterprise funds.

Public Works

The Public Works Department develops and maintains the City's infrastructure. This includes design, construction and maintenance of public streets, the water system, and the sewer and storm drain systems. The Department also provides engineering review and inspection of public improvements in new development projects and in public capital and replacement projects.

The City conducts long-term growth-related financial planning through development impact fee studies every five years. The City sets aside funds regularly through reserves for utility capital needs, contingencies, City Hall facilities, and equipment replacement. Master plans for the water, wastewater, drainage and electric utilities are conducted on an as-needed basis to plan for long-term capital improvement needs.

Community Development

The City Council appoints the Community Development Director, who oversees the Planning and Building Department, staffs the Planning Commission.

The Planning Department guides development in the City. This entails administering planning regulations, providing assistance to the public and developers on planning regulation, and assisting the Planning Commission and City Council on development-related permits. Planning staff administer and revise the City's Zoning Ordinance, review development activities for consistency with the General Plan, and conducted environmental reviews when needed. The Planning Department coordinates updates to the General Plan, as is currently underway.

The Building Department is responsible for construction-related activities, including the building, remodeling and demotion of buildings and structures. This department provides building inspection services, enforces code compliance for both zoning and permits, and assists the public with submittals as necessary. The Building Department also ensures compliance with building, mechanical, electrical, housing and other applicable codes and laws adopted by the City or State.

¹³⁴ City of Gridley, Finance Department, <http://www.gridley.ca.us/departments/finance.php>

Staffing

The City’s total staff includes 60 positions in FY 07-08, as shown in Table 6-1. Of these, 25 employees work for the police department, and 14 work in public works.

As a small entity, City employees play multiple roles. The wastewater plant operator also conducts water quality testing at City wells. The dispatch supervisor is also responsible for police records management. An accounting clerk also assists the City Administrator (25 percent of this employee’s time).¹³⁵ There is one administrative secretary in City Hall who performs all secretarial/clerical functions for virtually all departments.

Table 6-1: City Staff, FY 07-08

Department	Positions
Administration	6.00
Finance	4.25
Police	25.25
Community Development	4.67
Public Works	14.00
Electric	6.00
Total	60.17

Employees appreciate the variety in job duties offered by working for Gridley, and employee turnover rates are relatively low. Employee performance is evaluated annually, with more frequent reviews during the probationary period.

Facilities

Gridley City Hall is located at 685 Kentucky Street and is the meeting site for the Gridley City Council and Planning Commission.

The FY07-08 City Budget details proposed refurbishing and upgrade of City Council Chambers. The remodel will include an expansion of seating behind the podium; the addition of a staff seating table, the addition of computer network and power and audio capabilities; and a permanently mounted PowerPoint projector.

Determination 6.-1. The City generally exhibits the characteristics of well-managed local government, which strives to serve its residents and constituents effectively. The City uses accepted budgeting procedures, balances its budget and maintains reserves.

Determination 6.-2. As the population grows and changes, increased attention to management efficiencies will be necessary, especially given fiscal constraints affecting local governments in California. Intergovernmental cooperation, regionalization of services and joint efforts for efficiency warrant continued attention.

¹³⁵ City of Gridley Working Budget, FY 07-08, B-11.

Determination 6.-3. The City needs to continue to take actions to increase efficiency, reduce unnecessary duplication of effort and streamline procedures in order to maximize management efficiencies.

COST AVOIDANCE OPPORTUNITIES

GENERAL

Gridley and other local agencies rely on a variety of methods to avoid or minimize costs to provide service. Interagency cooperation, including contracts for services and joint activities, presents opportunities to avoid duplication of administrative capacity and cost.

Land use planning designed to promote infill development, redevelopment of underutilized, urban lands, and creation of compact, well-served communities present opportunities to minimize future public service costs through strategic growth. The City has permitted several infill development projects in recent years and activated its redevelopment agency to enhance underutilized, blighted areas. The City continues to pursue infill and redevelopment strategies to the extent practical to promote a cost-effective service area.

The City annexed five “islands” in 2007, creating more efficient boundaries for the delivery of services by both the City and the County.

Collaborative regional planning approaches help local agencies economize on planning costs. The City participates in hazard mitigation, water management and solid waste management planning through collaborative regional approaches. Due to the significant cost of new requirements for sanitary sewer management plans to prevent sewer overflows, there may be cost avoidance opportunities through collaboration.

WATER

Naturally occurring arsenic is found in groundwater in the Gridley and Live Oak areas, with the arsenic levels increasing to the south. The City does not presently have treatment systems to remove the arsenic, and has is looking for filtering technologies for this purpose. Treatment approaches may be more costly than developing new water wells to the north of the City where arsenic levels are within safe parameters.

LAW ENFORCEMENT

Gridley uses several strategies to contain the costs of operating a small independent police department. The City relies on part-time and on-call reserves to provide for some flexibility in adjusting resources when needs fluctuate. The use of non-sworn volunteers helps control costs of supporting the department with administrative work and special events.

Providing contract services to the City of Biggs did not immediately provide cost avoidance opportunities for Gridley, but both cities have adapted to fine-tune the contract service relationship. The original relationship involved part-time and on-call services to Biggs. As police services are staffed with full-time sworn officers, Gridley was not in a position to adjust staffing levels to match the on-call nature of services desired by Biggs. A new 2007 service contract provides for equal service levels in the two cities, and offers predictability that is expected to allow Gridley to manage and plan more effectively. The City is optimistic that the new approach will be efficient and effective for both cities.

Growth and development in the Gridley-Biggs service area is expected to create cost avoidance opportunities, as the City reaps economies of scale in police provision and is able to reduce the staffing level per capita. There are economies of scale in providing law enforcement services. Police staffing needs on a per capita basis are greatest at the smallest California cities. Cities with fewer than 5,000 residents face the greatest challenges in staffing police services. This is partly related to the need to fill certain positions, such as chief, detective and dispatcher, regardless of city size. As city size increases, smaller cities are able to provide services with fewer sworn officers on a per capita basis.

Technology and regional collaboration also helps the City contain costs. Gridley relies on a computer system to book suspects directly in transit to the county jail. This allows the City to avoid the costs of staffing and maintaining a jail facility.

FIRE PROTECTION

Gridley formerly provided fire protection services directly, but now relies on contract service with CALFIRE. The City also relies on collaboration with the County to share the costs of operating a volunteer fire station; the City contributes the facilities and the County provides the volunteers.

SOLID WASTE

The City selected a solid waste hauler that has implemented best practices to reduce costs. Single-stream recycling reduces collection costs and worker injury. Automated waste collection reduces collection costs and worker injuries.

Determination 6.-4. Land use planning designed to promote infill development, redevelopment of underutilized, urban lands, and creation of compact, well-served communities present opportunities to minimize future public service costs through strategic growth.

OPPORTUNITIES FOR SHARED FACILITIES

WATER

An option for facility sharing includes BWD providing surplus surface water that is not consumed by the District to the City of Gridley for domestic purposes. The City is looking for alternatives to the treatment of the wells that are above federal limits of arsenic. In addition, BWD revenues are declining due to the conversion of agricultural lands to urban areas. Investment in a treatment facility would be necessary to provide surface water to municipal connections.

WASTEWATER

The City practices facility sharing by operating a sewer lift station to serve the farm labor camp in the unincorporated area near the wastewater treatment plant as a contract service provided to Butte County. The City has also discussed sharing a facility with the City of Biggs.

DRAINAGE

There is extensive facility-sharing among drainage providers to the Gridley area and other areas in the watershed. Drainage discharge bodies, such as Butte Creek, the Butte Sink and the Sutter Bypass, are shared by local agricultural and urban drainage providers as well as state and federal flood control agencies.

LAW ENFORCEMENT

The City shares its policing facilities with Biggs through a contract service arrangements, and shares staff resources with the Sheriff and CHP through reciprocal outside assistance services. The City also relies on the Butte County Jail and services from the Department of Justice Crime Lab in Chico. The City has financed a school resource officer through a collaborative approach in which school districts and the cities pay a portion of associated costs. No further opportunities for sharing law enforcement facilities were identified.

FIRE PROTECTION

The City owns its fire stations, but contracts with CALFIRE for professional staffing. As the County and the City of Biggs also rely on CALFIRE for fire protection, the single provider is able to base resources in each of the communities and effectively share resources.

In delivering fire services to Gridley, CALFIRE relies on three separate fire stations to provide adequate coverage. Stations in Gridley, Biggs and Palermo are used to provide quick initial response times and adequate manpower to handle emergencies safely.

The City plans eventually to construct a new fire station in north Gridley, and is expected to continue sharing resources with the County to provide economical service to both the city limits and adjacent unincorporated areas.

PARKS

The City and the Gridley Unified School District share the Guardian Building and plan to share new soccer fields upon their completion.

ELECTRICITY

The Electricity Department does not share any City-owned equipment. It does tap into economies of scale through its reliance on NCPA and WAPA for generation.

The Department recognizes an opportunity for sharing substation and transmission facilities in the future with the City of Biggs. The Department has discussed with Biggs sharing a future substation and developing a transmission line connecting the two cities to generation facilities to insulate the systems from cost uncertainties of relying on the PG&E transmission lines. If the cities obtained a transmission line, they could operate future small scale generation systems as well. However, the City of Biggs indicated that there is no interest in sharing electric facilities at this time.

Determination 6.-5. The City practices extensive sharing of facilities and resources with other public agencies. The City adopted new policies in its 2009 General Plan that promote efficient use of land by municipal government through facility sharing.

Determination 6.-6. Butte Water District has surplus water available for sale. The City may wish to purchase surface water in the future if it cannot develop adequate wells free of arsenic. Biggs-West Gridley Water District may wish to purchase additional surface water.

Determination 6.-7. The Guardian Building and proposed new soccer fields are examples of shared facilities between the City and the Gridley Unified School District.

SUMMARY OF WRITTEN DETERMINATIONS

- 6.-1. The City generally exhibits the characteristics of well-managed local government, which strives to serve its residents and constituents effectively. The City uses accepted budgeting procedures, balances its budget and maintains reserves.
- 6.-2. As the population grows and changes, increased attention to management efficiencies will be necessary, especially given fiscal constraints affecting local governments in California. Intergovernmental cooperation, regionalization of services and joint efforts for efficiency warrant continued attention.
- 6.-3. The City needs to continue to take actions to increase efficiency, reduce unnecessary duplication of effort and streamline procedures in order to maximize management efficiencies.
- 6.-4. Land use planning designed to promote infill development, redevelopment of underutilized, urban lands, and creation of compact, well-served communities present opportunities to minimize future public service costs through strategic growth.
- 6.-5. The City practices extensive sharing of facilities and resources with other public agencies. The City adopted new policies in its 2009 General Plan that promote efficient use of land by municipal government through facility sharing.
- 6.-6. Butte Water District has surplus water available for sale. The City may wish to purchase surface water in the future if it cannot develop adequate wells free of arsenic. Biggs-West Gridley Water District may wish to purchase additional surface water.
- 6.-7. The Guardian Building and proposed new soccer fields are examples of shared facilities between the City and the Gridley Unified School District.

7. LOCAL ACCOUNTABILITY AND GOVERNANCE

Figure 7-1: Gridley City Council Members, 2007

The City is governed by a five-member City Council. Its members are elected at large to four-year terms. Each year the Council elects a mayor by majority vote. The Council is responsible for City policy, adopts the annual budget, and appoints several key City staff, including City Administrator, Finance Director, Public Works Director, Police Chief, Electric Superintendent, and Community Development Director.

Member	Title	Term Expires
Jerry Ann Fichter	Mayor	2010
Frank Hall	Vice Mayor	2008
Bruce Johnson	Member	2010
Pedro Mota	Member	2008
Marlena Sparks	Member	2008

The Council meets the first and third Mondays of every month in City Hall. Council meeting and public hearing announcements are published in the local newspaper and posted on the City’s website. Meeting minutes are available on the website and at City Hall. The City operates in a transparent fashion, and posts online financial documents, forms, applications and plans. All City plans and regulatory documents are available for review or purchase at City Hall.

The Planning Commission is a permanent committee of five citizens who have been appointed by the City Council to review matters related to planning and development. The Commission holds regular public hearings the third Monday of every month at Gridley City Hall Council Chambers. The land use matters before the Commission include the local general plan, specific plans, rezoning, use permits, and subdivisions.

With regard to customer service, service requests and complaints may be submitted online, through phone calls, email, letters, and in-person to the City Council, department heads or the city administrator.

The City updates constituents through newsletters, press releases, email and mail notices and updates, and project-specific public workshops.

The City solicits constituent input. As part of the current General Plan update, the City has conducted outreach sessions and a survey of citizens. The 2007 citizen survey garnered responses from 600 constituents. Additional outreach efforts include community meetings, surveys, and workshops.

Determination 7-1. The City demonstrates a high degree of public participation in elections as well as other forms of citizen participation. The City prepares meeting agendas and minutes and has accessible staff and elected officials.

Determination 7.-2. The City makes information about its activities available to the public through a variety of sources, including its website, distribution of agenda and related documents, public access to city council and board meetings, mailing information to constituents, and similar methods.

Determination 7.-3. The City appears to operate in an open manner that facilitates the public's ability to learn about and participate in current civic affairs.

SUMMARY OF WRITTEN DETERMINATIONS

7.-1. The City demonstrates a high degree of public participation in elections as well as other forms of citizen participation. The City prepares meeting agendas and minutes and has accessible staff and elected officials.

7.-2. The City makes information about its activities available to the public through a variety of sources, including its website, distribution of agenda and related documents, public access to city council and board meetings, mailing information to constituents, and similar methods.

7.-3. The City appears to operate in an open manner that facilitates the public's ability to learn about and participate in current civic affairs.

8. GOVERNMENT STRUCTURE OPTIONS

Four government structure options were identified in this study. These are simply options. LAFCO is under no requirement to initiate or encourage government structure options identified in an MSR. However, LAFCO is required to identify the options.

ANNEXATION

Annexation of additional territory to Gridley is an option. The City has proposed that growth occur to the north of the city limits in an area identified by both Gridley and Biggs as a joint growth area. The advantages to the City of annexing northern territory are opportunities to reap economies of scale and avoid costs, opportunities to develop groundwater wells where there is less naturally occurring arsenic, and opportunities to strengthen the fiscal soundness of the City.

The City intends to propose a sphere of influence expansion in its upcoming General Plan update.

Determination 8.-1. Annexation of territory to Gridley is an option that the City intends to propose, and plans to explore further in its General Plan update.

CONSOLIDATION

Consolidation of Gridley and Biggs is an option. The consolidation of cities requires concurrence from all cities involved. LAFCO, by itself, does not have the statutory authority to consolidate cities without the expressed concurrence of all cities involved.

The two cities are located in close proximity. Biggs already relies on Gridley for contract law enforcement, animal control and electric system maintenance services to economize on costs. The cities face relatively high costs due to small size and lack of economies of scale for certain infrastructure and service needs.

Potential advantages of consolidation include eliminating competition between the cities for territory, coordinated planning and development, and potential to share resources and planned capital projects more effectively. Potential disadvantages of consolidation include loss of local control, different community identities, and incompatible fiscal structures. There would be a potential negative financial impact of consolidation on Gridley due to the relatively small general fund, SR 99 frontage and sales tax base in Biggs.

The City of Gridley does not propose or recommend this option, and is not aware of any such proposals from Biggs.

WATER DISTRICT DETACHMENTS

Two irrigation districts—Butte Water District and Biggs West Gridley Water District—overlap the City limits. The districts continue to serve remaining agricultural uses within the City limits. In

the long-term, the City anticipates such uses will likely be urbanized and that there will no longer be a need for agricultural water in the City limits. Irrigation ditches of these providers course through the City. Advantages of detachment include logical boundaries. Disadvantages may include negative effects on the City's future potential to purchase surface water from the irrigation districts in the event that groundwater quality should worsen and to finance relocation or alteration of irrigation ditches that run through the City.

The City of Gridley does not propose or recommend this option at this time, and is not aware of any such proposals from the affected water districts.

Determination 8.-2. Detachment of territory from Reclamation District No. 833 and annexation to Reclamation District No. 2056 (RD 2056) is an option tentatively identified by RD 2056 to ensure that district boundaries align with drainage benefit areas.

DRAINAGE REORGANIZATION

There is significant territory within the bounds of RD 833 that actually drains to Morrison Slough, according to the RD 2056 engineer. This could become problematic in the event that the City wishes to approve development projects on such territory. In that event, RD 833 would be in a position to review detention basins or other development plans even though RD 2056 would be the affected agency. Advantages of reorganization (detachment of RD 833 territory and annexation to RD 2056) include logical boundaries conforming to drainage patterns and potential for RD 2056 to increase its revenue base to finance improved maintenance services. Disadvantages of reorganization include the cost of conducting studies to identify the proper boundaries and the cost of conducting such a reorganization.

The City of Gridley does not propose or recommend this option at this time. The RD 2056 engineer has suggested this option; however, it is unknown whether the RD 2056 Board is interested in this option. It is anticipated that RD 833 would oppose such an option.

CSA 34 REORGANIZATION

CSA 34 finances swimming pool maintenance. The CSA assessment area extends far beyond the Gridley SOI. The Butte County Fair operates and maintains the pool. The pool is not in good condition.

The City and the County agreed formally in 2002 to discuss reorganization of the CSA with the Butte County Fair Board, originally aiming to reorganize by 2007.¹³⁶ The City-County RDA MOU contemplates an alternative in which the City assumes responsibility for swimming pool operations and maintenance, with the existing property tax and assessment revenues of CSA 34 transferred for the City's use in maintaining the facility. Such a reorganization would involve dissolution of the

¹³⁶ *Memorandum of Understanding between the County of Butte and the City of Gridley/ Gridley Redevelopment Agency*, August 19, 2002.

CSA, formation of a subsidiary district of the City, and transfer of CSA 34 functions and revenues to the subsidiary district. In the event of reorganization, the County has agreed to transfer two acres of land to the City for parking and pool access.

Determination 8.-3. Reorganization of County Service Area (CSA) 34 is an option. The CSA finances maintenance of a swimming pool. Butte County Fair operates the pool. The City and Butte County agreed in 2002 to negotiate reorganization of the CSA. Reorganization would most likely involve dissolution of the CSA, formation of a subsidiary district of the City of Gridley, and transfer of CSA revenues and service responsibilities to the subsidiary district.

Determination 8.-4. Two options that have not been proposed or recommended by any agencies are consolidation of Gridley and Biggs, and detachment of urbanized territory in the city limits from two irrigation districts—Butte Water District and Biggs-West Gridley Water District.

SUMMARY OF WRITTEN DETERMINATIONS

- 8.-1. Annexation of territory to Gridley is an option that the City intends to propose, and plans to explore further in its General Plan update.
- 8.-2. Detachment of territory from Reclamation District No. 833 and annexation to Reclamation District No. 2056 (RD 2056) is an option tentatively identified by RD 2056 to ensure that district boundaries align with drainage benefit areas.
- 8.-3. Reorganization of County Service Area (CSA) 34 is an option. The CSA finances maintenance of a swimming pool. Butte County Fair operates the pool. The City and Butte County agreed in 2002 to negotiate reorganization of the CSA. Reorganization would most likely involve dissolution of the CSA, formation of a subsidiary district of the City of Gridley, and transfer of CSA revenues and service responsibilities to the subsidiary district.
- 8.-4. Two options that have not been proposed or recommended by any agencies are consolidation of Gridley and Biggs, and detachment of urbanized territory in the city limits from two irrigation districts—Butte Water District and Biggs-West Gridley Water District.

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Agricultural data: Agricultural Census; California Department of Conservation.

Business and employment data: California State Board of Equalization.

Crime statistics and clearance rates: California Department of Justice; Criminal Justice Statistics Center.

Demographic data: U.S. Bureau of the Census; Department of Finance.

Jobs and population projections: BCAG ; Department of Finance.

Long-Term Debt: California State Controller; MuniStatements; Comprehensive Annual Financial Reports.

Power Data: Northern California Power Agency.

Revenue: California State Controller; financial statements.

Solid Waste data: California Integrated Waste Management Board.

Wastewater data: California Regional Water Quality Control Board; U.S. Environmental Protection Agency; Governor's Office of Emergency Services.

Water data: U.S. Environmental Protection Agency; California Department of Health Services; Department of Water Resources.

INTERVIEWS AND CORRESPONDENCE

Butte County

Jim Callas, Sheriff's Office

John Lord, Department of Health Services

Jody Nicholas, Department of Health Services

Tom Blixt, Department of Public Works

California Department of Forestry and Fire Protection

Russ Fowler, Interim Battalion Chief

City of Gridley

Jack Slota, City Administrator

Gary Keeler, Police Chief

Bruce Nash, City Engineer

Brian Cook, Assistant Police Chief

Jan Cain, Dispatch Supervisor

Brad Wilkie, Finance Director

Andrea Redamonti, Community Development Director

Alvin Davis, Public Works Director

Gary Davidson, Electric

Drainage District No. 1

Jeff Spence, District Engineer

Reclamation District No. 2056

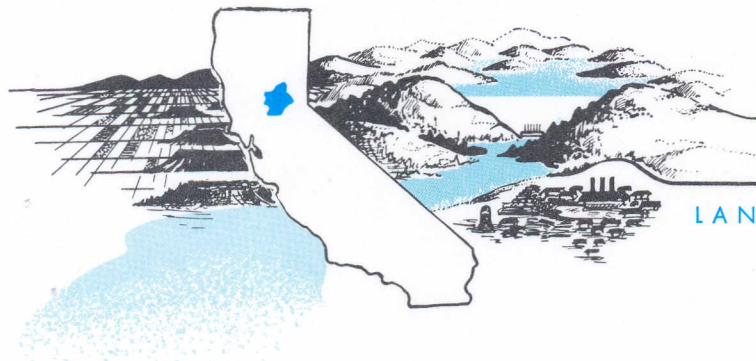
Jeff Spence, District Engineer

COMMENTS ON PUBLIC REVIEW DRAFT MSR

Comment Venue	Comment Date	Public Review Draft MSR Page/Section	Comment	Status
LAFCO hearing	1/3/2008	Page 29, Facilities section, 3rd paragraph	Change “exercised” to a clearer synonym	Revised
LAFCO hearing	1/3/2008	Page 50, 2nd paragraph	Change “stenciling” to “marking drainage inlets” or synonymous for clarity.	Revised
LAFCO hearing	1/3/2008	Page 68, Determination 4.5-3	Change “emerging” to reflect the existing gang problem.	Revised
LAFCO hearing	1/3/2008	Page 90	Provide the location of Gridley’s proposed new electric substation.	Added
LAFCO hearing	1/3/2008	Page 69	With no fire stations located west of the railroad, how does this impact growth issues?	Added
LAFCO hearing	1/3/2008	Page 108 "Electricity"	Commissioner Busch had noted there is no interest in Biggs to share electrical facilities with Gridley.	Revised
LAFCO hearing	1/3/2008	Page 39, Determination 4.2.1	Express the remaining wastewater treatment plant capacity in EDU's and show how many EDU's will be permitted with existing plant and how many once the upgrade project is completed (rather than percentages).	Revised
LAFCO hearing	1/3/2008	Pages 38 and 50	There is generic discussion of NPDES permitting processes, but limited discussion of what the City is required to do or has done. Clarify and link these two areas (difference between point sources like the sewage plant and overall stormwater drainage) so that it is clear what the NDPES compliance measures are and how it affects growth.	Added
LAFCO hearing	1/3/2008	Page 39	The new NPDES Permit requires monitoring for nitrates which could be a big problem if testing shows percolation ponds are increasing nitrates into the groundwater.	Revised
LAFCO hearing	1/3/2008	Page 16, 4th paragraph	Clarify that the agricultural buffer was only adopted along the northern boundary of the SOI.	Revised
CAL FIRE letter	1/22/2008	Page 71, 1st paragraph	The City of Gridley, Butte County and the City of Biggs contract for CAL FIRE services in the area. Gridley Fire Department is an important part of this program of Cooperative Fire Protection within the Butte Unit of CAL FIRE. The city retains funding control and ultimate policy direction while the Unit Chief of CAL FIRE operates this regional fire department day to day in provision of full service fire protection.	Revised
CAL FIRE letter	1/22/2008	Page 71, 1st paragraph	New development within the City must meet standards set by the City of Gridley.	Noted

continued

Comment Venue	Comment Date	Public Review Draft MSR Page/Section	Comment	Status
CAL FIRE letter	1/22/2008	Page 71, 1st paragraph	The City of Gridley Fire Department four minute response time goal needs policy clarification. It is better described as a total response time of seven minutes with four minutes allowed for travel, one minute for dispatch and two minutes for get out time. The City should formally adopt a seven-minute response time as described in the Standards of Response Cover Study for the Butte County Fire Department.	Revised
CAL FIRE letter	1/22/2008	Page 71, 2nd paragraph	The Butte Unit of CALFIRE staffs 13 municipal fire units year-round: 12 engines and 1 ladder truck. The City owns the ladder truck. The City provides the majority of ladder truck staffing with the remainder provided currently by Butte County. Additionally, Butte County funds 6 CAL FIRE units in the non fire season months.	Noted
CAL FIRE letter	1/22/2008	Page 71, 3rd paragraph	The City is served by a regional fire department with 12 career-staffed county stations, one being in Gridley. 6 state fire stations also serve the co-op year-round.	Noted
CAL FIRE letter	1/22/2008	Page 71, 3rd paragraph	The City is most closely served by 5 fire stations: 2 in city limits, 1 in Biggs, 1 in Palermo and 1 in Richvale. Sutter County/Live Oak Fire Department responds automatically from the Live Oak station.	Revised
CAL FIRE letter	1/22/2008	Page 72, Table 4-15	Add a line to the table for Richvale fire station, located in Richvale, staffed continuously, in good condition, with the following apparatus: 2 Type 1 engines, 1 squad and 1 rescue unit.	Added
CAL FIRE letter	1/22/2008	Page 72, 2nd paragraph	Station 76 was designed and built so the Gridley Police Department could grow into it as the Police Department need for space develops along with the city.	Added
CAL FIRE letter	1/22/2008	Page 72, 3rd paragraph	The City owns a small fleet of fire equipment: a new ladder truck, the city reserve engine (Type 1) and wildland engine (Type 3) at Station 74, 2 utility pick-up trucks for administrative and incident response duties, an air and lighting unit, and a rescue (inflatable) boat and trailer.	Revised
CAL FIRE letter	1/22/2008	Page 72, 3rd paragraph	Butte County has a fire engine (Type 1) and water tender (Type 1) in the City. At station 73 in Biggs, the City of Biggs owns a fire engine (Type 1). The battalion chief serving the City has an SUV provided by the County.	Noted
CAL FIRE letter	1/22/2008	Page 74, 1st paragraph	In the first and last sentence, change CALFIRE to Gridley Fire Department. Change CALFIRE captain to paramedic captain.	Revised
CAL FIRE letter	1/22/2008	Page 75, 1st paragraph	Within the next 7 years, the city expects to add another firefighting position in response to planned population growth. By FY 2010, Cal FIRE and the City should enter discussions to increase the City's funding share of the Gridley Fire Station from 43% to 50%.	Added



Butte County

LAND OF NATURAL WEALTH AND BEAUTY

BUTTE COUNTY FIRE DEPARTMENT CALIFORNIA DEPARTMENT OF FORESTRY AND FIRE PROTECTION

"Sixty-seven Years of Cooperative Emergency Services"

176 NELSON AVENUE • OROVILLE, CALIFORNIA 95965-3495

TELEPHONE: (530) 538-7111

FAX: (530) 538-7401

January 22, 2008

Stephen Lucas, Executive Officer
Butte Local Agency Formation Commission (LAFCO)
1453 Downer Street
Oroville, CA 95965

LAFCO

JAN 28 2008

OROVILLE, CA

Dear Mr. Lucas,

Butte County Board of Supervisors recently accepted the Standards of Response Cover Study for the Butte County Fire Department. The Study includes fire protection in the cities of Gridley, Biggs and the unincorporated Butte County jurisdiction as well as the spheres of influence of Gridley and Biggs.

Gridley Fire Department is staffed and managed by the Butte Unit of CAL FIRE, as are the city of Biggs and Butte County Fire Departments. Any consideration of the city of Gridley fire protection should take into account the regional nature of our cooperative fire protection. With this in mind, please consider the following comments regarding the Municipal Service Review of Gridley.

Page 71 Paragraph 1 Plans...

The city of Gridley, Butte County and the city of Biggs, contract CAL FIRE for services in the area. Gridley Fire Department is an important part of this program of Cooperative Fire Protection within the Butte Unit of CAL FIRE. The city retains funding control and ultimate policy direction while The Unit Chief of CAL FIRE operates this regional fire department day to day in provision of full service fire protection.

New development within the city must meet standards set by the city of Gridley.

The city of Gridley Fire Department four minute response time goal needs policy clarification. It is better described as a total response time of seven minutes with four minutes allowed for travel, one minute for dispatch and two minutes for get out time.

- BCFD VOLUNTEER FIRE COMPANIES**
- BANGOR
 - BIGGS
 - BUTTE CREEK CANYON
 - BUTTE MEADOWS
 - CHEROKEE
 - CLIPPER MILLS
 - COHASSET
 - DeSABLA
 - DURHAM
 - FEATHER FALLS
 - FOREST RANCH
 - GOLDEN FEATHER
 - GREATER GRIDLEY
 - KELLY RIDGE
 - MAGALIA
 - NORTH CHICO
 - PALERMO
 - PENTZ VALLEY
 - PIONEER
 - RICHVALE
 - ROBINSON MILL
 - STIRLING CITY
 - THERMALITO

- BCFD FULL-TIME FIRE STATIONS**
- BANGOR
 - BIGGS
 - DURHAM
 - GRIDLEY
 - KELLY RIDGE
 - NORD
 - NORTH CHICO
 - OROVILLE
 - PALERMO
 - RICHVALE
 - SOUTH CHICO
 - UPPER RIDGE

- CDF FIRE STATIONS**
- BUTTE MEADOWS
 - COHASSET
 - FEATHER FALLS
 - FOREST RANCH
 - HARTS MILL
 - JARBO GAP
 - OROVILLE HQ
 - PARADISE
 - ROBINSON MILL
 - STIRLING CITY

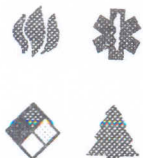
- BUTTE FIRE CENTER**
- MAGALIA

- REFORESTATION NURSERY**
- DAVIS
 - MAGALIA

- AIR ATTACK BASE**
- CHICO

- FIRE LOOKOUTS**
- BALD MOUNTAIN
 - BLOOMER HILL
 - PLATTE MOUNTAIN
 - SAWMILL PEAK
 - SUNSET HILL

- ALSO PROUDLY SERVING**
- CITY OF BIGGS
 - CITY OF GRIDLEY



Butte LAFCO
January 22, 2008

The recently completed, Standards of Response Cover Study for the Butte County Fire Department contains a variety of findings and recommendations that CAL FIRE will use as a guide while making recommendations for city fire protection in the future. For example, the city of Gridley should formally adopt a seven minute response time for fire protection as described in the Study.

Paragraph 2 Plans...

The Butte Unit of CALFIRE staffs thirteen municipal fire units year around, twelve engines and one ladder truck. The city of Gridley owns and provides the majority of staffing for the ladder truck; part of the ladder truck staffing is provided currently by Butte County. Additionally, Butte County funds six CAL FIRE units in the non-fire season months to augment the Regional Local Government Co-op.

Paragraph 3 Existing conditions...

The City is served by a regional fire department; including twelve career staffed County Stations, one being in Gridley. Six State fire stations also serve the co-op year-round.

The City is most closely served by five fire stations. Two stations are in the city limits, one station is in Biggs, one is in Palermo and one is in Richvale. As Sutter County / Live Oak Fire Department responds automatically, the Live Oak station also serves the City.

Page 72 Table 4 – 15:

Add a line for the Richvale Fire Station...

Richvale Station	Richvale	Continuous	Good	2 Type 1 Engines 1 Squad, 1 Rescue Unit
------------------	----------	------------	------	---

Page 72 Paragraph 2 The City...

Station 76 was designed and built so the Gridley Police Department could grow into it as the Police Department need for space develops along with the city.

Paragraph 3 The Fleet...

The city owns a small fleet of fire equipment. The primary unit is a new ladder truck; this unit is at Station 74. Also at Station 74 are the city reserve engine (Type 1) and wildland engine (Type 3). Two utility pick-up trucks are

Butte LAFCO
January 22, 2008

available for administrative and incident response duties. Rounding out the city fleet are an Air and Lighting unit and a rescue (inflatable) boat and trailer.

Butte County has a fire engine (Type 1) and a Water Tender (Type 1) in the city. At Station 73 in Biggs the City of Biggs owns a fire engine (Type 1). The County Battalion Chief serving the City has a SUV provided by the County.

Page 74 Paragraph 1 CALFIRE...

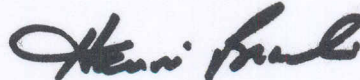
In the first and last sentence change "CALFIRE" to Gridley Fire Department to accurately reflect the city jurisdiction. Change "CALFIRE Captain" to Paramedic Captain.

Page 75 Paragraph 1 In urban...

Within the next 7 years the City expects to add a third firefighting position in response to planned population and infrastructure growth. Additionally, by Fiscal Year 2010, CAL FIRE and the City should enter discussions to increase the City's funding share of the Gridley Fire Station from the 43% to 50% .

If you have any questions, please do not hesitate to contact me.

Sincerely yours,



Henri Brachais
Fire Chief

tp



Sphere of Influence Plan for the City of Gridley

Adopted December 2, 2010

Butte Local Agency Formation Commission



Prepared for Butte LAFCO by Burr
Consulting with EDAW, Inc

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1. EXECUTIVE SUMMARY

The City of Gridley proposes to update and amend its existing sphere of influence (SOI) to include 850 acres located north of the existing City of Gridley SOI. The SOI expansion area extends north of the City to the east-west extension of South Avenue, west to West Biggs Gridley Road, and east to the southern extension of Mead Avenue, as shown in Figure 1-2.

PROJECTED GROWTH

To promote smooth growth, avoid regulatory interference with meeting housing needs, and enable reasonable annexation and construction timelines, SOI expansion needs to dovetail with the impending build-out of the City's existing SOI.

The City will require additional territory within the next five years to avoid disruption of growth processes for three reasons. First, the City is projected to exhaust all remaining development capacity in its existing SOI within the next five to nine years. Second, there is a 48-month timeline between SOI expansion and the absorption and occupancy of a new housing unit due to planning, entitlement, and construction processes. Third, development will not likely proceed in a purely linear fashion with complete build-out of the entire existing SOI prior to commencement of construction in the SOI expansion area even though the City's smart growth strategies extend incentives to infill housing and prioritize development within the existing SOI over development in the SOI expansion area. Some property owners in the existing SOI will undoubtedly face unique financial challenges or market perceptions.

There is capacity within the existing SOI for approximately 1,144 additional dwelling units, of which 432 units are already in the pipeline. If Gridley grows as projected by the Butte County Association of Governments (BCAG), the City would be built out by 2019. The City is projected to exhaust all remaining development capacity in its existing SOI over the course of a business cycle and within the near term development horizon.

There are several indications that the BCAG growth projections for Gridley may be understated, and that absorption of remaining housing capacity in the existing SOI may occur sooner. First, California Department of Finance (DOF) countywide growth projections are higher than BCAG projections for the period 2010 to 2020, even after adjusting for the 2007-10 slow growth period and DOF's latest (2010) population projections. Second, BCAG's 2007 growth projections overstated growth in the unincorporated areas and understated growth within cities, compared with historic growth patterns; in the last decade annexations outpaced new housing construction in unincorporated areas. Third, BCAG posited that the primary fuel for growth would be commuters seeking affordable housing; that fuel is greatest in Gridley because Gridley is the most connected (among Butte County communities) economically to neighboring counties as demonstrated by data on commuter flows.

The SOI expansion area plan is for at least 2,114 new dwelling units, of which 687 would be within the near-term development horizon.

GROWTH VISION AND PREPAREDNESS

The City has identified growing north as the most efficient growth direction in order to provide for more compact growth focused away from important agricultural lands in the County and existing areas of industrial and large-scale commercial activity, and to allow for greater collaboration with the City of Biggs in the Area of Concern (AOC). By directing urban development within the AOC, the City hopes to promote opportunities for shared facilities and cooperative actions, such as common stormwater detention and sewer facilities, transportation improvements and shared police services. Development along the existing north-south regional corridor also helps maintain the City's fiscal viability, due to the location of public infrastructure and commercial facilities along State Route 99 (SR 99).

The City espouses best practices of planning for future growth. The City has completed planning for build-out of its existing SOI and for its planned growth area (including the SOI expansion area). The City's 2009 General Plan update provides a vision for the planned growth area, espousing the principles of smart growth, appropriate service levels, preservation of prime agricultural lands, and offering a coherent village concept to future residents of the area. The new General Plan commits the City to making best efforts to enable development properties adjacent to the existing city limits first, maximizing service provision, and avoiding leapfrog development.

To ensure that land is used efficiently with smart growth principles, the SOI expansion area has been planned in a holistic and comprehensive fashion. The community is designed to offer a pedestrian-oriented layout appealing to the likely future residents. Pedestrian-oriented features include bicycle lanes, pedestrian pathways, planted medians and narrower lanes on SR 99 intended to slow traffic speeds and increase safety, high-visibility pedestrian crossing improvements, safe bicycle and vehicle crossings on SR 99 at one-quarter mile intervals, and landscaped berms west of SR 99 to reduce noise and air pollution in the planned growth area. In addition, the planned growth area would include agricultural-industrial lands to the northeast of the city, maintaining the job creation potential of these areas and protecting against premature conversion.

MUNICIPAL SERVICES

The City offers municipal service levels that meet or exceed service levels presently offered to the unincorporated planned growth area. The City will provide public safety, park, street, wastewater, drainage and other services and improvements that are appropriate to serve urban development. Through its 2009 General Plan, the City recently adopted policies on its service levels not only for the existing SOI but also for the SOI expansion area.

The City has analyzed infrastructure needs for the SOI expansion area, and has drafted appropriate development impact fees to ensure that new development pays its fair share toward those costs without burdening existing residents. New and expanded infrastructure investments are financed by new development, and the timing will depend in the short-term on the pace of housing and job market recovery. Planned infrastructure for the SOI expansion area includes a new fire station, 50 park acres, appropriate street and pedestrian improvements, additional water wells, and expanded wastewater capacity.

Figure 1-1: Map of Area of Concern and Planned Growth Area

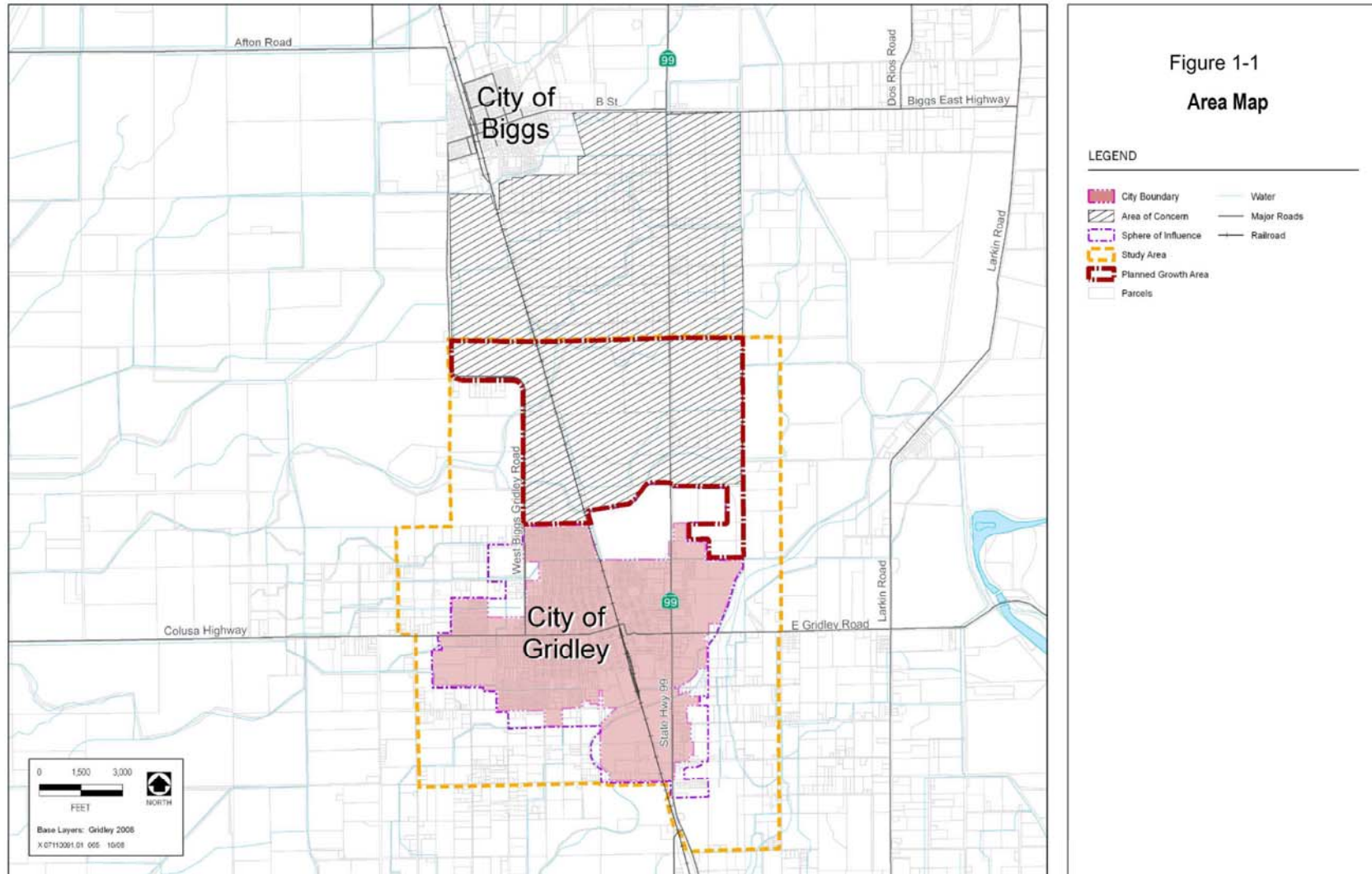


Figure 1-2: Map of SOI Expansion Area



2. PROCEDURAL REQUIREMENTS

2.1 LAFCo OVERVIEW

Established in 1963, Local Agency Formation Commissions (LAFCOs) are responsible for administering California Government Code Section 56000 et. seq., which is known as the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act). The CKH Act charges LAFCOs with encouraging the orderly formation and development of all local governmental agencies in their respective counties in a manner that preserves agricultural and open-space lands, promotes the efficient extension of municipal services, and prevents urban sprawl. Principal duties include regulating boundary changes through annexations or detachments, approving or disapproving city incorporations; and forming, consolidating, or dissolving special districts. There is a LAFCo located in each of the 58 counties in California.

2.2 LEGAL REQUIREMENTS

Under the CKH Act, a Sphere of Influence (SOI) is defined as “a plan for the probable physical boundaries and service area of a local agency.”¹ Spheres are planning tools used to provide guidance for individual boundary change proposals and are intended to encourage efficient provision of organized community services, discourage urban sprawl and premature conversion of agricultural and open space lands, and prevent overlapping jurisdictions and duplication of services. Every determination made by a commission must be consistent with the SOIs of local agencies affected by that determination;² for example, territory may not be annexed to a city or district unless it is within that agency's sphere.

LAFCOs are required to “develop and determine the sphere of influence of each local governmental agency within the county and enact policies designed to promote logical and orderly development of areas within the sphere.”³ LAFCOs are required to review and update SOIs as necessary, but no less than once every five years.

Before updating the SOI, LAFCo is required to conduct a municipal service review (MSR) and adopt related determinations. Accordingly, Butte LAFCo approved the City of Gridley MSR on February 6, 2008. The City of Gridley MSR can be found on Butte LAFCo’s webpage (www.buttelafo.org).

When adopting, amending or updating an SOI, LAFCo must consider and prepare a written statement of its determinations with respect to each of the following:

1. The present and planned land uses in the area, including agricultural and open-space lands.

¹ Government Code §56076.

² Government Code §56375.5.

³ Government Code §56425.

2. The present and probable need for public facilities and services in the area.
3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.
4. The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.⁴

In addition, the CKH Act requires LAFCo to follow certain procedures if a change to an SOI includes lands covered by the California Land Conservation Act of 1965 (also known as the “Williamson Act”).⁵ In this case, the SOI expansion area contains one Williamson Act parcel where the Williamson Act contract is in non-renewal status and is due to expire in 2014. Due to the non-renewal status of the parcel, the CKH Act places no restrictions on the SOI expansion.⁶

Prior to applying to LAFCo for an SOI update, State law requires a city to meet with the affected county to discuss the proposed SOI, development standards, and planning and zoning requirements to ensure that development within the SOI reflects the concerns of the affected city and promotes the logical and orderly development of areas within the sphere.⁷ Accordingly, the City of Gridley and Butte County representatives met in 2009 and 2010 to discuss these matters, and County officials voiced no objections to the City’s proposed SOI update.

2.3 BUTTE LAFCO POLICIES

In addition to requirements in State law, there are local requirements contained in Butte LAFCo’s 2010 *Operations Manual Policies and Procedures*.⁸ Butte LAFCo envisions an SOI as a long-range planning tool, specifically intended to reflect a 20-year planning horizon. Butte LAFCo policies discourage including in an SOI any lands that are unlikely to require municipal services over the upcoming 20-year period. In this case, the City of Gridley’s adopted General Plan designates the SOI expansion area for inclusion in the city limits.⁹

Butte LAFCo requires that an SOI Plan be prepared and that it contain the following:

1. **Proposed SOI Map:** A map defining the SOI not to exceed the probable 20-year boundary of the local agency’s service area, and also identifying which portion of the SOI is likely to be annexed within the next 10 years.

⁴ Government Code §56425(e).

⁵ Government Code §56426.6.

⁶ Government Code §56426.6(c).

⁷ Government Code §56425(b).

⁸ Butte LAFCo, *Operations Manual Policies and Procedures*, May 6, 2010, Section 3.

⁹ City of Gridley, *2030 General Plan*, Adopted December 4, 2009.

2. **Land Use:** Maps and explanatory text delineating the present land uses in the area, including, without limitation, improved and unimproved parcels; actual commercial, industrial, and residential uses; agricultural and open space lands; and the proposed future land uses in the area.
3. **Population Projections:** Existing population and projected population at build-out of the near- and long-term spheres of the agency.
4. **Service Need:** The present and probable need for public facilities and services in the sphere area. The discussion should include consideration of the need for all types of major facilities, not just those provided by the agency.
5. **Ability to Serve:** The present capacity of public facilities and adequacy of public services which the agency provides or is authorized to provide.
6. **Communities:** Identification of any relevant social or economic communities of interest in the area.
7. **A Municipal Service Review.**

In addition, LAFCo encourages cities to prepare a parcel inventory and absorption study so that LAFCo may determine if there is a probable need for municipal services in the SOI expansion area within the 20-year planning horizon.

2.5 MUNICIPAL SERVICE REVIEW

The CKH Act requires that a Municipal Service Review (MSR) be conducted prior to, or in conjunction with, the update of an SOI.¹⁰ An MSR is a comprehensive analysis of service provision by each of the cities, special districts and the unincorporated county service areas under the legislative authority of the LAFCo. LAFCo adopted the *City of Gridley MSR* in February 2008, including written determinations that addressed the following legislative factors:

1. Growth and population projections for the affected area.
2. Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies.
3. Financial ability of agencies to provide services.
4. Status of, and opportunities for, shared facilities.
5. Accountability for community service needs, including governmental structure and operational efficiencies.
6. Any other matter related to effective or efficient service delivery, as required by commission policy.

¹⁰ Government Code §56430.

Chapter 3 of the SOI Plan report lists the determinations that were made in 2008 and provides relevant updates. The City of Gridley MSR can be found on Butte LAFCo's webpage (www.buttelafo.org).

2.4 CALIFORNIA ENVIRONMENTAL QUALITY ACT

LAFCo has determined that environmental analysis of proposed SOI updates should be conducted in concert with environmental analysis for a city's General Plan update. Accordingly, the City of Gridley recently updated its General Plan and prepared appropriate environmental analysis.¹¹ That environmental analysis contemplates environmental effects of the entire planned growth area being added to the City; the existing SOI and proposed SOI expansion area are included in the planned growth area. As such, it is anticipated that the environmental analysis would have a shelf-life that is consistent with the 20-year SOI horizon concept in LAFCo's updated policies.

The City of Gridley's 2030 General Plan Environmental Impact Report (EIR) is a program EIR, as described under CEQA and the State CEQA Guidelines.¹² A program EIR is used to address the impacts of "a series of actions that can be characterized as one large project and are related...in connection with the issuance of rules, regulations, plans, or other general criteria to govern the conduct of a continuing program."¹³ Most general plans in California are accompanied by program (rather than project) EIRs. The analysis in this program EIR is considered the first tier of environmental review and creates the foundation upon which future, project-specific CEQA documents can build. Future projects included in annexations to the City of Gridley would be subject to the requirements of CEQA. The City would determine on a project-by-project basis whether the appropriate action for future projects would be a CEQA Exemption, Negative Declaration, or EIR.

2.5 GRIDLEY-BIGGS AREA OF CONCERN

In 2004, the cities of Gridley and Biggs proposed an Area of Concern (AOC) be established covering 2,700 acres of territory between the two cities to formalize their mutual commitment to coordinated land use planning in the area. Butte LAFCo formally adopted this AOC later that year.¹⁴ LAFCo notifies both cities when it receives a notice of a proposal within the area, and gives "great weight" to the concerned agency's comments. Butte LAFCo defines an AOC as a geographic area "beyond the sphere of influence in which land use decisions or other governmental actions of one local agency impact...another local agency."¹⁵ Because LAFCo policies define the AOC as outside the SOI, expansion of the City's SOI would have the unintended effect of reducing the AOC. To ensure that the City continues to receive timely notice of proposals in the SOI expansion

¹¹ City of Gridley, *Final Environmental Impact Report for City of Gridley 2030 General Plan*, certified December 4, 2009.

¹² California Code of Regulations, Title 14, Sections 15000 et seq.

¹³ State CEQA Guidelines Section 15168[a][3].

¹⁴ Butte LAFCo Resolution No. 15, 2004/05.

¹⁵ Butte LAFCo, *Operations Manual Policies and Procedures*, May 6, 2010, Section 3.1.6.1.

area, the City requests that the LAFCo SOI resolution provide that LAFCo offer comparable notice as is presently afforded to the City under the AOC policy.¹⁶

2.6 SOI UPDATE PROCESS

This Draft SOI Plan identifies the SOI expansion area, and makes corresponding draft determinations shown in Chapter 4.

LAFCo staff is circulating this Draft SOI Plan for comment by affected agencies and the public for a 21-day review period; comments and questions on that draft should be directed to LAFCo staff. LAFCo in coordination with the City of Gridley will respond to those comments at the agendaized public hearing.

LAFCo notified affected agencies 21 days before holding an agendaized public hearing to consider the SOI and may not update the SOI until that hearing. The LAFCo Executive Officer must issue a report including recommendations on the SOI amendments and updates under consideration at least five days before the public hearing. The public hearing will occur on December 2, 2010. Development of the adopted SOI updates will involve additional steps, including opportunity for public input at a LAFCo public hearing, and consideration and changes made by Commissioners.

¹⁶ Specifically, Butte LAFCo policy 3.1.6.2 provides that LAFCo will notify the City when LAFCo receives notice of a proposal of another agency in the AOC. By contrast, the CKH Act requires that LAFCo notify affected agencies (whose SOIs are in a project area) of public hearings (Government Code §56661) but not of project applications (Government Code §56658).

3. MUNICIPAL SERVICE REVIEW

Butte LAFCo adopted the *City of Gridley MSR* in February 2008.¹⁷ The MSR focused on municipal services provided within the City of Gridley’s boundaries and existing SOI. This chapter offers an overview of municipal service providers and updated MSR determinations.

3.1 MUNICIPAL SERVICE PROVIDERS

Table 3-1: Municipal Service Providers in City Limits and SOI

Municipal Service	Existing City Limits	SOI (unincorporated)
Public Safety		
<i>Police</i>	City of Gridley	County Sheriff
<i>Traffic Enforcement</i>	City of Gridley	California Highway Patrol
<i>Parking Enforcement</i>	City of Gridley	County Sheriff
<i>Code Enforcement</i>	City of Gridley	Butte County
<i>Animal Control</i>	City of Gridley	CSA 164
<i>Fire Protection</i>	CALFIRE	CALFIRE
<i>Emergency Medical</i>	CALFIRE, Enloe Med. Center, CSA 37	CALFIRE, Enloe Med. Center, CSA 37
<i>Ambulance</i>	CSA 37	CSA 37
<i>Hospital</i>	Biggs-Gridley Memorial Hospital (Fremont-RideOut Health Group)	Biggs-Gridley Memorial Hospital (Fremont-RideOut Health Group)
Utilities		
<i>Water Retailer - Domestic</i>	City of Gridley/ private wells	Private wells
<i>Water Retailer - Irrigation</i>	Butte Water District, Biggs-West Gridley Water District	Butte Water District, Biggs-West Gridley Water District
<i>Wastewater</i>	City of Gridley, private septic system	City of Gridley, private septic system
<i>Electricity - Wholesale</i>	NCPA, WAPA	PG&E
<i>Electricity - Distribution</i>	City of Gridley, PG&E	PG&E
<i>Solid Waste Planning</i>	Butte Regional Solid Waste Mngmnt Auth.	Butte Regional Solid Waste Mngmnt Auth.
<i>Solid Waste Disposal</i>	Butte County	Butte County
<i>Solid Waste Collection</i>	North Valley Waste Management	Oroville Solid Waste Disposal, North Valley Waste Management
Public Works		
<i>Drainage</i>	City of Gridley, RD 833, DD 1, RD 2056	RD 833, DD 1, RD 2056
<i>Street Maintenance</i>	City of Gridley, Caltrans	Butte County, Caltrans
<i>Street Lighting</i>	City of Gridley	Butte County

continued

¹⁷ Burr Consulting, *Report to the Butte Local Agency Formation Commission—Final Municipal Service Review: City of Gridley*, Approved Feb. 6, 2008. The 122-page report is available online at http://buttelafco.org/index.php/documents/doc_download/11-city-of-gridley-municipal-service-review, and is not duplicated here.

Municipal Service	Existing City Limits	SOI (unincorporated)
Community Services		
<i>Parks</i>	City of Gridley	None
<i>Recreation</i>	City of Gridley	None
<i>Swimming Pools</i>	CSA 34	CSA 34
<i>Library</i>	Butte County	Butte County
<i>Mosquito Abatement</i>	Butte Mosquito & Vector Control District	Butte Mosquito & Vector Control District
<i>Vector Control</i>	Butte Mosquito & Vector Control District	Butte Mosquito & Vector Control District
<i>Cemetery</i>	Gridley-Biggs Cemetery District	Gridley-Biggs Cemetery District
<i>Schools</i>	Gridley Unified School District	Gridley Unified School District

3.2 MSR DETERMINATIONS

This section lists the MSR determinations adopted by Butte LAFCo in 2008 (as originally numbered), and provides updates to those determinations to bring them current. Additions to the determinations are underlined and deletions are ~~struck through~~.

Growth and Population Projections

3.-1. There were ~~6,167~~ 6,454 residents in the City limits in ~~2007~~ 2010.¹⁸

3.-2. The City's population has grown between 2000 and ~~2007~~ 2010 on average by two percent annually, double the countywide growth rate. Within Butte County, ~~only Chico~~ Gridley has experienced more rapid recent new housing growth than ~~Gridley~~ other cities.¹⁹

3.-3. Through 2030, the annual population growth rate is projected at ~~5.4~~ 3.0 percent by the Butte County Association of Governments. The growth rate is expected to slow around 2014 to between three and four percent until 2020 and two percent from 2021 to 2030.²⁰

3.-4. ~~After the adoption of the new General Plan and new sphere of influence, the MSR will be amended to address any new components of growth management that would affect the provision of municipal services. Continued planning is necessary to accommodate future growth while maintaining the rural atmosphere of the City and other policy goals. In adopting and implementing its General Plan, the City has a number of new policies and implementation strategies that will create more compact development patterns and use land more efficiently. The City's approach is also designed to provide municipal service cost savings when compared with sprawl. Specific new policies include implementation of a new high-density land use designation, new development impact fees with lower rates for infill and high-density projects, prioritization of~~

¹⁸ California Department of Finance, *E-5 Population and Housing Estimates for Cities, Counties and the State, 2001-2010, with 2000 Benchmark*, May 2010.

¹⁹ After controlling for the effect of annexation of existing parcels, Gridley's housing stock grew at a 2.2 percent annual rate over the 2000-2010 period, compared with 2.0 percent in Chico. Over the 2005-10 period, Gridley's annual growth rate was 3.2 percent compared with 1.3 percent in Chico and 1.1 percent countywide.

²⁰ Note that BCAG growth projections may not account for growth in areas outside the City's existing SOI. The City considers the long-term BCAG growth projections, for the purposes of planning for adequate and efficient service and infrastructure provision, to be conservative.

growth in the existing SOI over the planned growth area (i.e., the SOI expansion area), and requirements that will reduce unnecessary pavement by placing new buildings closer to the front property line and ensuring that parking space is not excessive.²¹ The City's new smart growth policies affect municipal services primarily by reducing service demands and infrastructure costs that will be generated in infill and new growth areas. Compact development helps reduce vehicle miles, helps economize on street maintenance and drainage needs, and helps reduce the extent of water and wastewater infrastructure needs.

Infrastructure Capacity and Service Adequacy

Water

4.1.-1. The City of Gridley's water system is well maintained and monitored, and active wells meet all state and federal water quality requirements.

4.1.-2. ~~The City constructed a new municipal well in 2009. As a result, the City's six water wells produce adequate water supply to serve build-out of the existing SOI.²² has taken three wells out of service due to naturally occurring arsenic. The City will need to acquire new wells or provide wellhead treatment to ensure adequate water supplies and quality. At a cost of \$0.3 million per well, treatment may be more expensive than alternatives, such as drilling new wells north of the City.~~

4.1.-3. The irrigation canals surrounding and passing through the City are vulnerable to urban contamination. The City should work with the irrigation districts and developers to identify cost-effective approaches to maintaining irrigation water quality, to mitigate any safety hazards to residents, and support growth and development of the City.

4.1.-4. ~~The City needs to extend water mains at a cost of has identified approximately \$5.0 million in water capital needs to accommodate growth through 2025 buildout of the existing SOI.²³ The City plans to install a new water main on West Biggs Gridley Road for future connections with new subdivisions. The City is in the process of constructing a new municipal well in the Eagle Meadows subdivision.~~

4.1.-5. To accommodate future growth and development, the City's General Plan outlines plans to maintain loops along the perimeter of the system to maintain adequate pressure and install a large diameter pipe along the easterly boundary of the sphere of influence (SOI) to provide fire flows to potential development in the area.

Wastewater

4.2.-1. The City's wastewater treatment plant currently uses 84 percent of its design capacity and is projected to use the remaining capacity of 680 equivalent dwelling units by 2015. Wastewater treatment plant expansion is ~~needed~~ underway to accommodate future growth (an additional 2,600

²¹ City of Gridley, 2030 General Plan, Adopted December 4, 2009. In particular, see the sections entitled "Goals, Policies and Implementation" particularly in the Land Use, Circulation and Public Facilities Elements, as well as the section entitled "General Plan Implementation" in the chapter "Legal Authority and General Plan Implementation."

²² City of Gridley, City Engineer Bruce Nash, March 5, 2010.

²³ City of Gridley, City Engineer Bruce Nash, July 27, 2010.

EDUs) in the City's SOI. The expansion project is designed and funded, and construction began in February 2010. The City has completed the design phase, and plans to begin the \$2.5 million construction phase as soon as Fall 2008.

4.2.-2. To accommodate future development, the City needs a ~~\$10.5~~ million investment by 2015 in new gravity and force mains and pump stations to direct flow around the City, as the collection system in the core of the City has reached capacity. In addition, a ~~\$6.9~~ million investment in a parallel force main and new pump station is needed to accommodate development by 2015. The City is phasing in such improvements. In 2010, the City focused its funding and efforts on replacing one mile of old sewer main and rerouting collection lines to better use gravity flows and eliminate a pump station.

4.2.-3. Funding for the capacity expansion of the WWTP and collection system will determine the rate at which new development can be absorbed into the system. The City regularly updates its capital plans, rates and connection fees, and competes for grants to ensure adequate funding mechanisms.

4.2.-4. Portions of the wastewater collection system date back to 1914. Infiltration and inflow is affecting older collection pipes downtown and possibly elsewhere. The City would benefit from a thorough review of the wastewater collection system to develop a capital improvement plan. The City's 2010 sewer rate increase was designed to fund its sanitary sewer management plan efforts.

Drainage

4.3.-1. Gridley's stormwater collection system discharges to sloughs and open drainage ditches located near the perimeter of the city. The ditches are maintained by three special districts: Reclamation District No. 833, Reclamation District No. 2056 and Drainage District No. 1. The ditches were designed to convey agricultural rather than urban flows.

4.3.-2. The districts' drainage systems are unable to discharge peak flows and subject to backup conditions due to inadequate channel capacity, lack of pumping capacity, or lack of capacity in downstream discharge waterways also used by the State for flood control purposes.

4.3.-3. Growth-induced drainage infrastructure needs are addressed by City requirements for development to install detention infrastructure to prevent increases in peak drainage flows.

4.3.-4. The drainage ditches and laterals operated by the districts in Gridley are uncovered. The districts have asked that the City "underground" open ditches, although the City has determined that related costs are often excessive due to the high groundwater table and that fencing of these ditches is the practical solution.

Roadways

4.4.-1. ~~Current level of service (LOS) and traffic volume studies are needed in the City to allow for accurate roadway demand forecasts and efficient road-related planning. The City is presently updating its General Plan to include this information.~~ Roadway services are adequate in

the Gridley area with all streets operating at an acceptable level of service (LOS C or better).²⁴ A traffic signal is presently needed to ensure adequate flows during peak traffic hours on SR 99 at West Liberty Road. The City will need to install seven traffic signals to accommodate planned growth through 2030.

Existing highway service levels are currently inadequate on the two-lane portion of SR 99 between Spruce Street and Ord Ranch Road.²⁵ Widening the highway to four lanes would be needed to deliver a level of service in compliance with local standards. Caltrans envisions a four-lane highway through Gridley ultimately. Although clearly a regional priority, the project has not yet been funded.²⁶ Highway congestion may be avoided presently by most Gridley residents due to availability of alternative routes on local roadways. Caltrans will need to install seven traffic signals to accommodate planned growth through 2030.

4.4.-2. Although the City does conduct preventative maintenance to extend the pavement lifespan, it should consider implementing a computerized Pavement Management System to optimize its roadway investments.

4.4.-3. Pedestrian and bicycle facilities are minimal in the City. The City of Gridley Bicycle Plan outlines various bicycle-related facility needs in the City that should continue to be explored, including the feasibility of creating regional trailways in conjunction with Butte County, Caltrans, Union Pacific Railroad, and the City of Biggs.

Law Enforcement

4.5.-1. The Gridley-Biggs Police Department (PD) provides police and animal control services to the Cities of Gridley and Biggs.

4.5.-2. Law enforcement services are adequate. The current service level is higher than the median among small California cities and the City's adopted minimum standard. The City manages to solve crimes effectively; crime clearance rates are comparable to neighboring cities and higher than Sheriff rates.

4.5.-3. Service demands have increased in recent years due to growth and development, the onset of service to Biggs in 2001, increasing serious crime rates, and gang issues in Gridley.

²⁴ City of Gridley, *Final Environmental Impact Report for City of Gridley 2030 General Plan*, December 4, 2009, Chapter 4.4: Transportation and Circulation. Level of service (LOS) C signifies that an intersection may have light congestion and occasional backups, and that driving speed may be affected.

²⁵ City of Gridley, *Final Environmental Impact Report for City of Gridley 2030 General Plan*, December 4, 2009, Chapter 4.4: Transportation and Circulation. Traffic volume counts on this segment of SR 99 were indicative of a level of service (LOS) of F. An LOS of F signifies stop-and-go operation or forced traffic flows.

²⁶ Gridley's General Plan and EIR analysis identified long-term, cumulative impacts to operations along SR 99. The City will continue to coordinate regional transportation and improvement plans with Butte County and cities in the County. The regional transportation plans would be designed to provide the mechanism for development to contribute to the fair-share cost of improving roadways. For Gridley, this coordinated planning effort could identify City contributions to affected roadways located outside the Gridley SOI. The plan could also provide the basis for state, federal or other funding for improvement of roads and intersections required to deliver acceptable LOS with build-out of the County's and cities' general plans.

4.5.-4. The PD currently has sufficient facility space and equipment except for storage and evidence facilities. The PD plans to expand into the adjacent unmanned station space.

4.5.-5. Development and growth in Gridley and Biggs will eventually require increased staffing of sworn and non-sworn officers. The City would need up to 16 new officers by 2025 to sustain service levels as the City grows.

Fire Protection

4.6.-1. There is adequate capacity to provide fire service to planned development within city limits and the SOI area.

4.6.-2. The City has determined that a new fire station would be needed to serve future residents on the western side of the railroad tracks at build-out of the General Plan scenario and maintain the City's standard of a four-minute response time.

4.6.-3. Water pressure and water reserve challenges in the northern part of the City along SR 99 result from dead-end water mains. The City is in the process of replacing all dead-end water mains, which is anticipated to be completed by 2012.

4.6.-4. The area to the north of Gridley—around Ord Ranch Road—will need water flow improvements to provide for greater fire flows.

Parks

4.7.-1. The City has ~~44~~ 3.1 acres of developed parkland per 1,000 residents in 2010. To achieve the City's adopted standard of five acres per 1,000 residents, an additional ~~5.6~~ 12 acres of developed parkland are needed.²⁷

4.7.-2. The City's 2009 General Plan identifies potential park sites within the existing SOI. City policy is to prioritize adding parkland in areas lacking adequate park acreage according to City parkland standards.²⁸ In keeping with its smart growth principles, the City aims to expand parkland at joint use sites shared with schools and to collaborate with the County and City of Biggs in developing a regional park for shared use.

Solid Waste

4.8.-1. There is adequate landfill capacity, and services are adequate.

Electricity

4.9.-1. Electricity service is adequate, and capacity is adequate to serve current customers.

²⁷ The revised figure for developed park acres per 1,000 residents reflects 1) exclusion of Eagle Meadows Park where ball fields are planned by not yet constructed and 2) Gridley population increase since the 2008 MSR. For purposes of this metric, total park acreage excludes recreational park acreage within City limits that is owned by other agencies, such as the Gridley Swimming Pool, Butte County Fairgrounds, and recreation facilities at McKinley School, Wilson School, Sycamore Middle School, and Gridley High School; also excluded is the City's boat ramp on the Feather River and the Manzanita School gym.

²⁸ City of Gridley, 2030 General Plan, Adopted December 4, 2009, "Open Space Element," p. 25.

4.9.-2. The electric utility can accommodate growth within the existing SOI.

4.9.-3. As new areas are annexed and built out, demand will increase such that expansion of the existing substation or construction of a new substation will eventually be necessary.

Financial Ability to Provide Services

5.-1. The City's total budget is \$22 million in FY 10-11 ~~07-08~~.²⁹ Electric, sewer and police services are the most costly municipal services.

5.-2. The \$4.8 ~~4.9~~ million general fund finances police and fire services, general government costs, and portions of park and street-related costs. Major general fund revenue sources are sales tax, payments from the City of Biggs for contract services, electric revenue, property taxes, and vehicle license fee revenue.

5.-3. The most significant financing constraint is the requirement for voter approval of new or increased taxes or assessments.

5.-4. Water, wastewater and solid waste rates and charges may be increased and restructured, but taxes, general revenue sources and drainage assessments require voter approval to be restructured or increased.

5.-5. Compared with nearby jurisdictions, Gridley businesses attract a relatively high level of sales tax per capita. The City's location along SR 99, economic development efforts and land use decisions are important factors in maintaining and enhancing this revenue stream.

5.-6. Strategic growth, redevelopment and economic development offer financing opportunities to the City in the form of enhanced property and sales tax revenues.

5.-7. Water, wastewater and electric rates are reasonable compared with other providers, and provide incentives for users to conserve.

5.-8. Sewer rates will need to be increased in the future to finance repairs to the aging collection system. Water rates may need to be increased if the City faces more expensive water treatment costs. Otherwise, no significant rate restructuring opportunities were identified.

Facility Sharing

6.-5. The City practices extensive sharing of facilities and resources with other public agencies. The City adopted new policies in its 2009 General Plan that promote efficient use of land by municipal government through facility sharing.

6.-6. Butte Water District has surplus water available for sale. The City may wish to purchase surface water in the future if it cannot develop adequate wells free of arsenic. Biggs-West Gridley Water District may wish to purchase additional surface water.

²⁹ City of Gridley, Adopted Budget FY 2010-11, 2010.

6.-7. The Guardian Building and proposed new soccer fields are examples of shared facilities between the City and the Gridley Unified School District.

Accountability, Governmental Structure and Efficiencies

6.-1. The City generally exhibits the characteristics of well-managed local government, which strives to serve its residents and constituents effectively. The City uses accepted budgeting procedures, balances its budget and maintains reserves.

6.-2. As the population grows and changes, increased attention to management efficiencies will be necessary, especially given fiscal constraints affecting local governments in California. Intergovernmental cooperation, regionalization of services and joint efforts for efficiency warrant continued attention.

6.-3. The City needs to continue to take actions to increase efficiency, reduce unnecessary duplication of effort and streamline procedures in order to maximize management efficiencies.

6.-4. Land use planning designed to promote infill development, redevelopment of underutilized, urban lands, and creation of compact, well-served communities present opportunities to minimize future public service costs through strategic growth.

7.-1. The City demonstrates a high degree of public participation in elections as well as other forms of citizen participation. The City prepares meeting agendas and minutes and has accessible staff and elected officials.

7.-2. The City makes information about its activities available to the public through a variety of sources, including its website, distribution of agenda and related documents, public access to city council and board meetings, mailing information to constituents, and similar methods.

7.-3. The City appears to operate in an open manner that facilitates the public's ability to learn about and participate in current civic affairs.

8.-1. Annexation of territory to Gridley is an option that the City intends to propose, and plans to explore further in its General Plan update.

8.-2. Detachment of territory from Reclamation District No. 833 and annexation to Reclamation District No. 2056 (RD 2056) is an option tentatively identified by RD 2056 to ensure that district boundaries align with drainage benefit areas.

8.-3. Reorganization of County Service Area (CSA) 34 is an option. The CSA finances maintenance of a swimming pool. Butte County Fair operates the pool. The City and Butte County agreed in 2002 to negotiate reorganization of the CSA. Reorganization would most likely involve dissolution of the CSA, formation of a subsidiary district of the City of Gridley, and transfer of CSA revenues and service responsibilities to the subsidiary district.

8.-4. Two options that have not been proposed or recommended by any agencies are consolidation of Gridley and Biggs, and detachment of urbanized territory in the city limits from two irrigation districts—Butte Water District and Biggs-West Gridley Water District.

4. SPHERE OF INFLUENCE ANALYSIS

Despite the City’s continued commitment to infill development of the existing bounds and SOI, the limited number of parcels suitable for development within the existing SOI contributes to the need for an SOI expansion to accommodate future growth. The City has identified north as the most efficient direction for growth to provide for more compact growth focused away from important agricultural lands in the County and existing areas of industrial and large-scale commercial activity, and to allow for greater collaboration with the City of Biggs in the Area of Concern.

4.1 PRESENT AND PLANNED LAND USES

This section provides an overview of existing land uses within the planned growth area, existing zoning designations by Butte County, City-proposed future land uses in the area, and Williamson Act lands and their term.

4.1A PRESENT LAND USES

Existing land uses within the SOI expansion area are primarily agricultural in nature. Of the total 850 acres, 54 percent (462 acres) is cropland, and an additional 30 percent (251 acres) is agricultural-related. Single-family residential land uses consist of six percent (49 acres) of the total area, and the Gridley-Biggs Cemetery consists of four percent of the total area (32 acres). Miscellaneous land uses include drainage ditches, road rights-of-way, railroad lines, and other civic infrastructure, and consist of seven percent of the total area (55 acres). There are 38 parcels in the SOI expansion area, 16 of which are improved according to Butte County Assessor’s Office data.

Figure 4-1: Butte County Zoning in Gridley Area

Existing Butte County zoning within the SOI expansion area is primarily agricultural, with minimum 40-acre lots (A-40). Other County zoning types within the SOI expansion area consist of public/quasi-public (P-Q) and heavy industrial (M-2). Public/quasi-public zoned areas consist of the Gridley-Biggs Cemetery, and parcels owned by the State of California east of SR 99 along Ord Ranch Road. The heavy industrial zoned parcel is also located along Ord Ranch Road, adjacent to the public/quasi-public parcel, and is owned by Butte County. Agricultural areas within the SOI expansion area are consistent with the orchard and field crops (OFC) designation in the existing Butte County General Plan.

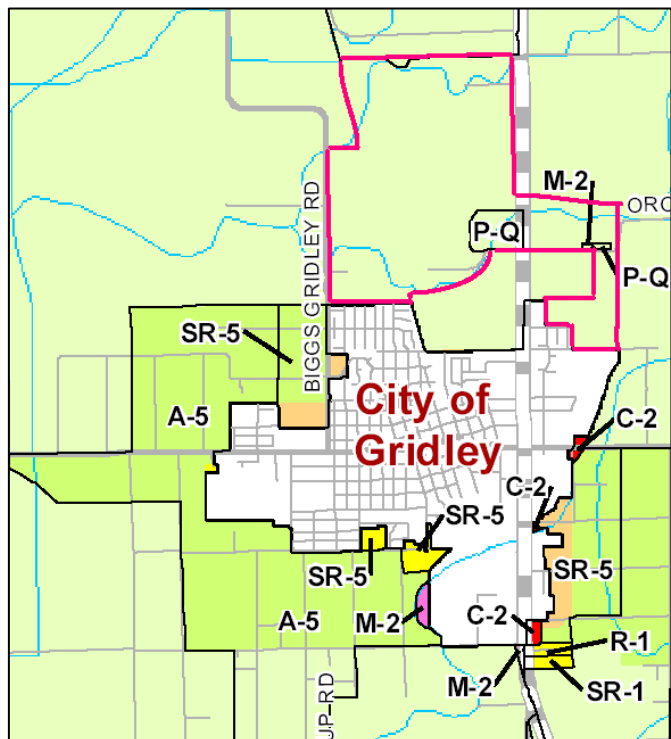
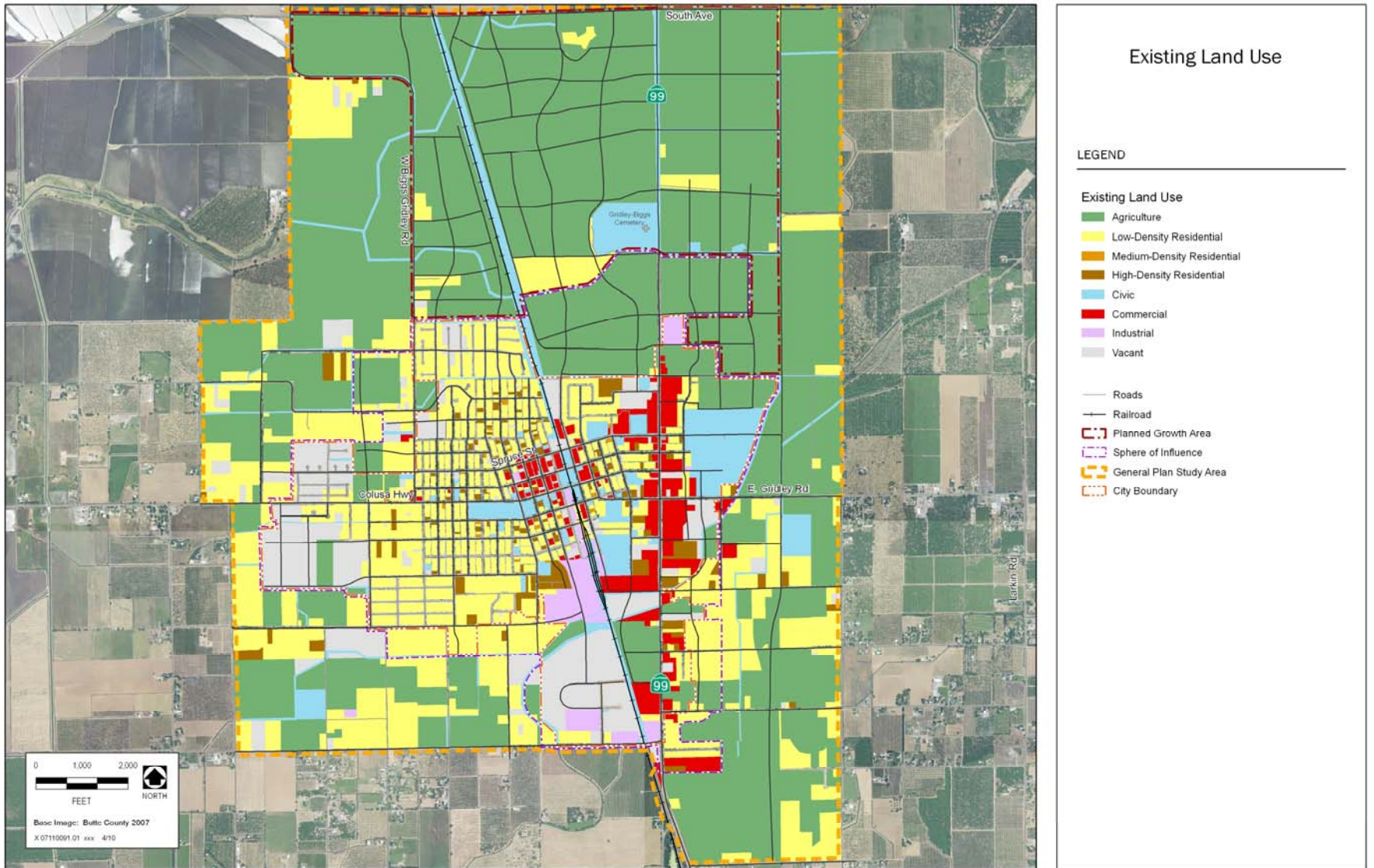


Figure 4-2: Map of Existing Land Uses in the Planning Area



4.1B CITY-PROPOSED FUTURE LAND USES

City-proposed land uses within the SOI expansion area include neighborhoods with integrated public services, parks, and small-scale neighborhood commercial and mixed use properties (see Figure 4-3). The focus is on compact development in order to make efficient use of the land, and incorporate pedestrian and bicycle transportation into the circulation patterns of the region. Residential uses vary from low density (two to four dwelling units per acre) to high density (15 to 30 dwelling units per acre), with higher-density housing located around neighborhood centers. Medium density housing would surround neighborhood centers and high-density housing areas, with lower-density housing located on the outskirts of the neighborhoods.

There are three residential neighborhoods planned for the SOI expansion area. Two neighborhoods are located between SR 99 and the railroad (one located north of the other), and the third is located between the railroad and West Biggs Gridley Road. Residential development in the SOI expansion area could add 2,114 to 3,160 new dwelling units. Smaller-scale commercial development—including shops, offices and services—located in neighborhood center mixed use areas would consist of roughly 75,000 to 95,000 square feet.

Larger-scale employment uses—consisting of industrial and light industrial operations, office parks, business parks, and other commercial projects—are located on larger properties in the southeastern portion of the SOI expansion area, east of SR 99, and are not integrated into the residential neighborhoods. Roughly 1.5 to 1.8 million square feet of employment-generating building square footage is planned for agricultural processing and light industrial commercial areas.

Although there are development constraints within the SOI expansion area, constrained properties are planned as parks and open space to ensure consistency with the City's adopted standards and service levels for parks. Parks and open space areas are to be located throughout the neighborhoods of the SOI expansion area. City-proposed land use plans for the SOI expansion area call for between 30 and 50 acres of parks, and between 70 to 90 acres of open space. Community parks, neighborhood parks, and smaller "pocket parks," consist of developed parkland areas with active recreational facilities such as playgrounds and ballfields. Open space areas serve multiple purposes as passive recreational areas, off-street pedestrian and bicycle paths, drainage facilities for stormwater conveyance and detention, buffers from SR 99 and the railroad, and areas for natural vegetation and restored landscaping. Multi-use open space corridors are designed to link bicycle and pedestrian traffic to developed parkland from the surrounding residential neighborhoods.

New public/quasi-public facilities in the SOI expansion area will consist of 10 to 20 acres of development. Approximately 10 acres of land is reserved for the expansion of the Gridley-Biggs Cemetery to the north of the existing facility, along SR 99. Other possible public/quasi-public facilities include hospitals, medical clinics, community halls, auditoriums, transportation facilities, and other infrastructure. An additional 10 to 20 acres of the SOI expansion area has been designated for school sites, although the Gridley Unified School District (not the City of Gridley) is ultimately responsible for the siting and developing of schools. Both the City and the School District have a strong interest in developing mutually beneficial joint-use arrangements with school and park facilities, and plan to develop these facilities in coordination with one another.

Figure 4-3: Map of City-Proposed Future Land Uses in the Planned Growth Area

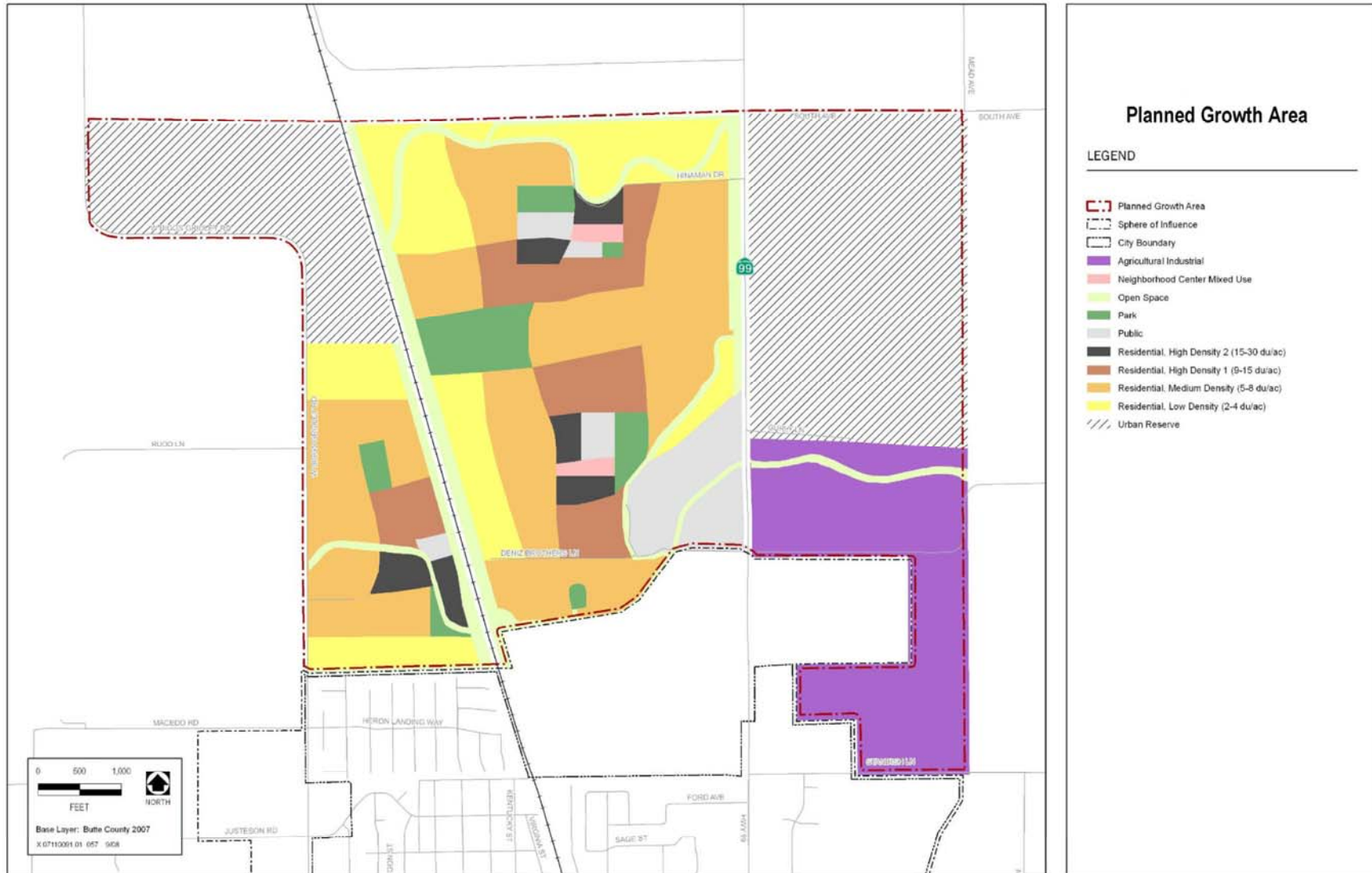
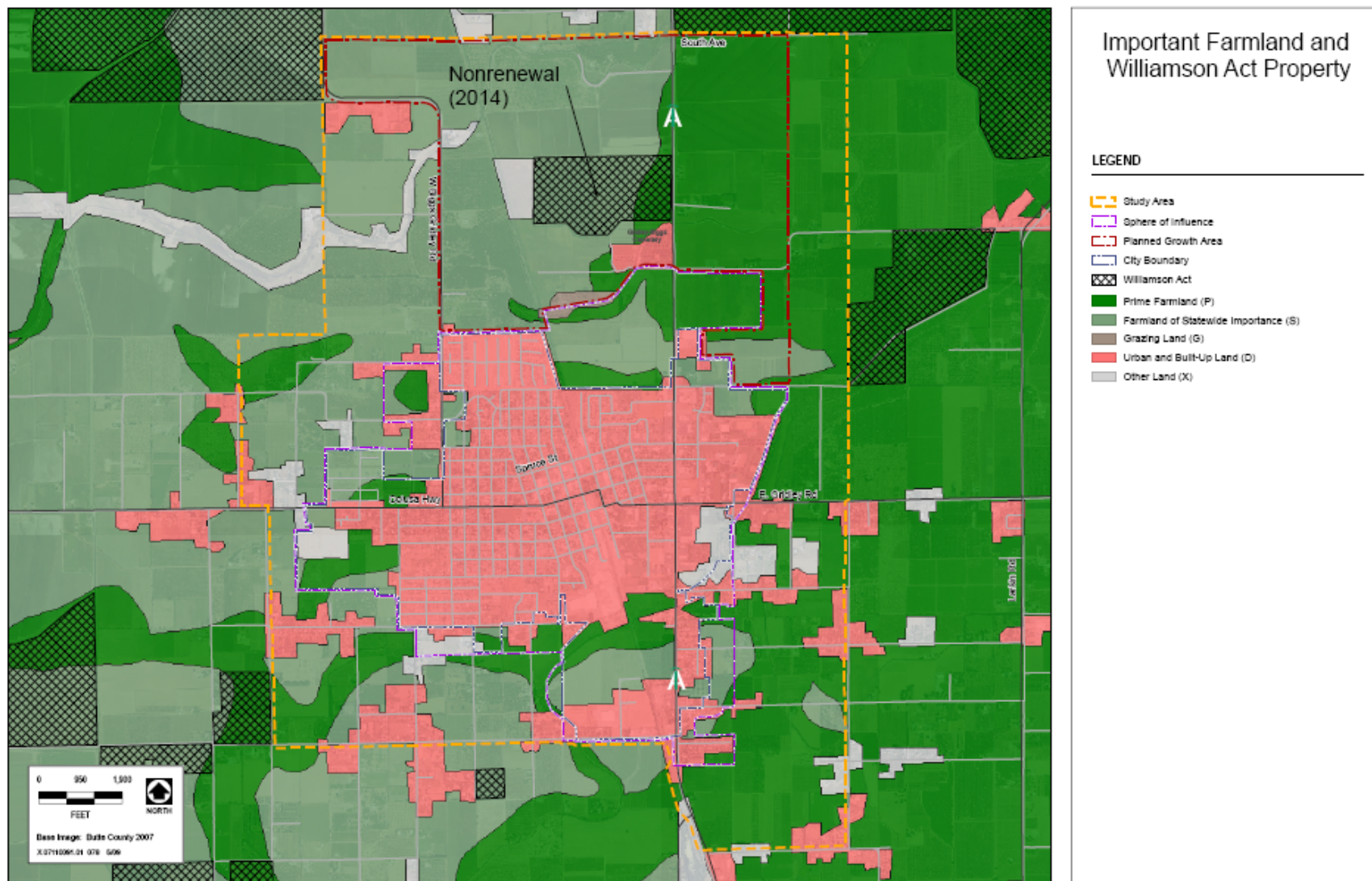


Figure 4-4: Gridley-Area Important Farmland, 2006



The remaining 350 acres in the planned growth area is located to the northwest and northeast of the SOI expansion area, and is a sphere planning area (urban reserve). The urban reserve designation is applied to areas that are not needed to accommodate development by 2030, but would best be served by Gridley for future phases of urban development due to the logical extension of City infrastructure and public services. Areas designated as urban reserve are large parcels of high-quality agricultural land, viable for continued agricultural use. Including these areas within the sphere planning area would protect the City against circumstances that would adversely affect ongoing agricultural operations, and protect the areas from premature conversion to other uses.

4.1C PRIME FARMLAND AND WILLIAMSON ACT

Among LAFCo's core purposes is the preservation of open space lands and prime agricultural lands. The Commission is required to exercise the powers to conserve prime agricultural land as defined in Section 56064 of the Government Code, open space land as defined in Section 65560 of the Government Code, and unique farmland and land of statewide importance as defined in PRC 21060.1, pursuant to Butte LAFCo Policies and Standards.

The City of Gridley is completely surrounded by agricultural lands and agricultural uses. Any direction the City expands in would result in the conversion of agricultural land to urban uses. The City's proposed SOI expansion area, which is to the north of the City, is within the Biggs-Gridley Area of Concern, which is an area where it has been anticipated that future expansion of the Cities of Biggs and Gridley would occur.

The City of Gridley's 850-acre SOI expansion area is predominantly agricultural, consisting primarily of orchards, row crops, and rice fields. Of the total 850 acres, 54 percent (462 acres) is cropland, and an additional 30 percent (251 acres) is agricultural-related. Lands categorized as farmland of statewide importance are located in the southern, central and northern portions of the SOI expansion area. Most of the SOI expansion area is considered to be prime agricultural land pursuant to California Government Code section 56064. The majority of the parcels surrounding the SOI expansion area are developed with agricultural uses.

Williamson Act lands within the planned growth area consist of a 118-acre parcel located west of SR 99, just north of the Gridley-Biggs Cemetery in the proposed SOI expansion area, as shown in Figure 4-4. The land is currently under non-renewal, with the contract set to expire December 31, 2014.³⁰ There are no other Williamson Act lands within the SOI expansion area. Because the Williamson Act contract is set to expire, the proposed SOI expansion is consistent with Butte LAFCo policy with regards to Williamson Act contracts within an area proposed to be annexed.

Future annexation of land within the City of Gridley's SOI expansion area will result in the conversion of agricultural land to urban uses. Policies included as part of the City of Gridley's 2030 General Plan that would minimize impacts to agricultural resources include:

CONSERVATION POLICY 1.1 - *The City will encourage ongoing agricultural uses on properties within the Sphere of Influence until such properties are annexed to the City.*

³⁰ APN 022-210-079-000. Notice of non-renewal document number 2004-0052638, recorded August 27, 2004, is available upon request from the authors or from the Butte County Clerk of the Board of Supervisors.

CONSERVATION POLICY 1.2 - *The City will discourage detachment from irrigation and agricultural drainage districts until such time as nonagricultural use is imminent.*

CONSERVATION POLICY 1.3 - *New development within the Planned Growth Area shall mitigate for the conversion of agricultural land to urban use. Mitigation shall include in-lieu fees to acquire agricultural conservation easements or direct placement of agricultural conservation easements on a similar quality and amount of land.*

CONSERVATION POLICY 1.4 - *New developments that propose subdivision of property in areas adjacent to ongoing agricultural operations shall notify buyers of the potential use of agricultural chemicals, noise, and dust through notes on subdivision or parcel maps or by placing a note on a separate document that is recorded concurrently with the map.*

CONSERVATION POLICY 1.5 - *The City will not consider agricultural operations to be a nuisance when new residential development has become established adjacent to ongoing agricultural operations.*

CONSERVATION POLICY 1.7 - *The City will support small, niche farming on larger properties provided these operations are compatible with surrounding uses.*

CONSERVATION IMPLEMENTATION STRATEGY 1.1 - *The City will adopt a "right to farm" ordinance (or adopt the Butte County Right to Farm ordinance, as appropriate) that informs residents of ongoing agricultural practices at the edges of Gridley and protects farmers and other agriculture interests from dumping, nuisance complaints, and other problems typically associated with new residents on the City fringe. The notice should advise new residents of potential mosquito abatement programs by the Butte County Mosquito and Vector Control District in the surrounding area. The City will communicate with Butte County regarding the contents of the County's Right to Farm Ordinance to develop consistency, where appropriate.*

CONSERVATION IMPLEMENTATION STRATEGY 1.2 - *The City will communicate with the County, nearby cities, the Department of Conservation, and other interested agencies to establish a regional agricultural land mitigation fee and conservation program. Such a program should support farmers and agriculture property owners alike in identifying areas of the County with rich soils and where long-term agricultural operations will be preserved.*

For development requiring annexation, the applicant should either directly preserve, through a conservation easement, or pay on a fair-share basis into a program to preserve permanently a similar amount and quality of farmland. The mitigation program should consider lower preservation ratios for agricultural land preservation within Butte County and higher ratios for preservation outside Butte County, in order to provide substantial incentives for local agricultural preservation. In addition, some portion of the impact fees should support agricultural extension, research, value-added programs, direct marketing of local agricultural products, and other efforts that would support local agricultural productivity. Agricultural mitigation fees could be applied toward research and development of agriculture-related renewable and sustainable energy sources.

The City will tie its agricultural land mitigation fee and conservation program to the regional approach, once developed. In-lieu fees for use in this agricultural mitigation program should be based on a City-approved Nexus Study. The City will consider formalizing the agricultural mitigation program in an ordinance, if appropriate.

LAND USE POLICY 5.3 - *New residential development adjacent to cultivated agricultural lands shall provide buffers to reduce potential conflicts. The width of such buffers will be determined on a case-by-case basis considering prevailing winds, crop types, agricultural practices, and other relevant factors. In most cases, agricultural buffers should be no less than 300 feet in width. The width of public rights-of-way, drainages, and easements may count as part of the buffer. Lower density residential development may be able to cluster development so that houses are located away from adjacent farmland as a way of providing buffers.*

LAND USE POLICY 5.4 - *Within agricultural buffer areas, allowed land uses include drainage, trails, other infrastructure, community gardens, landscaped areas, and other uses that would be compatible with ongoing agricultural operations.*

LAND USE POLICY 5.5 - *Agricultural buffers are not required adjacent to areas planned for future development in this General Plan or areas designated Urban Reserve. Agricultural buffers are not required along the northern of the Planned Growth Area, which is directly adjacent to lands identified for urban development in the City of Biggs. Agricultural buffers are only required in areas adjacent to Butte County land use designations for cultivated crops and grazing – currently called “Orchard and Field Crops” and “Grazing and Open Land.”*

Land Use Policy 5.6 - *Agricultural buffers in the southwestern portion of the Planned Growth Area will be less than 300 feet in width, recognizing that the affected agricultural property to the west is primarily surrounded by existing properties of less than 5 acres in size with residential uses and planned development under this General Plan.*

While these policies would provide partial mitigation for agricultural conversion, they would not prevent the loss of prime agricultural land within the SOI expansion area. Therefore, the conversion of prime farmland to urban and other uses would be considered significant and unavoidable with no feasible mitigation available. With implementation of the 2030 General Plan, the City of Gridley City Council found that there would be significant and unavoidable impacts with respect to loss of farmland and Williamson Act contracts.

Butte LAFCo Policy 2.13.1 states that LAFCo will apply a heightened level of review when considering proposals for changes of organization (such as an annexation) that are likely to result in the conversion of prime agricultural/open space land use to other uses. Only if the Commission finds that the proposal will lead to planned, orderly, and efficient development, will the Commission approve such a conversion. For purposes of this standard, a proposal leads to planned, orderly, and efficient development only if all of the following criteria are met:

- The land subject to the change of organization or reorganization is contiguous to either lands developed with an urban use or lands within the sphere and designated for urban development;
- The proposed development of the subject lands is consistent with the Sphere of Influence Plan, including the Municipal Service Review of the affected agency or agencies and the land subject to the change of organization is within the current 10-year Sphere of Influence boundary;
- The land subject to the change of organization is likely to be developed within five years. In the case of very large developments, annexation should be phased wherever feasible. If the Commission finds phasing infeasible for specific reasons, it may approve annexation if all or a substantial portion of the subject land is likely to develop within a reasonable period of time;
- Insufficient vacant non-prime or open space land exists within the existing agency boundaries or applicable 10-year Sphere of Influence that is planned and developable for the same general type of use; and,
- The proposal will have no significant adverse effect on the physical and economic integrity of other agricultural/open space lands.

LAFCo will review all future annexation requests within the City’s SOI for consistency with the agricultural preservation requirements of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 and Butte LAFCo Policies. As previously noted, the City’s SOI expansion area is within the existing Biggs-Gridley Area of Concern, where it has been anticipated that future expansion of the Cities of Biggs and Gridley would occur. Additionally, the proposed SOI expansion area is adjacent to either the City’s jurisdictional boundaries or the City’s existing Sphere of Influence, where the land has already been designated by the City of Gridley for urban

uses. Based upon the City’s proposed land use plan for the SOI expansion area, future urban development within that area will result in the planned, orderly, and efficient development of the area as required by California Government Code section 56377. The City of Gridley’s proposed SOI expansion represents a logical and reasonable extension of the City boundaries.

PRESENT AND PLANNED LAND USES DETERMINATIONS

DETERMINATION 4.1.1 – PRESENT LAND USES

Existing land uses within the City of Gridley’s existing 1,743-acre SOI include residential, commercial, industrial, and public uses. Existing land use within the City of Gridley’s 850-acre SOI expansion area is primarily agricultural, along with a few scattered residential uses and the Gridley-Biggs Cemetery.

DETERMINATION 4.1.2 – PLANNED LAND USES

To provide for future population growth, the City of Gridley’s 850-acre SOI expansion area is proposed to be developed primarily with residential uses at various densities, along with commercial, industrial, public, and open space uses. Residential development in the SOI expansion area would include 2,114 to 3,160 new dwelling units, along with 75,000 to 95,000 square feet of commercial uses, and 1.5 to 1.8 million square feet of agricultural processing and light industrial uses.

DETERMINATION 4.1.3 – FARMLAND CONVERSION IN SOI EXPANSION AREA

The SOI expansion area will ultimately be annexed into the City of Gridley and existing farmland converted to urban uses, resulting in a loss of prime agricultural land. Policies included as part of the City of Gridley’s 2030 General Plan would minimize impacts to agricultural resources. While these policies would provide partial mitigation for agricultural conversion, they would not prevent the loss of prime agricultural land. However, the SOI expansion area is within the existing Biggs-Gridley Area of Concern, where it has been anticipated that future expansion of the Cities of Biggs and Gridley will occur. Based upon the City’s proposed land use plan for the SOI expansion area, future annexation proposals within that area will result in the planned, orderly, and efficient development of the area and would be consistent with the agricultural preservation policies of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 and the Butte LAFCo policies and standards. The City of Gridley’s proposed SOI expansion represents a logical and reasonable extension of the City boundaries.

DETERMINATION 4.1.4 – WILLIAMSON ACT CONTRACT IN SOI EXPANSION AREA

One parcel within the SOI expansion area is subject to a California Land Conservation Act contract, for which a notice of non-renewal has been filed. The contract is set to expire at the end of 2014.

4.2 PRESENT AND PROBABLE NEED FOR SERVICES

The SOI expansion area already receives most municipal services from the County or special districts. Domestic water, wastewater, parks and recreation services are not presently available there, but would be provided by the City upon annexation.

Residential development in the SOI expansion area could add 2,114 to 3,160 new dwelling units. Smaller-scale commercial development—including shops, offices and services—located in neighborhood center mixed use areas would consist of roughly 75,000 to 95,000 square feet.

Due to the projected residential growth in the Gridley area, there will be a great need for public facilities and services in the SOI expansion area. Major facilities and services needed in the SOI expansion area to accommodate population growth include water, wastewater, electricity, roadways, drainage, parks and recreation, and other public infrastructure. Other necessary City services include law enforcement, fire and emergency medical services, and solid waste.

This section provides estimates of recent and projected future growth for the City of Gridley and the SOI expansion area, and a parcel inventory and development capacity for the existing SOI.

4.2A POPULATION LEVELS

The population in the City of Gridley at the beginning of 2010 was 6,454, and there were 2,449 housing units.³¹

Outside the City limits and within the existing SOI, there were approximately 260 residents and 100 housing units.³²

Within the City's planned growth area, the existing population is sparse with less than 20 housing units in the area.³³ There are presently approximately 12 housing units in the SOI expansion area, half of which appear to be within the near-term development horizon and the other half outside the near-term development horizon.

³¹ California Department of Finance, *E-5 Population and Housing Estimates for Cities, Counties and the State, 2001-2010, with 2000 Benchmark*, May 2010.

³² Housing units were estimated based on Assessor data, site visit and aerial photos for the existing SOI area. The population for this area was estimated as the product of estimated housing units and average household size within the City limits according to the California Department of Finance. The Butte County General Plan background report did not contain population estimates for the existing SOI area.

³³ There appear to be about 12 housing units in the SOI expansion area, half of which appear to be within the near-term development horizon and the other half outside the near-term development horizon. There appear to be five housing units within the portion of the City's planned growth area that lies outside the SOI expansion area.

4.2B RECENT GROWTH

Job Creation

Job creation rates in Butte and neighboring counties were generally strong through 2007, followed by net job losses since the recession began in 2007.³⁴ Recessionary job losses have affected the Sacramento and Yuba-Sutter metro areas more heavily than Butte County. Although farm and manufacturing jobs

Table 4-5: Annualized Job Growth, 2000-2009

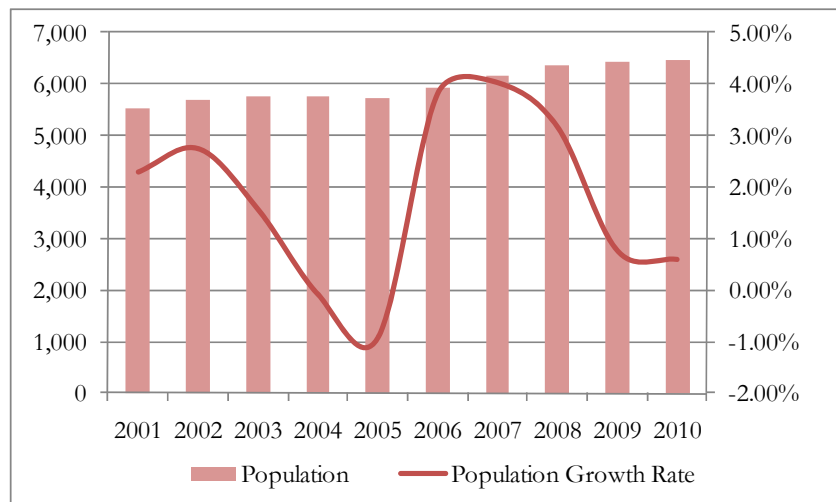
	Butte	Yuba-Sutter	Sacramento	Statewide
All Industries	0.2%	-0.2%	0.5%	-0.3%
Farming	-1.6%	-3.8%	-0.3%	-0.9%
Manufacturing Durables	-6.8%	-5.7%	-3.5%	-4.5%
Manufacturing Non-Durables	0.5%	-5.7%	-3.6%	-3.2%
Wholesale Trade	0.0%	2.3%	-0.5%	0.0%
Retail Trade	-0.4%	0.2%	-0.4%	-0.3%
Transportation	-1.2%	4.2%	-0.1%	-1.0%
Financial Activities	2.3%	0.0%	0.3%	-0.1%
Prof. & Business Services	-3.0%	-0.4%	-0.8%	-0.9%
Education & Health Svcs	2.2%	3.7%	3.9%	2.4%
Leisure & Hospitality	0.3%	1.3%	1.7%	1.3%
Government	1.0%	0.5%	1.4%	0.8%

have generally been on the decline statewide, Butte County’s nondurable manufacturing sector managed to out-perform the rest of the State. Butte County has also experienced stronger performance in financial activities, education, health services and government sectors.

Population Growth

Figure 4-6: Population within City Limits, 2000-2010

Between January 2000 and 2010, the population within the Gridley city limits grew from 5,408 to 6,454, according to the California Department of Finance. During that time, the City experienced a 1.8 percent annualized growth rate on average. The actual population growth rate varied significantly over the decade. Initially growth was fairly robust through 2002, followed by minor population losses through 2005, then rather robust growth during the housing boom, and followed by slower growth since the recession began in 2008. Some of the population growth in 2007 can be attributed to the Island and Little Avenue annexations approved by LAFCo, which added a total of 22 parcels on 30 acres to the City.

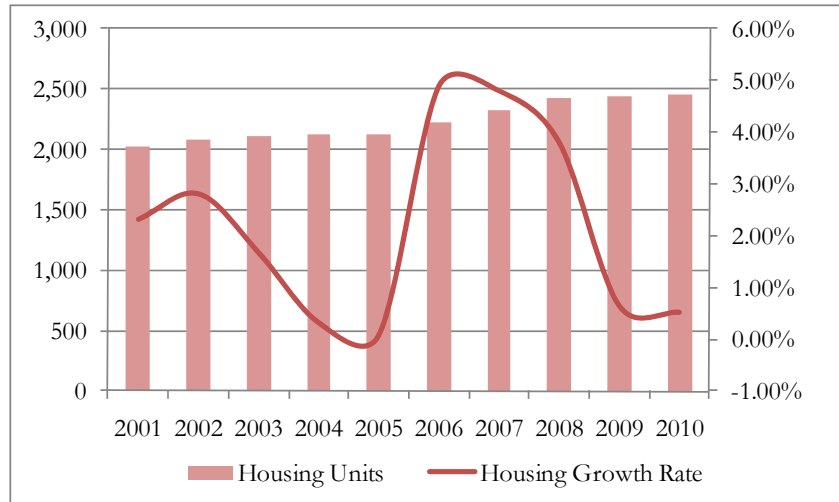


³⁴ California Employment Development Department, *Quarterly Census of Employment and Wages*, annual employment data through 2009.

By contrast, the countywide population grew on average at half the rate of Gridley’s population over the course of the decade. Countywide population growth was more stable than within the City limits, with the fastest growth in the beginning of the decade (through 2002) and a steady deceleration in growth thereafter.

Figure 4-7: Housing Units within City Limits, 2000-2010

Housing unit growth or absorption rates have been more volatile than population growth, partly due to decreasing household sizes over the beginning of the decade and growing household sizes since the onset of recession in late 2007. This trend is generally consistent with the regional and statewide trends of shrinking household size during the boom years and growing households during the recessionary years of the decade.



Within the Gridley city limits, there was a 24 percent increase in the number of housing units over the decade. The annual housing growth rate was 2.2 percent on average, peaking at 5 percent between 2005 and 2007. About one-quarter of the housing growth in 2007 can be attributed to the Island and Little Avenue annexations approved by LAFCo, which added a total of 22 parcels to the City bounds.

The City issued the most building permits in 2000 and from 2005 to 2007. The majority of residential permits granted in 2005 were filed by Heron Landing, an 80-acre, 292-unit residential subdivision on the north side of Gridley. There were 33 residential units remaining to be built in the Heron Landing subdivision, as of July 2010. Another large development within the City is the Eagle Meadows subdivision. Located in the west of the City, north of Sycamore Street, the 35-acre 121-unit development project had 94 units remaining to be built, as of July 2010.

Other significant residential development approved by the City, but yet to begin construction, includes the Butte Country Homes #1 and #2 (113 total units), the Washington St. Mixed Use development (65 units), Edler Estates (32 units), and Steffan Estates (30 units). Counting all projects approved by the City (including those partially constructed), there are a total of 432 dwelling units somewhere in the pipeline of development within the City limits.

Outside the City limits, there has been limited recent growth within the existing SOI and the SOI expansion area. Population is sparse within the existing SOI and the SOI expansion area.

5.2C GROWTH PROJECTIONS

Local growth in housing demand is composed of natural changes—birth rates, life expectancy, marriage and divorce rates—and migration. Significant drivers of local growth include economic growth within commuting distance, community amenities/attractiveness and housing affordability.

Local job opportunities are most likely to fuel growth in Gridley, although economic growth in neighboring Sutter County and in the Sacramento metropolitan area are also significant factors. Gridley residents were the most likely within Butte County to commute to jobs outside the County at the time of the 2000 Census – the most recent available commuting data. While 91 percent of Butte County residents commuted to jobs within the County, 26 percent of Gridley residents worked outside the County.³⁵ Palermo residents were the second most likely to leave the County to work, with 20 percent commuting to jobs outside the County. Most Gridley residents (38 percent) worked in Gridley; a significant number (8 percent) commuted to Chico and also (8 percent) to Oroville. Gridley residents who left the County were most likely to work in neighboring Sutter County (where 12 percent commuted), followed by Sacramento (4 percent), Yuba (3 percent), Placer (2 percent), Yolo (1 percent) and Glenn (1 percent).

Job Creation

The State has reached the trough (or bottom) of the recession and is on the road to recovery. The latest job projections indicate short-term growth through 2011 will likely be rather slow due to continuing declines in state government jobs, farming and durable manufacturing. In the short-term, steady job growth statewide is projected in transportation, professional services, and education and health services, and modest growth (less than one percent annually) in wholesale, retail, and leisure and hospitality services.³⁶ In the long-term, job growth rates are expected to be healthier with at least one percent annual growth in Butte, Yuba and Sutter counties and higher job growth (about 1.6 percent annually) in the Sacramento metropolitan area.³⁷ Manufacturing activities related to fruit and vegetable packaging statewide and farming activity in Butte County is projected to decline in the future, although wholesale trade and other non-durable manufacturing activities are expected to make use of industrial space. Future economic growth is most likely to increase demand for office space, as the healthiest projected job creation rates affect professionals, business services, financial activities and health services in Butte County.

Housing Absorption

Between 2000 and 2010, the number of dwelling units within the City of Gridley grew 2.2 percent annually on average, with annual growth averaging 4.5 percent between 2005 and 2008. Slower than anticipated growth during the recessionary years coincided with sizable declines in housing prices throughout the region and much of the country; in Gridley home prices fell from approximately \$223,000 in mid-2006 to \$105,000 in mid-2010.³⁸ Prospective homeowners' and developers' access to credit fell precipitously over this period, and required down-payments increased substantially. Development activity slowed tremendously.

³⁵ Commuter calculations from 2000 Census Transportation Planning Package data.

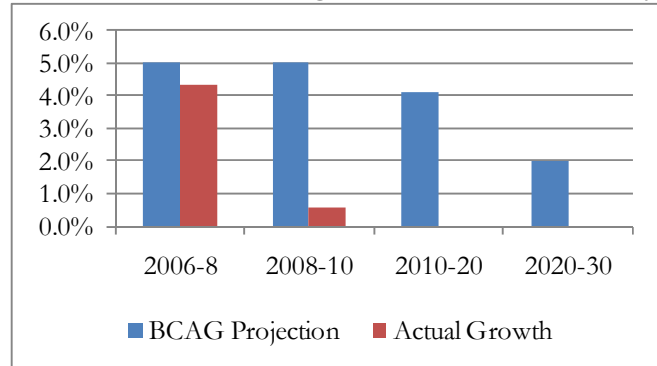
³⁶ California Employment Development Department, *California Industry Projections 2009-2011*, July 15, 2010.

³⁷ Sacramento, El Dorado, Placer and Yolo counties.

³⁸ Single-family housing price estimates and trends for Gridley were extracted from zillow.com in July 2010.

Figure 4-8: Annual Housing Absorption Rates, Gridley

The Butte County Association of Governments (BCAG) forecasts population and housing through 2030 for each city.³⁹ BCAG’s latest projections were developed prior to the 2008 recession. BCAG projections were nearly on par with actual growth from 2006 to 2008, but projections for the 2008-10 years were higher than actual growth in the recessionary housing market.

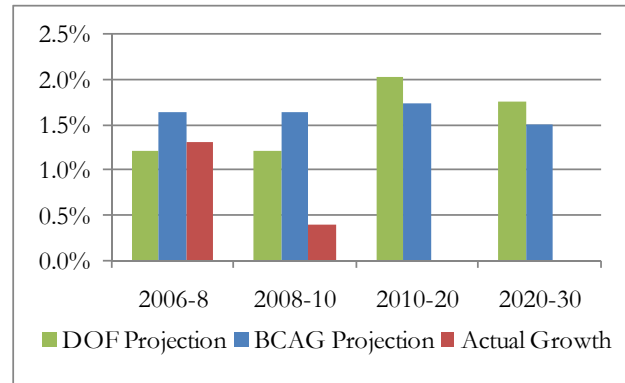


Due to the recent but temporary impact of the housing bubble and collapse, future growth must be considered more broadly than focusing solely on Gridley. Specifically, comparison of countywide growth projections from BCAG and California Department of Finance is critical, as is consideration of the geographic distribution of growth within the County.

BCAG projected that most of the growth through 2030 would be concentrated in the cities of Biggs, Chico, Gridley, and Oroville and attributed growth within adjacent unincorporated areas to the respective city, assuming growth areas will likely annex to the cities. The incorporated areas make up 62 percent of existing housing, and 76 percent of net new housing to be built through 2030. The BCAG annexation assumptions appear low and likely understate growth in cities; during the past decade 100 percent of net new housing was in the incorporated areas as a result of growth patterns and annexation rates.⁴⁰

Figure 4-9: Annual Housing Absorption Rates, Butte County

The California Department of Finance (DOF) projected long-term population growth of each county through 2050.⁴¹ Professional demographers there develop population growth projections using the baseline cohort-component method.⁴² DOF projected population growth in Butte County would average 2.0 percent annually from 2010 to 2020, and 1.8 percent annually



³⁹ Butte County Association of Governments, *Butte Regional Growth Projections 2006 – 2030*, 2007.

⁴⁰ Net new housing in the unincorporated areas reflects the difference between new housing construction and housing units annexed to cities. In the last decade, the number of housing units in the unincorporated areas declined (from 40,758 to 37,199) because annexations outpaced housing growth.

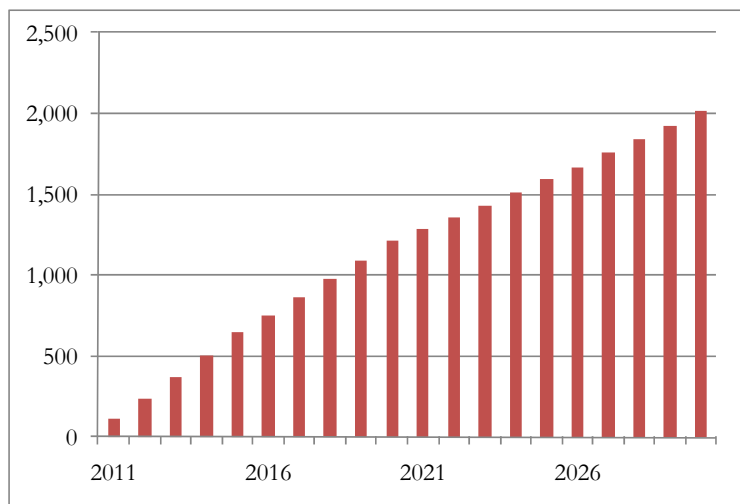
⁴¹ California Department of Finance, *Population Projections for California and Its Counties 2000-2050, by Age, Gender and Race/Ethnicity*, July 2007.

⁴² This method traces people born in a given year through their lives. As each year passes, cohorts change as specified in the mortality and migration assumptions. New cohorts are formed by applying the fertility assumptions to women of childbearing age. Migration proportions were developed for the decade of the 1990s by a survived population method, and enhanced by surveying of relevant agencies for recent and projected migration patterns.

from 2020 to 2030. DOF has recently developed and released short-term growth projections through 2015 that indicate statewide population growth between 2010 and 2015 would be somewhat slower due to recession impacts on migration patterns.⁴³ Adjusting for slower growth in the coming five years implies that the DOF projected population growth for Butte County may run closer to 1.7 percent annually over the coming decade rather than the 2.0 percent rate originally projected by DOF. BCAG had projected 1.7 percent annual population growth countywide over the coming decade. In other words, the BCAG projections for the coming decade are consistent with adjusted DOF projections. BCAG growth projections for the 2010-20 period are slower than projected by DOF, and may be understated.

Figure 4-10: BCAG-Projected Cumulative Gridley Housing Absorption, 2010-2030

Overall BCAG anticipated that the City would add approximately 2,700 housing units between 2010 and 2030, which would nearly double the current housing supply. As discussed later in this chapter, there is capacity in the existing SOI for an additional 1,144 units, of which 432 units are already in the pipeline. Hence, BCAG projections are clearly consistent with annexations occurring during this period to provide capacity for such growth.



Although the growth and development interest in the Gridley-Biggs area that was displayed at the height of the housing bubble clearly reflects desirability of the area, it is unknown at present precisely when and to what extent growth will resume. Under the assumption that growth resumes in 2011, the BCAG projections imply that there would be 647 units absorbed between 2011 and 2015, 1,210 by 2020, and 2,011 by 2030.

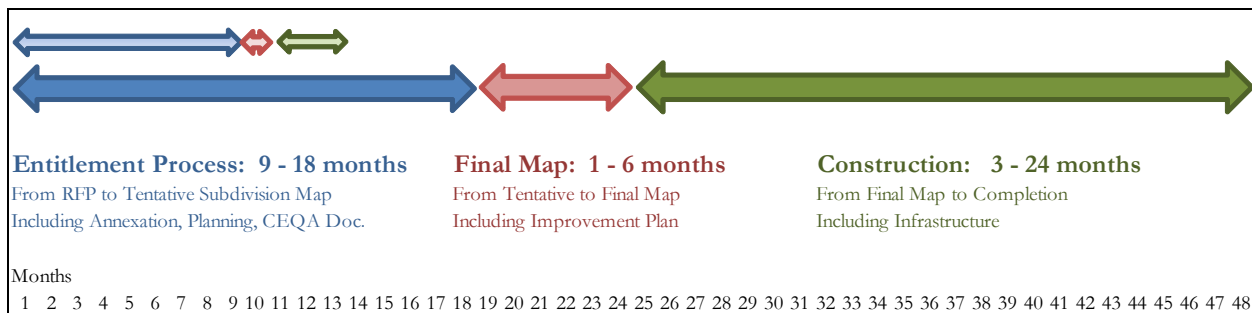
If Gridley were to grow as projected by BCAG (adjusting for growth through 2010) within the confines of the existing SOI, the 432 residential development projects already approved or partially constructed would be absorbed by 2013. Assuming that all remaining residential capacity without significant infrastructure constraints within the existing SOI were to be absorbed (approximately 1,144 units, including the 432 units already in the pipeline), the City would be built out in terms of residential growth by 2019.

In other words, the City’s remaining residential development capacity is projected to be exhausted within the next nine years, which is inside of the 5-10 year near term development horizon. For two reasons this means the City will require additional territory within the next five years to avoid disruption of growth processes. First, development does not typically proceed in a

⁴³ The new short-term population growth statewide is projected at 6.3 percent cumulative from 2010 to 2015, compared with the long-term (2007) projection of 7.5 percent. This implies that growth over the 2010-15 period is expected to be about 84 percent of the long-term (2007) projection.

linear and logical pattern. Although the City’s smart growth strategies extend incentives to infill housing and prioritize development within the existing SOI over development within the planned growth area, certain property owners within the existing SOI will undoubtedly face unique financial challenges, market perceptions or personal barriers to developing their properties on a theoretically ideal timeline. Hence, it would be simplistic and academic to assume that 100 percent of developable land within the existing SOI would be built prior to annexation and development beginning in the SOI expansion area. Second, there is a 13-48 month timeline between SOI expansion and the absorption and occupancy of a new housing unit depending on the size and complexity of a project, as illustrated by Figure 4-11. This pragmatic timeline does not even include the period between SOI expansion and a proposal while a property owner or developer would typically conduct market studies and preliminary design. For these reasons, the optimal timing of SOI expansion is clearly years earlier than the theoretical build-out date for the existing SOI.

Figure 4-11: Pragmatic Absorption Timelines



Build-out of the existing SOI would involve an estimated population increase of 3,127, if new households are the same size as the average Gridley household in 2010 (2.8 people). Build-out of the SOI expansion area would involve an additional 2,114 to 3,160 units. The estimated population increase upon build-out of the SOI expansion area would be 5,824 to 8,706 people, of which 1,892 to 3,160 would be in the near-term development horizon.

Absorption Scenarios

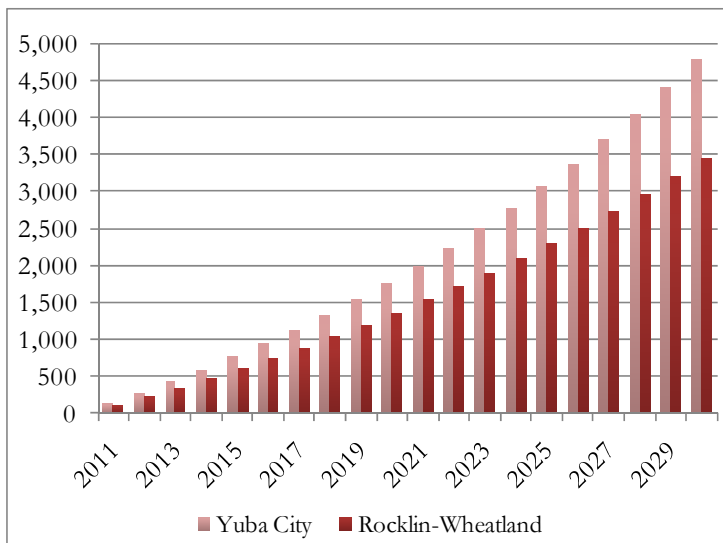
Table 4-12: Annual Average Housing Absorption Rates, 2000-9

The annual rate of growth projected by BCAG over the next 10 years in Gridley is 4.1 percent, and 3.0 percent over the next 20 years. The BCAG growth projections would not materialize without changes in the City’s SOI. The actual growth experiences of several cities in the region demonstrate that more rapid growth is within the realm of feasibility. Average housing growth rates from 2000 to 2009 in neighboring cities were in some cases higher than the BCAG projections for Gridley. Yuba City, Lincoln, Rocklin, Roseville, and Wheatland experienced more rapid absorption rates in recent years, as shown in Table 4-12. Given Gridley’s location and the overall attractiveness of certain residential communities north of Sacramento, it is feasible that Gridley could experience more rapid growth than projected by BCAG in the future.

City	Growth
Live Oak	3.3%
Yuba City	5.6%
Wheatland	4.5%
Biggs	0.3%
Gridley	2.4%
Oroville	1.8%
Lincoln	17.6%
Rocklin	4.4%
Roseville	4.2%

Figure 4-13: Projected Cumulative Housing Absorption Scenarios, 2011-2030

If Gridley were to grow at the pace observed in Rocklin, Wheatland and Yuba City, the 432 housing units presently in the Gridley pipeline would be absorbed by 2013 and the capacity in the remainder of Gridley’s existing SOI (712 units) could be absorbed by 2017-18, as shown in Figure 4-13. If Gridley were to experience explosive growth as was observed in Lincoln, absorption of all capacity in the existing SOI could occur within a three-year period (not pictured).



Near-Term Development Horizon

The proposed SOI expansion area designated as the near-term development horizon (NTDH) could accommodate 687 units (at minimum densities). If housing growth is similar to BCAG projections, then the development capacity within the NTDH would be partly absorbed by 2020.

Projections show that Gridley could absorb anywhere from 719 units (Gridley actual), to 1,283 units (BCAG), to 1,525 units (Rocklin/Wheatland scenario), to 1,989 units (Yuba City scenario), to 12,057 unit (Lincoln scenario) by the end of 2020. Therefore, if housing growth is similar to the historic rate for Yuba City, the entire NTDH (687 units) could be absorbed by 2020.

4.2D EXISTING SOI CAPACITY

The existing SOI contains limited development capacity. Approved development in the pipeline within the existing SOI includes 432 dwelling units and a half-acre commercial property. There are 285 acres within the City with remaining residential development capacity; however, only 140 acres are likely to be developed as the remainder is affected by development and infrastructure constraints. Of the residential parcels suitable for development, 97 percent (661 units) are located on a single contiguous area to the north of the City, and only three percent (51 units) consist of infill within the existing City limits.

In addition, there are 211 acres of vacant or underutilized lands with non-residential zoning; however, due to infrastructure and other constraints there is development potential on only 22 acres, consisting of approximately 340,560 square feet of non-residential space, of which 26 percent (90,085 square feet) is associated with civic rather than commercial or industrial facilities.

Inventory of Vacant and Underutilized Lands

Residential

An SOI expansion for the City of Gridley is necessary to accommodate future growth of the City, due to a limited number of readily developable parcels within the existing SOI. The City is committed to infill development of the existing bounds and SOI, and a number of projects have

already been approved for development. However, some vacant or underutilized parcels within the existing SOI face significant constraints that preclude development of these areas.

Table 4-14: Projects Approved or Under Construction, 2010

Within the existing SOI there were 12 approved residential projects, consisting of 432 potential new dwelling units, as of the drafting of this report. These projects are listed in Table 4-14, and their locations are shown on Figure 4-16 (by the corresponding reference number), the majority of which are located in the western and northwest portion of the City.

Locust Estates, Heron Landing and Eagle Meadows have already been partially constructed. Locust Estates is 54 percent complete (with six units remaining), Heron Landing is 89 percent complete (with 33 units remaining), and Eagle Meadows is 22 percent complete (with 94 units remaining).

Reference Number	Project Name	Dwelling Units
39-41	Valley Oaks Estates	19
42-43	Locust Estates (Remaining)	6
44	Cal-Ontario/Qumar Place	19
45	Butte Country Homes #2	70
46-47	Butte Country Homes #1	43
48-49	Washington St. Mix-Use	65
50	Steffan Estates	30
51	Edler Estates	32
52	North Valley Estates	17
53-86	Heron Landing (Remaining)	33
87-187	Eagle Meadows (Remaining)	94
188	Scroggins-Bowwood Estates	4
Total		432

Many vacant or underutilized parcels within the existing SOI face significant constraints to their development. These constraints include wastewater collection system deficiencies, open reclamation district laterals and irrigation channels that surround or bisect properties, a lack of public street frontage or road extensions necessary, water distribution system deficiencies and water main extensions required, and historic land use preferences of current landowners and neighboring property owners.

Table 4-15 lists vacant or underutilized parcels within the existing SOI that face significant constraints for residential development, and Figure 4-16 shows these areas as numbered on the map.

Vacant or underutilized areas for residential development within the existing SOI that face significant constraints to their development amount to approximately 145 acres, with the potential for 527 dwelling units and a half-acre of commercial development based on mixed-use zoning.

The likelihood that many of these parcels would ever be fully developed is low due to the various constraints listed in Table 4-15.

Table 4-15: Residential Parcels With Significant Development Constraints

Reference Number	Parcel Acreage	Potential Dwelling Units	Constraints to Development
1	19.5	58	Wastewater collection system deficiencies, open reclamation district lateral, irrigation channel bisects property, and road extensions necessary
2	23.7	71	Wastewater collection system deficiencies, road extensions necessary and preferences of neighboring property owners (TSM No. 2-04 denied by Planning Commission 6/20/05)
3	6.1	49	Catholic Church (property owner) does not wish to develop this property
4	18.5	74	High School District (property owner) is holding the property for eventual expansion of the High School
5	7.4	22	Property bisected by an irrigation channel
6	2.6	10	Property bisected by an irrigation channel
7	1.8	7	Wastewater collection system deficiencies
8	1.6	6	Wastewater collection system deficiencies
9	1.4	6	Wastewater collection system deficiencies
10	1.8	6	No public street frontage
11	1.3	4	No public street frontage
12	10.4	42	Wastewater collection system deficiencies, water main extension and road extensions required
13	5.4	29	Wastewater collection system deficiencies
14	6.9	28	Wastewater collection system and water distribution system deficiencies
15	4.2	17	Wastewater collection system and water distribution system deficiencies
16	9.1	27	Water distribution system deficiencies
17	4.5	13	Wastewater collection system and water distribution system deficiencies
18	4.4	13	Water distribution system deficiencies
19	1.3	4	Wastewater collection system deficiencies
20	0.8	2	No public street frontage
21	0.6	2	Wastewater collection system deficiencies
22	2.8	8	Property bisected by an irrigation channel
23	0.6	2	Wastewater collection system deficiencies, water distribution system deficiencies and no public street frontage
24	0.2	1	Wastewater collection system deficiencies
25	1.3	4	No public street frontage and surrounded by existing residential development
26	6.8	20	Existing property owner preferences for low-density equestrian-related land uses, and open channel at southern end of property
Total	145.1	527	

Figure 4-16: Map of Developable Parcels for Residential and Mixed-Use

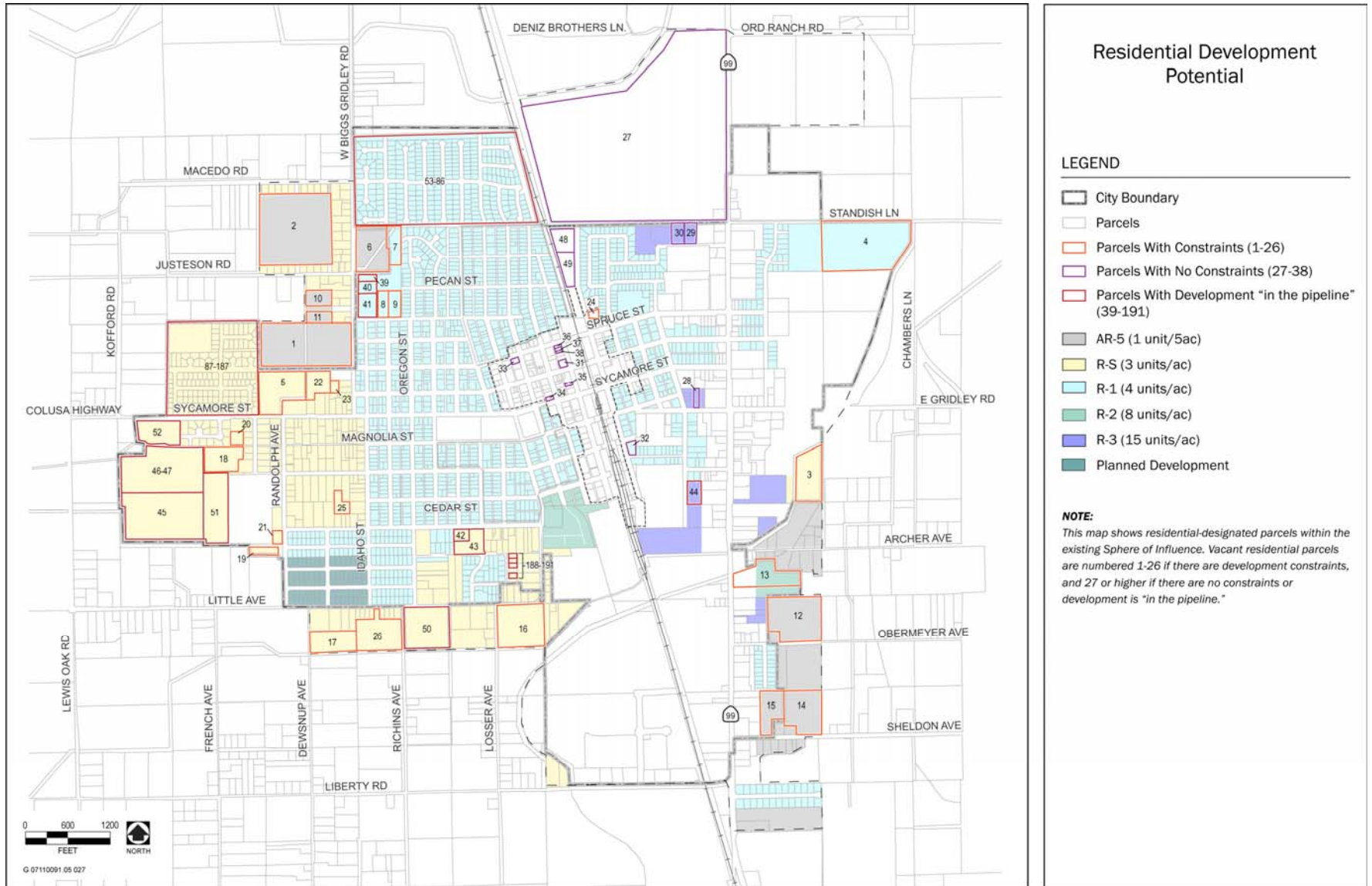


Table 4-17: Parcels Suitable for Residential and Mixed-Use Development

Vacant or underutilized parcels suitable for residential development within the existing SOI are listed in Table 4-17, and shown on the map in Figure 4-16.

Vacant or underutilized parcels suitable for residential development are located within the downtown Gridley area, and in a 136-acre parcel to the north of the City, the majority of which is located within the existing SOI.

Parcels located in the downtown Gridley area total over four acres, and could accommodate 51 potential dwelling units, and an additional half-acre of commercial development.

The 136-acre Deniz Ranch parcel to the north of the City could accommodate up to 661 dwelling units and over two acres of commercial development.

Reference Number	Parcel Acreage	Potential Dwelling Units
27	135.8	661
28	0.5	8
29	1.1	16
30	1.1	16
31	0.3	2
32	0.5	2
33	0.2	2
34	0.2	2
35	0.1	1
36 ¹	0.1	1
37 ¹	0.1	1
38 ¹	0.0	0
Total	140.0	712
Note: (1) Parcels 36-38 are contiguous, yielding a total area of 0.25 acres and 2 dwelling units at built-out.		

Non-Residential

Parcels within the existing SOI for exclusively non-residential development face similar constraints, including wastewater collection infrastructure deficiencies, water distribution system deficiencies, wastewater and water main extensions required, road extensions required, and land use preferences of existing landowners.

Table 4-19 lists vacant or underutilized parcels within the existing SOI that face significant constraints for non-residential development, and Figure 4-18 shows these areas as numbered on the map.

Vacant or underutilized areas for non-residential development within the existing SOI that face significant constraints to their development amount to approximately 189 acres, with the potential for over 2.5 million square feet (approximately 58 acres) of development.

The likelihood that many of these parcels would ever be fully developed is low due to the various constraints listed in Table 4-19.

Figure 4-18: Map of Developable Parcels for Non-Residential Use

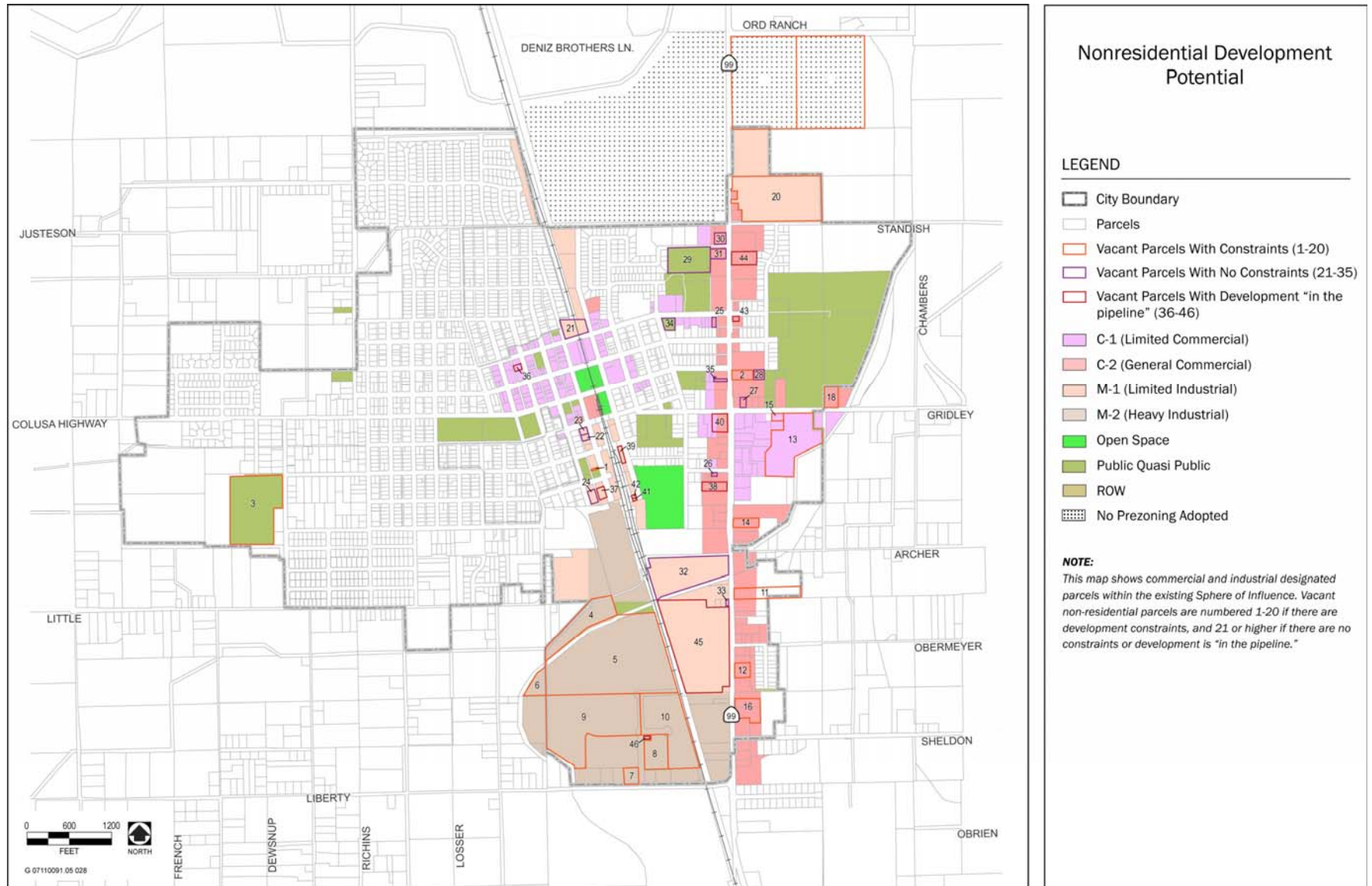


Table 4-19: Non-Residential Parcels With Significant Development Constraints

Reference Number	Parcel Acreage	Potential Sq. Ft.		Constraints to Development
1	0.0	396	Civic	Parcel is only 10 feet wide
2	0.9	10,128	Commercial	Wastewater collection infrastructure deficiencies
3	15.5	242,417	Civic	Wastewater collection infrastructure deficiencies (parcel is a future school site)
4	5.4	80,509	Industrial	Wastewater collection infrastructure deficiencies and water distribution infrastructure deficiencies
5	35.3	522,256	Industrial	Wastewater collection infrastructure deficiencies and road extensions required
6	1.9	27,774	Industrial	Wastewater collection infrastructure deficiencies, water distribution system deficiencies and road extensions required
7	1.2	18,403	Industrial	Wastewater collection infrastructure deficiencies
8	3.6	53,713	Industrial	Wastewater collection infrastructure deficiencies
9	21.2	314,384	Industrial	Wastewater collection infrastructure deficiencies, water distribution system deficiencies, and road extensions required
10	11.1	164,051	Industrial	Wastewater collection infrastructure deficiencies, water distribution system deficiencies, and road extensions required
11	3.4	36,574	Commercial	Existing sewer on west side of SR 99, existing water main on east side of SR 99
12	1.1	11,453	Commercial	Existing sewer on west side of SR 99, existing water main on east side of SR 99
13	11.2	121,992	Commercial	Catholic Church (property owner) does not wish to develop this property
14	1.1	11,991	Commercial	Wastewater collection infrastructure deficiencies
15	0.4	4,598	Commercial	Wastewater collection infrastructure deficiencies
16	1.6	17,613	Commercial	Wastewater collection infrastructure deficiencies and water distribution system deficiencies
17	28.5	310,236	Commercial	Wastewater collection infrastructure deficiencies and water distribution system deficiencies
18	1.2	13,044	Commercial	Wastewater collection infrastructure deficiencies and water distribution system deficiencies
19	27.0	294,480	Commercial	Wastewater collection infrastructure deficiencies and water distribution system deficiencies
20	17.5	259,722	Industrial	Water distribution system deficiencies
Total	189.2	2,515,733		

Table 4-20: Non-Residential Parcels Suitable for Development

As shown in Figure 4-18, non-residential areas of the City are concentrated in the industrial park in the south, in the Downtown area along the railroad primarily for industrial purposes, and along SR 99 primarily for commercial purposes. The City plans to continue directing future large-scale commercial development to vacant and underutilized sections of SR 99, away from downtown Gridley and surrounding residential neighborhoods.

Vacant or underutilized parcels suitable for non-residential development within the existing SOI are listed in Table 4-20. Parcels suitable for commercial development could add a potential 76,940 square feet, parcels suitable for industrial development could add a potential 173,535 square feet, and parcels suitable for civic development could add a potential 90,085 square feet, for a combined total of 340,560 square feet (or nearly eight acres).

Reference Number	Parcel Acreage	Potential Sq. Ft.	
21	1.8	52,078	Commercial
22	0.2	3,010	Industrial
23	0.2	3,534	Industrial
24	0.4	5,986	Industrial
25	0.2	2,101	Commercial
26	0.1	1,164	Commercial
27	0.3	3,140	Commercial
28	0.5	5,469	Commercial
29	5.1	79,594	Civic
30	0.6	6,767	Commercial
31	0.4	3,928	Commercial
32	10.8	159,267	Industrial
33	0.1	1,738	Industrial
34	0.7	10,491	Civic
35	0.2	2,294	Commercial
Total	21.6	340,560	

PRESENT AND PROBABLE NEED FOR SERVICES DETERMINATIONS

DETERMINATION 4.2.1 – EXISTING POPULATION AND PAST POPULATION GROWTH

There were 6,454 residents in the City limits in 2010. The City’s population has grown between 2000 and 2010 on average by two percent annually, double the countywide growth rate. Within Butte County, Gridley has experienced more rapid new housing growth than other cities.

DETERMINATION 4.2.2 – FUTURE POPULATION GROWTH

Through 2030, the annual population growth rate is projected at 3.0 percent by the Butte County Association of Governments. The growth rate is expected to slow around 2014 to between three and four percent until 2020 and two percent from 2021 to 2030.

In adopting and implementing its General Plan, the City has a number of new policies and implementation strategies that will create more compact development patterns and use land more efficiently in order to provide for future population growth.

4.3 PUBLIC FACILITIES AND SERVICES

This chapter outlines service configuration and adequacy for the City of Gridley’s existing SOI, and describes the nature, present facility capacity, and adequacy of public services of each service to be provided SOI expansion area. Existing municipal service providers in the City’s SOI were detailed in Table 3-1.

Present service level capacity is minimal within the proposed SOI expansion area, as the area is predominantly agricultural and largely uninhabited. The adequacy of public service in the SOI expansion area was not evaluated in the MSR for the City of Gridley, as Butte County provides services to the area. The adequacy of public service within the SOI expansion area is assumed to be consistent with the service levels provided by Butte County in other unincorporated areas. Primarily due to the expansive nature of Butte County service areas and compact nature of City of Gridley service area, annexation would tend to enhance service levels to such areas.

4.3A OVERVIEW OF CITY FACILITY CAPACITY AND ADEQUACY

All city services will be required in the SOI expansion area upon annexation into the City. The MSR for the City of Gridley did not identify any major issues regarding the adequacy of public services provided by the City. The MSR found that the City generally exhibits the characteristics of well-managed local government, which strives to serve its residents and constituents effectively. The service provider, nature, present service level capacity and adequacy of public services is shown for all services in Table 4-21. No evidence in the MSR suggests that the City could not provide adequate public services to the existing SOI or the proposed SOI expansion area.

Table 4-21: City of Gridley Service Adequacy and Facility Capacity

Service	Service Providers	Nature	Service Adequacy	Facility Capacity
Law Enforcement	City Limits: The City Existing SOI and SOI Expansion Area: County Sheriff, CHP and CSA 164.	The City provides law enforcement, traffic and parking enforcement, investigation, dispatch and animal control services within the City limits. In the SOI areas, law and parking enforcement are provided by the Sheriff, traffic enforcement is provided by CHP, and animal control is provided by CSA 164.	Law enforcement services in the City are adequate, as indicated by staffing levels, crime clearance rates and response times. The City's adopted policy of 1.9 sworn officers per 1,000 residents offers a higher service level than the median California city.	Facility capacity is generally adequate to meet existing service demands, although additional space for evidence storage is needed. Radio upgrades and vehicle replacement needs are funded by the City's practice of setting aside reserves annually for these needs.

Continued

Service	Service Providers	Nature	Service Adequacy	Facility Capacity
Fire and EMS	City Limits, Existing SOI and SOI Expansion Area: CALFIRE, Enloe Medical Center, CSA 37	The City provides emergency medical and fire protection, prevention, investigation, and permitting services through a contract with CALFIRE. CALFIRE provides professional staffing of one fire station within the City. The City provides space and equipment for a volunteer fire station manned primarily by Butte County Fire Department. Volunteer firefighters are managed by CALFIRE.	Gridley Fire Department responds within 6.2 minutes 90 percent of the time. The guideline established by the National Fire Protection Association for fire response times is six minutes at least 90 percent of the time. The current ISO classification within the city limits and existing SOI is 4 (out of 10), for both urban and rural areas (within 1,000 feet of a hydrant). Structures within five miles of a fire station that have no hydrants are classified as ISO 8B.	There is adequate capacity to provide fire service to planned development within city limits and the existing SOI area. A new fire station will be needed to serve future residents on the western side of the railroad tracks at build-out to maintain response times and adequate service levels.
Water (Domestic)	City Limits: The City and private wells Existing SOI and SOI Expansion Area: Private wells	The City serves a total of 2,126 connections; 91 percent are residential, 9 percent are commercial, industrial, and landscape irrigation.	The City's water system is well maintained and monitored, and active wells meet all state and federal water quality requirements.	The stability of the groundwater level indicates sufficient water supply to accommodate growth.
Water (Irrigation)	City Limits and Existing SOI: Butte Water District and Biggs-West Gridley Water District SOI Expansion Area: Butte Water District	BWD provides surface water from the Feather River to 550 agricultural customers on over 18,030 acres. BWGWD provides surface water from the Feather River to a 32,000-acre boundary area, of which 85 percent is irrigated for agricultural and wetland purposes.	Generally adequate; however, the irrigation canals surrounding and passing through the City are vulnerable to urban contamination.	BWD receives 133,200 acre-feet of water from the Feather River, which is diverted through Thermalito Afterbay. BWGD receives 161,000 acre-feet of water from the Feather River through Thermalito Afterbay and the Sutter-Butte Main Canal.
Wastewater	City Limits and Existing SOI: The City and private septic systems SOI Expansion Area: Private septic systems	The City provides wastewater services to 2,110 connections.	Wastewater services are adequate based on regulatory compliance, treatment effectiveness, and overflow rates. The City is enhancing its sewer line inspection activities to comply with new requirements.	The City's wastewater treatment plant currently uses 84 percent of its design capacity. Construction of a WWTP expansion project began in 2010, and will provide adequate treatment capacity for buildout of the existing SOI.
Electricity	City Limits: Wholesale by NCPA and WAPA. Distribution by the City and PG&E. Existing SOI and SOI Expansion Area: Wholesale and distribution by PG&E.	The City's electric utility purchases and distributes power, maintains its distribution system, trims trees, and maintains and operates the City's street lighting system. The City serves power to most of the city boundary area, except newly annexed areas in the southwest portion of the City.	Electricity service is adequate, and capacity is adequate to serve current customers.	The City needs additional capacity to serve the Deniz Ranch property in the existing SOI. Upgrade of the existing substation or construction of a new substation is needed to accommodate build-out of the existing SOI.

Continued

Service	Service Provider	Nature	Service Adequacy	Facility Capacity
Solid Waste	City Limits: Collection by North Valley Waste Management (NVWM), disposal by Butte County Existing SOI and SOI Expansion Area: Collection by Oroville Solid Waste Disposal and NVWM, disposal by Butte County	Solid waste and recycling services are provided via curbside pickup. Solid waste is disposed of at the Neal Road Landfill, approximately 19 miles north of Gridley.	The landfill anticipates a 2.5 to 3.5 percent increase in waste per year due to anticipated growth in Butte County. There are no planned expansions of the landfill at this time, and current services are deemed adequate.	Neal Road Landfill has a maximum permitted capacity of approximately 25 million cubic yards. The estimated remaining capacity of the facility is 21.7 million cubic yards, as of July 2006. The landfill's tentative closure date is January 1, 2033.
Drainage	City Limits: the City, Reclamation Districts 833 and 2056, and Drainage District 1. Existing SOI: RDs 833 and 2056, and DD1. SOI Expansion Area: RD 833.	The stormwater collection system discharges to sloughs and open drainage ditches located near the perimeter of the city.	Growth-induced drainage infrastructure needs are addressed by City requirements for development to install detention infrastructure to prevent increases in peak drainage flows.	RD drainage systems are unable to discharge peak flows and subject to backup conditions due to inadequate channel capacity, lack of pumping capacity, or lack of capacity in downstream discharge waterways also used by the State for flood control purposes.
Roadways	City Limits: The City, Caltrans Existing SOI and SOI Expansion Area: Butte County, Caltrans	The City maintains over 26 miles of roads and owns over 500 streetlights. Caltrans maintains SR 99 through Gridley. Butte County maintains county roadways within the existing SOI.	All streets operate at an acceptable level of service. Roadway maintenance is generally adequate due to a course of preventative maintenance. Highway congestion may be avoided by most residents due to alternative routes on local roadways.	Existing highway service levels are inadequate on the two-lane portion of SR 99. Caltrans envisions a four-lane highway through Gridley ultimately. Caltrans will need to install 7 traffic signal to accommodate planned growth through 2030.
Parks and Recreation	City Limits: The City and CSA 34 (swimming pool) Existing SOI and SOI Expansion Area: None (parks and recreation), CSA 34 (swimming pool).	The City of Gridley owns and maintains four parks within the city limits through the city Recreation Department.	Park service levels are generally adequate. There are 3.1 acres of developed and City-owned parkland per 1,000 residents. An additional 12 acres of developed parkland are needed to achieve the City's standard of five acres per 1,000 residents.	There are 3.1 acres of developed and City-owned parkland per 1,000 residents. An additional 12 acres of developed parkland are needed to achieve the City's standard of five acres per 1,000 residents. The CSA 34 swimming pool is aging and needs continual maintenance.

4.3B FACILITY NEEDS

This section reviews the conditions of existing infrastructure, and needs for new infrastructure, to accommodate growth within the existing SOI and the proposed SOI expansion area. For information on the location of facilities, please refer to maps in the City of Gridley MSR. Major facilities not provided by the City, but needed in the SOI expansion area, include school facilities.

Law Enforcement

Existing SOI

The Gridley-Biggs Police Department (PD) facility capacity is generally adequate to meet existing service demands, although additional space for evidence storage is needed. The PD plans to expand into an adjacent unmanned station for additional facility space. Radio upgrades and vehicle

replacement needs are funded by the City's practice of setting aside reserves annually for these needs. The PD is operated by Gridley, and provides contract service to the City of Biggs.

The PD has 15 full-time sworn officers and maintains a reserve roster of 5-10 additional sworn officers. Through both overtime and sworn reserves, the City achieves a sworn staffing ratio of 1.9 sworn officers per 1,000 population in the combined Gridley-Biggs service area.⁴⁴ In April of 2010 a new contract went into effect with the City of Biggs; the Police Department reduced two sworn police officer positions from the force. The staffing level servicing the existing city limits, however, conforms to the City's adopted policy of at least 1.9 sworn officers per 1,000 residents.⁴⁵

At buildout of the existing SOI, the PD will serve an additional 3,127 residents. To sustain service levels, at least six new sworn officers will eventually be needed to serve build-out of the City of Gridley's existing SOI. The City finances such operating needs through General Fund revenue sources, such as property and sales taxes and state subventions. Such funding sources for operating needs would not involve tax increases for residents in the SOI expansion area; these revenue streams would be allocated to the City upon annexation to fund appropriate service levels.

Additional vehicles, radio equipment and office space will be needed to accommodate the force expansion needed to serve new growth. The City finances such capital needs associated with new growth through a police development impact fee currently charging \$116 per unit for residential development.

SOI Expansion Area

To accommodate projected growth, the PD would need additional patrol vehicles and staffing to provide adequate service levels to the SOI expansion area. At build-out of the SOI expansion area, the PD would need to have 11-17 additional sworn officers in order to provide 1.9 sworn officers per 1,000 residents.⁴⁶

The General Plan Update requires that the PD maintain an average police response time of three minutes or less for emergency calls. The PD reports that it does not anticipate response times changing significantly with build-out of the planned growth area, and no additional police-related facilities will be needed to maintain the response time goal. However, a railroad crossing may be needed to maintain emergency response times, depending on the configuration of development.⁴⁷ The City will proactively communicate with BCAG and the City of Biggs to plan and fund an overcrossing of the Union Pacific railroad line between the two cities, if feasible, as the planned growth area begins to develop.⁴⁸ As the California Public Utilities Commission controls whether or not a crossing will be allowed, the City has planned for an alternative to a railroad crossing which

⁴⁴ The combined population of the Cities of Gridley and Biggs was 8,241 as of 2010, according to the Department of Finance.

⁴⁵ City of Gridley, *2030 General Plan: Public Facilities and Services Element*, p. 22.

⁴⁶ Build-out of the SOI expansion area would add 5,824 to 8,706 residents, depending on actual densities proposed and approved.

⁴⁷ The General Plan Update specifies that the City will proactively communicate with BCAG and the City of Biggs in planning and funding of an overcrossing of the Union Pacific railroad line between the two cities, if feasible.

⁴⁸ City of Gridley, *2030 General Plan: Circulation Element*, p. 31.

involves improvements to West Liberty Road and the intersection with SR-99 to improve and reconfigure traffic flows.⁴⁹

Fire Protection and EMS

The City is presently served by five fire stations, two of which are located within city limits.

Existing SOI

The City has determined that a new fire station would be needed to serve future residents on the western side of the railroad tracks at build-out of the General Plan scenario and maintain the City's response time standard. The City finances such capital needs associated with new growth through a fire development impact fee, and currently charges \$1,119 per unit for residential development.⁵⁰

The railroad tracks are a barrier to service on the west side of the City. Options to improve response times there include a new station on the west side of the tracks, an overpass or an at-grade crossing. An at-grade crossing (a crossing at the same level as the railroad tracks) is estimated to cost approximately \$0.5 million. An overpass (a crossing which would bridge over the railroad tracks and trains) would cost an estimated \$17 million. The City has no plans for an at-grade crossing or an overpass at this time, and has instead identified the construction of one or more new fire stations to serve development anticipated under the 2030 General Plan as an infrastructure need. Construction timing will depend on development activity within the existing SOI and planned growth area, with new development contributing development impact fees on a fair-share basis for fire suppression facilities and equipment needed to serve new development.

Water pressure and water reserve challenges in the northern part of the City along SR 99 result from dead-end water mains. The City is in the process of replacing all dead-end water mains, which is anticipated to be completed by 2012. The City plans to monitor water pressure for firefighting in existing developed portions of the City, and explore options for infrastructure improvements as funding is available.⁵¹

Buildout of the existing SOI will expand fire staffing needs. The City finances such operating needs through General Fund revenue sources, such as property and sales taxes and state subventions. Such funding sources for operating needs would not involve tax increases for residents in the existing SOI or SOI expansion area; these revenue streams would be allocated to the City upon annexation to fund appropriate service levels.

SOI Expansion Area

As growth occurs within the SOI expansion area, the City will monitor growth under the 2030 General Plan and consult with CALFIRE and the Butte County Fire Department to ensure adequate staffing, fire stations, and equipment to provide fire suppression services consistent with City policy.

⁴⁹ City of Gridley, *Final Environmental Impact Report for City of Gridley 2030 General Plan*, December 4, 2009, Chapter 4.4: Transportation and Circulation, pp. 35-36.

⁵⁰ City of Gridley, *Development Impact Fee Study*, April 2005, p. 17. Note that the City is in the process of updating its development impact fees to conform with the newly adopted General Plan, and has already estimated capital needs in the SOI expansion area.

⁵¹ City of Gridley, *2030 General Plan: Public Facilities and Services Element*, p. 23.

Whether or not a new fire station will be needed for the SOI expansion area will depend on growth plans and progress in the adjacent City of Biggs. A new fire station could be planned in cooperation with the City of Biggs to allow for maximum response efficiency. The City will communicate with the City of Biggs on siting of a fire station in the northern portion of the Planned Growth Area, as appropriate.

The area to the northeast of Gridley—around Ord Ranch Road—will need water flow improvements to provide for greater fire flows.

Water

Existing SOI

The City has adequate water supply and well capacity to serve buildout of the existing SOI.

Water supply is adequate to serve new growth. A 2006 groundwater status report indicates that there is no declining trend in groundwater levels in the southwest valley portion of the County, and in fact, there was little or no change in groundwater levels during the 1976-77 and 1986-94 droughts.⁵²

The City needs to extend water mains at a cost of approximately \$5.0 million to accommodate buildout of the existing SOI. To accommodate future growth and development, the City's General Plan outlines plans to maintain loops along the perimeter of the system to maintain adequate pressure and install a large diameter pipe along the easterly boundary of the SOI to provide fire flows to potential development in the area. The large diameter main has been installed and the City reported that it is on schedule to complete distribution looping and the elimination of dead-end mains by 2012. In FY 07-08 the City installed two new water mains, including one on West Biggs Gridley Road, which included fire hydrants and provisions for future connections with new subdivisions.

New development is required to construct distribution mains and lines within proposed subdivisions. As additions are completed to City standards, they are accepted into the City's system.

A barrier to future growth and expansion of the City includes the irrigation canals which run through and adjacent to the City. According to the County, the open canals pose potential health and safety hazards to the surrounding areas as they develop and limits growth of the City. The County is concerned that the cost of bridging, covering or relocating the canals requires significant capital investment. Butte Water District noted concerns for irrigation water quality as urbanization occurs adjacent to the canals. As development occurs, the District would like developers to relocate these canals to ensure water quality is unaffected.

Capital costs for extension of water infrastructure to serve new development are financed by connection fees paid by new development with appropriate credits for infrastructure contributed by new development. Water connection fees are presently \$2,265 per new dwelling unit; the City is updating its development impact fees in FY 10-11 to conform with its new General Plan. Operating costs for expansion of water services to serve new growth in the existing SOI will be financed by water rates.

⁵² City of Gridley, 2030 *General Plan: Public Facilities and Services Element*, p. 7.

SOI Expansion Area

To serve the SOI expansion area, three new municipal wells will eventually be needed.⁵³ As new water mains are extended from the existing distribution system, loops would have to be maintained along the perimeter of the system to provide adequate pressure distribution and water circulation. The City is updating its development impact fees in FY 10-11 to conform with the new General Plan and provide for financing of the three needed wells. Additional details of the City's capital plans to serve the SOI expansion area will involve a water master plan update to identify phased improvements to the City's infrastructure, specific well sites, and financing strategies for extending water infrastructure to the SOI expansion area.⁵⁴

Wastewater

The City provides wastewater collection, treatment, and disposal services within City limits. The City maintains wastewater collection lines, a treatment plant, treatment ponds, percolation ponds, and emergency storage facilities. Wastewater flows through gravity-fed lines to the primary force main south of the City and is then pumped five miles along Sheldon and Richards Avenues to the east. The force main crosses under the Feather River to the wastewater treatment plant (WWTP), which is located just east of the Feather River.

Existing SOI

The City currently has the capacity to collect and treat the wastewater produced within its existing boundaries, but needs additional capacity to serve buildout of the existing SOI. The City's wastewater treatment plant currently uses 84 percent of its design capacity and is projected to use the remaining capacity of 680 equivalent dwelling units (EDUs) in the next few years. Wastewater treatment plant expansion is underway to accommodate future growth (an additional 2,600 EDUs) in the City's existing SOI and SOI expansion area. The project will expand the existing WWTP capacity from 1.05 million gallons per day (mgd) of average dry weather flow (ADWF) to 1.7 mgd ADWF. The expansion project is designed and funded, and construction began in February 2010. Upon project completion, the WWTP will have more than enough capacity to serve buildout of the existing SOI (up to 1,144 new units).

To accommodate future development, the City needs a \$10 million investment by 2015 in new gravity and force mains and pump stations to direct flow around the City, as the collection system in the core of the City has reached capacity. In addition, a \$6.9 million investment in a parallel force main and new pump station is needed to accommodate development by 2015. The City is phasing in such improvements. In 2010, the city focused its funding and efforts on replacing one mile of old sewer main and rerouting collection lines to better use gravity flows and eliminate a pump station.

The City finances wastewater capital needs through grants, loans and connection fees. Connection fees are paid by new development to finance infrastructure needed to serve new growth. Currently, new development pays a connection fee of \$10,685 per new unit. In FY 10-11, the City is updating its connection fees to conform with its new General Plan. The City has completed analysis

⁵³ City of Gridley, *City Engineer Bruce Nash*, March 5, 2010.

⁵⁴ City of Gridley, *2030 General Plan: Public Facilities and Services Element*, pp. 6-10.

of the costs associated with new growth in the existing SOI and SOI expansion area.⁵⁵ The City finances wastewater operating needs through rates. The City follows best practices by regularly reviewing and adjusting rates to reflect costs. The City's 2010 sewer rate increase was designed to fund new requirements associated with sanitary sewer management plans, such as enhanced collection system inspection efforts.

SOI Expansion Area

The capacity expansion of the WWTP and collection system will accommodate build-out of the existing SOI and a majority of the SOI expansion area (depending on future development densities). Between development "in the pipeline" and potential development on vacant land, there are an additional 1,144 EDU possible within the existing SOI. Following expansion of the WWTP, there will be capacity for 3,280 EDU (including existing capacity and additional capacity from expansion), meaning the WWTP will have capacity to serve the existing SOI at build-out, and an additional 2,136 units within the SOI expansion area. The near-term development horizon will contain 687-1,147 units at buildout, meaning the WWTP expansion will accommodate demand in the NTDH. In the remainder of the SOI expansion area, there will be 1,427-2,013 units built depending on actual proposed and approved densities. Hence, the WWTP expansion will accommodate at least half of the wastewater treatment needs in the remainder of the SOI expansion area.

Expansion of the WWTP will eventually be needed to accommodate buildout of the SOI expansion area. The City estimates that WWTP expansion costs would be approximately \$15 million to build additional aeration, polishing and percolation ponds and increase capacity from 1.7 mgd to 2.5 mgd. Wastewater infrastructure extensions will be phased by the City consistent with its General Plan.

To provide adequate gravity and force mains and lift station capacity to serve buildout of the SOI expansion area will require \$16.7 million in capital investments.⁵⁶

Future sewer collection capacity requirements are ensured by City oversight during the permitting process for significant developments.

Electricity

The City's electric utility can accommodate growth within the city limits and most of its existing SOI; however, additional capacity is needed to serve the Deniz Ranch property in the existing SOI. Either the existing substation needs upgrade (\$2 million) or an additional substation needs to be constructed (\$3 million).⁵⁷ Either approach would be adequate to provide enough capacity to serve buildout of both the existing SOI and the SOI expansion area. The City finances growth-related capital needs by imposing connection fees on new development. Current charges are \$972 per new housing unit; such fees are being updated by the City in FY 10-11 to conform with the new General Plan. Electric enterprise operating costs are financed by electric rates paid by customers.

⁵⁵ City of Gridley, *City Engineer Bruce Nash*, March 5, 2010 and July 27, 2010.

⁵⁶ City of Gridley, *City Engineer Bruce Nash*, July 27, 2010.

⁵⁷ City of Gridley, *City Engineer Bruce Nash*, March 5, 2010.

Solid Waste

Existing SOI

No infrastructure needs relating to solid waste service were identified in the MSR. The Neal Road Landfill is owned by Butte County and operated by the Butte County Public Works Department, and has adequate capacity at this time to accommodate projected demands through 2033.

SOI Expansion Area

Solid waste services for the SOI expansion area would be provided by North Valley Waste Management, via franchise agreement with the City of Gridley.

Drainage

The City's policy is to require new development to install appropriate on-site and off-site infrastructure to ensure that there is no net increase in peak drainage flows during a 100-year (1 percent probability) storm event. The City requires new development projects to provide on-site or off-site detention sufficient to maintain pre-development levels of peak stormwater runoff at predetermined locations in drainage canals. Detention can occur on the project site or downstream; it can occur above ground in swales or ponds, or below ground, in holding tanks or oversized pipes, in consultation with the affected reclamation or drainage district. Detention and storage facilities must have adequate security fencing to control access, and must be designed to minimize pooling water (for mosquito control purposes). New developments must also plan to remove pollutants from urban runoff, as required and regulated by RWQCB.

Existing SOI

New development has constructed onsite detention facilities to comply with drainage requirements. The Gridley industrial park development installed private onsite storm drainage basins where runoff is detained and later released to the drainage canals. The Eagle Meadows development installed a six-acre detention basin. The City accepts responsibility for maintenance of new facilities, forms a maintenance district in the new subdivision or growth area, and property owners pay assessments to fund maintenance of new detention facilities.

The City has identified \$3.5 million in drainage infrastructure needs within the existing SOI.⁵⁸ The City will need to install 5.7 miles of drainage pipes to adequately convey flows associated with new growth in the area.

The City finances growth-related capital needs by imposing impact fees on new development. Such fees are being updated by the City in FY 10-11 to conform with the new General Plan. Drainage impact fees are projected to be approximately \$1,241 per new housing unit in the existing SOI, although the City offers credits for qualifying infrastructure built by the developer. Drainage operating costs are financed by the City's general fund; the general fund is supported primarily by property and sales taxes and population-based subventions (vehicle license fees).

⁵⁸ City of Gridley, *City Engineer Bruce Nash*, July 27, 2010.

SOI Expansion Area

The City plans to implement an area-wide approach to stormwater detention and conveyance in the planned growth area, instead of project-by-project approach. Proposed projects will be required to submit construction and long-term drainage plans to the City or otherwise demonstrate consistency with the City's drainage standards and applicable Regional Water Quality Control Board standards prior to project approval, and construct, dedicate and/or contribute in-lieu fees, as directed by the City, to develop drainage infrastructure needed to support new growth. The City may require construction of temporary stormwater detention facilities during build out of the planned growth area, as necessary, to meter and convey drainage prior to completing the entire area-wide drainage system.⁵⁹

The City has identified \$9.2 million in drainage infrastructure needs within the planned growth area.⁶⁰ The City will need to install 15 miles of drainage pipes to adequately convey flows associated with new growth in the area.

Roadways*Existing SOI*

Roadway services are adequate in the Gridley area with all streets operating at an acceptable level of service. Traffic signals are presently needed at two intersections to ensure adequate flows during peak traffic. Streets within the existing SOI will be designed and improved consistent with the City's standards. The City allows flexibility for infill projects, where existing development and property boundaries make it infeasible to meet City standards. The City has identified \$4.9 million in street capital improvement needs to serve buildout of the existing SOI.

Existing highway service levels are currently inadequate on the two-lane portion of SR 99 between Spruce Street and Ord Ranch Road. Widening the highway to four lanes would be needed to deliver a level of service in compliance with local standards. Although clearly a local priority, the project has not yet been funded. Gridley's General Plan and EIR analysis identified long-term, cumulative impacts to operations along SR 99. The City will continue to coordinate regional transportation and improvement plans with Butte County and cities in the County. The regional transportation plans would be designed to provide the mechanism for development to contribute to the fair-share cost of improving roadways. For Gridley, this coordinated planning effort could identify City contributions to affected roadways located outside the Gridley SOI. The plan could also provide the basis for state, federal or other funding for improvement of roads and intersections required to deliver acceptable LOS with build-out of the County's and cities' general plans.

A future north-south SR 99 bypass corridor east of the City has been identified as an infrastructure need that would serve both the existing SOI and the proposed SOI expansion area. Such a corridor has been in consideration by Caltrans since the 1960s, however, in 2007 Caltrans abandoned the project. The future construction of an SR 99 bypass will depend heavily on the involvement of the City of Gridley.

⁵⁹ City of Gridley, *2030 General Plan: Public Facilities and Services Element*, 2009, p. 16.

⁶⁰ City of Gridley, *City Engineer Bruce Nash*, July 27, 2010.

SOI Expansion Area

SR 99 will continue to serve as a crucial element of north-south circulation in the area; however, the City will consult with BCAG, nearby cities, Butte County, and Caltrans to develop alternative north-south routes in southern Butte County to address existing and anticipated future congestion along Highway 99.⁶¹

Other circulation within the SOI expansion area will occur via local roads and collectors that are constructed as development occurs. New development is required to construct internal roadway facilities to city-standards, with roadways accepted into the City's system as projects are completed, or pay impact fees for existing roadways to be modified to accommodate growth.

The Union Pacific railroad line bisects the planned growth area, which limits east-west circulation. Access to the planned growth area will be via Nevada Street and Vermont Street in the western portion, and Washington Street and SR 99 in the eastern portion. The City will proactively communicate with BCAG and the City of Biggs to plan and fund an overcrossing of the Union Pacific railroad line between the two cities, if feasible.⁶² The Gridley-Biggs PD reported that a railroad crossing may be necessary to maintain response times as the areas north of the City of Gridley and south of the City of Biggs develop.

Parks and Recreation

The City has 3.1 acres of developed parkland per 1,000 residents in 2010. To achieve the City's adopted standard of five acres per 1,000 residents, an additional 12 acres of developed parkland are needed.

Existing SOI

The City's General Plan identifies potential park sites within the existing SOI. City policy is to prioritize adding parkland in areas lacking adequate park acreage according to City parkland standards.⁶³ In keeping with its smart growth principles, the City aims to expand parkland at joint use sites shared with schools and to collaborate with the County and City of Biggs in developing a regional park for shared use.

The City has pursued funding for upgrades to park sprinkler systems and landscaping to reduce maintenance costs. Various renovations of the recreation building at Vierra Park are slated to better accommodate recreation programs in the City, including the installation of access ramps along with a remodel of the building.

SOI Expansion Area

City-proposed land use plans for the SOI expansion area call for between 30 and 50 acres of parks, and between 70 to 90 acres of open space. Open space corridors and playfields will be designed to function as agricultural drainage ditches, noise and air pollution buffers along SR 99 and

⁶¹ City of Gridley, *2030 General Plan: Circulation Element*, 2009, p. 31.

⁶² City of Gridley, *2030 General Plan: Circulation Element*, 2009, p. 31.

⁶³ City of Gridley, *2030 General Plan*, Adopted December 4, 2009, "Open Space Element," p. 25.

the Union Pacific Railroad, and serve as connections to parkland. The City will collaborate with the school district on planning, financing and development of new park space adjacent to school sites.

Parks are to be located throughout the neighborhoods of the planned growth area. The construction of parks and open space areas will be funded through dedications and in-lieu fees as development occurs, at a minimum rate of five acres per 1,000 residents. In order to meet the City's parkland standard, the required park space in the planned growth area would be 32 to 41 acres, depending on actual densities. In other words, planned park facilities would provide enhanced service levels.

Education

The Gridley Unified School District provides K-12 education to the city limits, existing SOI and the proposed SOI expansion area at two elementary schools, a middle school, and a high school.

Existing SOI and SOI Expansion Area

As the City's population grows during buildout of the 2030 General Plan, new schools, expansion of capacity of existing schools, or a combination of these approaches will be necessary. The School District owns land developed with school sites, as well as other land that is currently undeveloped and could potentially accommodate school construction.

The School District maintains facilities plans that describe how long-term growth needs will be met, and estimate the number of students that will live in proposed housing projects as well as the cost of providing school facilities to serve new growth. The City will involve the school district proactively in development proposals, and will cooperatively monitor housing, population and enrollment trends, and to evaluate the effects of those trends on future school facility needs.

The General Plan designated lands within the SOI expansion area for public facilities; however, the City's adopted implementation strategy is interactive in that the City will provide information to the School District to support updates to school facilities plans consistent with the City's General Plan, particularly with respect to the proposed location of future school sites.⁶⁴ The City's adopted policy is to consult with the School District to determine appropriate locations for new schools.

Financing of school infrastructure to serve growth in the SOI expansion area is by law required to be arranged by the school district rather than the City. Financing mechanisms include both development impact fees and SB 50 State construction and modernization funds.

⁶⁴ City of Gridley, *2030 General Plan Public Facilities Element*, Adopted December 4, 2009, p. 29.

FACILITY AND SERVICE ADEQUACY DETERMINATIONS

DETERMINATION 4.3.1 – PRESENT CAPACITY OF PUBLIC FACILITIES AND ADEQUACY OF PUBLIC SERVICES WITHIN THE CITY OF GRIDLEY

The present capacity of City of Gridley facilities appears to be sufficient for the current population, and staffing appears adequate for day-to-day operations. The City adopted various policies in its newly updated General Plan that assure future residents in the existing SOI and SOI expansion area of receiving appropriate urban service levels upon annexation. Examples include domestic water (extension of the City’s treated water system to annexed areas), law enforcement (1.9 sworn officers per 1,000 residents), fire protection (provide an Insurance Services Organization rating of 4 or better), and municipal parks (5 acres of developed parkland per 1,000 residents).

DETERMINATION 4.3.2 – PRESENT CAPACITY OF PUBLIC FACILITIES AND ADEQUACY OF PUBLIC SERVICES FOR THE SOI EXPANSION AREA

Present service level capacity within the proposed SOI expansion area is minimal, as the area is predominantly agricultural and largely uninhabited. Primarily due to the expansive nature of Butte County service areas and compact nature of the City of Gridley service area, annexation would tend to enhance service levels to such areas.

DETERMINATION 4.3.3 – FUTURE CAPACITY OF PUBLIC FACILITIES AND ADEQUACY OF PUBLIC SERVICES FOR THE CITY OF GRIDLEY’S EXISTING SOI AND THE SOI EXPANSION AREA

The City has analyzed and identified public facility needs for the existing SOI and SOI expansion area. Identified capital needs include three new water wells, expansion of the wastewater treatment plant and force mains, drainage conveyance pipelines, electrical substation capacity upgrade, local road network, and a new fire station west of the railroad. The City has drafted an update to its development impact fees to ensure that appropriate infrastructure is financed by new development within the SOI without burdening existing residents. The City is committed to finalizing and adopting development impact fees shortly after LAFCo adoption of the SOI plan to ensure appropriate capital financing. Furthermore, the City committed in its updated General Plan to maintain and update a water master plan to ensure that it provides for future domestic water needs in the SOI expansion area. The City will provide adequate law enforcement officer staffing levels to meet future demand and City polices as population increases. The City in conjunction with CALFIRE will provide adequate firefighting personnel to meet future demand at appropriate service levels as population increases.

4.4 COMMUNITIES OF INTEREST

COMMUNITIES OF INTEREST DETERMINATIONS

DETERMINATION 4.4.1 – COMMUNITIES OF INTEREST

Relevant social and economic communities of interest within the City of Gridley’s SOI expansion area and sphere planning area include the landowners, residents, and farming operations that currently occupy the area, and the Gridley-Biggs Cemetery located adjacent to SR 99.

4.5 SUMMARY OF SPHERE OF INFLUENCE DETERMINATIONS

DETERMINATION 4.1.1 – PRESENT LAND USES

Existing land uses within the City of Gridley’s existing 1,743-acre SOI include residential, commercial, industrial, and public uses. Existing land use within the City of Gridley’s 850-acre SOI expansion area is primarily agricultural, along with a few scattered residential uses and the Gridley-Biggs Cemetery.

DETERMINATION 4.1.2 – PLANNED LAND USES

To provide for future population growth, the City of Gridley’s 850-acre SOI expansion area is proposed to be developed primarily with residential uses at various densities, along with commercial, industrial, public, and open space uses. Residential development in the SOI expansion area would include 2,114 to 3,160 new dwelling units, along with 75,000 to 95,000 square feet of commercial uses, and 1.5 to 1.8 million square feet of agricultural processing and light industrial uses.

DETERMINATION 4.1.3 – FARMLAND CONVERSION IN SOI EXPANSION AREA

The SOI expansion area will ultimately be annexed into the City of Gridley and existing farmland converted to urban uses, resulting in a loss of prime agricultural land. Policies included as part of the City of Gridley’s 2030 General Plan would minimize impacts to agricultural resources. While these policies would provide partial mitigation for agricultural conversion, they would not prevent the loss of prime agricultural land. However, the SOI expansion area is within the existing Biggs-Gridley Area of Concern, where it has been anticipated that future expansion of the Cities of Biggs and Gridley will occur. Based upon the City’s proposed land use plan for the SOI expansion area, future annexation proposals within that area will result in the planned, orderly, and efficient development of the area and would be consistent with the agricultural preservation policies of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 and the Butte LAFCo policies and standards. The City of Gridley’s proposed SOI expansion represents a logical and reasonable extension of the City boundaries.

DETERMINATION 4.1.4 – WILLIAMSON ACT CONTRACT IN SOI EXPANSION AREA

One parcel within the SOI expansion area is subject to a California Land Conservation Act contract, for which a notice of non-renewal has been filed and is set to expire at the end of 2014.

DETERMINATION 4.2.1 – EXISTING POPULATION AND PAST POPULATION GROWTH

There were 6,454 residents in the City limits in 2010. The City’s population has grown between 2000 and 2010 on average by two percent annually, double the countywide growth rate. Within Butte County, Gridley has experienced more rapid new housing growth than other cities.

DETERMINATION 4.2.2 – FUTURE POPULATION GROWTH

Through 2030, the annual population growth rate is projected at 3.0 percent by the Butte County Association of Governments. The growth rate is expected to slow around 2014 to between three and four percent until 2020 and two percent from 2021 to 2030.

In adopting and implementing its General Plan, the City has a number of new policies and implementation strategies that will create more compact development patterns and use land more efficiently in order to provide for future population growth.

DETERMINATION 4.3.1 – PRESENT CAPACITY OF PUBLIC FACILITIES AND ADEQUACY OF PUBLIC SERVICES WITHIN THE CITY OF GRIDLEY

The present capacity of City of Gridley facilities appears to be sufficient for the current population, and staffing appears adequate for day-to-day operations. The City adopted various policies in its newly updated General Plan that assure future residents in the existing SOI and SOI expansion area of receiving appropriate urban service levels upon annexation. Examples include domestic water (extension of the City’s treated water system to annexed areas), law enforcement (1.9 sworn officers per 1,000 residents), fire protection (provide an Insurance Services Organization rating of 4 or better), and municipal parks (5 acres of developed parkland per 1,000 residents).

DETERMINATION 4.3.2 – PRESENT CAPACITY OF PUBLIC FACILITIES AND ADEQUACY OF PUBLIC SERVICES FOR THE SOI EXPANSION AREA

Present service level capacity within the proposed SOI expansion area is minimal, as the area is predominantly agricultural and largely uninhabited. Primarily due to the expansive nature of Butte County service areas and compact nature of the City of Gridley service area, annexation would tend to enhance service levels to such areas.

DETERMINATION 4.3.3 – FUTURE CAPACITY OF PUBLIC FACILITIES AND ADEQUACY OF PUBLIC SERVICES FOR THE CITY OF GRIDLEY’S EXISTING SOI AND THE SOI EXPANSION AREA

The City has analyzed and identified public facility needs for the existing SOI and SOI expansion area. Identified capital needs include three new water wells, expansion of the wastewater treatment plant and force mains, drainage conveyance pipelines, electrical substation capacity upgrade, local road network, and a new fire station west of the railroad. The City has drafted an update to its development impact fees to ensure that appropriate infrastructure is financed by new development within the SOI without burdening existing residents. The City is committed to finalizing and adopting development impact fees shortly after LAFCo adoption of the SOI plan to ensure appropriate capital financing. Furthermore, the City committed in its updated General Plan to maintain and update a water master plan to ensure that it provides for future domestic water needs in the SOI expansion area. The City will provide adequate law enforcement officer staffing levels to meet future demand and City polices as population increases. The City in conjunction with CALFIRE will provide adequate firefighting personnel to meet future demand at appropriate service levels as population increases.

DETERMINATION 4.4.1 – COMMUNITIES OF INTEREST

Relevant social and economic communities of interest within the City of Gridley’s SOI expansion area and sphere planning area include the landowners, residents, and farming operations that currently occupy the area, and the Gridley-Biggs Cemetery located adjacent to SR 99.

4.6 SPHERE OF INFLUENCE RECOMMENDATIONS

The expansion of the City of Gridley's SOI for projected growth as proposed in this SOI Plan is logical and orderly. The SOI expansion area is adjacent to the existing municipal boundaries or the existing SOI boundaries with urban services planned to serve the area. As shown in the Municipal Service Review for the City of Gridley and in this SOI Plan, service capabilities and issues related to the provision of water, wastewater, circulation, drainage, police, fire, emergency medical response, parks and recreation, solid waste, and general governmental services have been considered and would be available to serve future developments within the SOI expansion area. The proposed Sphere of Influence for the City of Gridley promotes the planned, orderly, and efficient development of the City. The updated SOI is appropriate to accommodate and adequately serve the projected growth of the City of Gridley within the next 20 years.

5. RESOLUTION ADOPTING UPDATED MSR DETERMINATIONS AND SOI DETERMINATIONS

RESOLUTION NO. 05 2010/11

ADOPTION OF AMENDMENTS TO THE DETERMINATIONS IN THE 2008 MUNICIPAL SERVICE REVIEW FOR THE CITY OF GRIDLEY AND ADOPTION OF A SPHERE OF INFLUENCE PLAN/UPDATE FOR THE CITY OF GRIDLEY

RESOLVED, by the Butte Local Agency Formation Commission of the County of Butte, State of California, that

WHEREAS, a proposal for an amendment to the City of Gridley's Sphere of Influence was heretofore requested by the City of Gridley and accepted by the Executive Officer of this Local Agency Formation Commission pursuant to Title 5, Division 3, commencing with Section 56000 of the Government Code; and

WHEREAS, the City of Gridley identified a need to amend the Sphere of Influence to accommodate the anticipated growth of the community projected in the City of Gridley 2030 General Plan adopted December 4, 2009; and

WHEREAS, a service review mandated by Government Code Section 56430 was conducted by the Local Agency Formation Commission of the County of Butte (hereinafter referred to as "the Commission") for the City of Gridley on February 6, 2008, in accordance with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Sections 56000 et seq.); and

WHEREAS, a sphere of influence update mandated by Government Code Section 56425 has been prepared by the Commission for the City of Gridley in accordance with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Sections 56000 et seq.); and

WHEREAS, at the times and in the form and manner provided by law, the Executive Officer has given notice of the public hearing by the Commission on this matter; and

WHEREAS, the Executive Officer, pursuant to Government Code Section 56428, has reviewed this proposal and prepared a report, including his recommendations thereon, and has furnished a copy of this report to each person entitled to a copy; and

WHEREAS, a public hearing by this Commission was called for December 2, 2010, and at the time and place specified in the notice of public hearing; and

WHEREAS, at the hearing, this Commission heard and received all oral and written protests; the Commission considered all plans and proposed changes, objections and evidence which were made, presented, or filed; and all persons present were given an opportunity to hear and be heard in respect to any matter relating to the proposal, in evidence presented at the hearing; and

NOW, THEREFORE, the Local Agency Formation Commission of the County of Butte **DOES HEREBY RESOLVE, DETERMINE AND ORDER** as follows:

Section 1. Environmental Findings

- A. On December 4, 2009, the City of Gridley, as Lead Agency, prepared and certified the Final Environmental Impact Report for the City of Gridley 2030 General Plan, adopted Findings of Fact and a Statement of Overriding Considerations, and adopted a Mitigation Monitoring and Reporting Program (City of Gridley Resolution No. 2009-R-049).
- B. The Commission has reviewed and considered the Final Environmental Impact Report for the City of Gridley 2030 General Plan, which includes an analysis of the proposed City of Gridley Sphere SOI amendment. The Final Environmental Impact Report consists of the following:
 - (1) The Draft Environmental Impact Report prepared by the City of Gridley as Lead Agency.
 - (2) Comments and recommendations received by the City of Gridley on the Draft Environmental Impact Report either verbatim or in summary.
 - (3) A list of persons, organizations and public agencies commenting on the Draft Environmental Impact Report.
 - (4) The responses of the Lead Agency to significant environmental points raised both during and after the review and consultation process.
 - (5) A Mitigation Monitoring Reporting Plan.
- C. The Commission certifies that it has held a duly noticed public hearing and heard testimony and received written comments from affected agencies at a noticed public hearing and has responded to those comments.
- D. The Commission affirms the Final Environmental Impact Report for the City of Gridley 2030 General Plan and finds that in accordance with CEQA Guidelines Section 15090, the Final Environmental Impact Report for the proposed Sphere of Influence Plan has been completed in compliance with CEQA and was presented to the Commission and the Commission reviewed and considered the information contained in the Final Environmental Impact Report and comments on the Final Environmental Impact Report prior to approving the project.
- E. In accordance with CEQA Guidelines Section 15090, the Final Environmental Impact Report reflects the Lead Agency's independent judgment and analysis.
- F. The implementation of the City of Gridley 2030 General Plan and the proposed Sphere of Influence Plan will not have a significant effect on the environment in certain respects as identified in the Final EIR and in the "Impacts Declared to be Less than Significant" section of Section 1.7.3 (General Findings) of the *Findings of Fact and Statement of Overriding Considerations* adopted by the City of Gridley.
- G. The implementation of the City of Gridley 2030 General Plan and the proposed Sphere of Influence Plan will have a significant effect on the environment in certain

respects, but for which mitigation measures have been identified and which would reduce the impacts to a less than significant level, as identified in the Final EIR and in Sections 1.7.3 (General Findings) and 1.7.4 (Significant Effects and Mitigation Measures) of the *Findings of Fact and Statement of Overriding Considerations* adopted by the City of Gridley.

H. The implementation of the City of Gridley 2030 General Plan and the proposed Sphere of Influence Plan will have a significant effect on the environment in certain respects, but for which no feasible mitigation is available to reduce the impacts, as identified in the Final EIR and in Section 1.7.4 (Significant Effects and Mitigation Measures) of the *Findings of Fact and Statement of Overriding Considerations* adopted by the City of Gridley.

(1) With respect to the significant, unavoidable impacts detailed in the Final Environmental Impact Report and found to be relevant to the Commission's action and based on the information set forth in the Final Environmental Impact Report, the Commission finds and determines that:

(a) No measures have been required in or incorporated into the project to mitigate conversion of prime agricultural land to nonagricultural uses and to mitigate impacts to Williamson Act contracts during the 2010-2030 planning period, identified in Sections 4.8-1 and 4.8-2 of the Final Environmental Impact Report. The Land Use Element of the City of Gridley's 2030 General Plan contains policies requiring buffering of residential uses from agricultural uses to reduce potential conflicts. The Conservation Element of the City of Gridley's 2030 General Plan contains programs and policies aimed at protecting existing agricultural lands, including the payment of in-lieu fees to acquire agricultural conservation easements. However, these policies would not prevent the conversion of agricultural land to urban uses and cannot reduce the impacts to a level that is less than significant. A certain level of mitigation will be provided by implementation of the policies and programs identified in the Land Use and Conservation Elements and in the Final EIR. There are no feasible mitigation measures or project alternatives which will reduce the impacts to a less than significant level.

I. All significant environmental effects identified in the Final Environmental Impact Report for the City of Gridley 2030 General Plan and proposed Sphere of Influence Plan that can be feasibly mitigated have been reduced to an acceptable level in that:

(1) All significant environmental effects that can feasibly be avoided have been eliminated or substantially lessened to a level that is less than significant as determined and as set forth in these findings and the Final Environmental Impact Report.

(2) A Mitigation Monitoring and Reporting Program has been identified and adopted by the City of Gridley that will monitor and ensure that the mitigation measures identified will be instituted as described in the Final Environmental Impact Report.

- J. Statement of Overriding Considerations: Pursuant to Section 15093 of the CEQA Guidelines, the Commission finds that the economic and social benefits of the proposed project documented in the Final Environmental Impact Report and the Sphere of Influence Plan, such as expanding the housing opportunities and economic growth opportunities in the City of Gridley, outweigh the adverse impacts of the conversion of prime agricultural land, an impact which cannot be eliminated or reduced to a level that is less than significant and which is unavoidable as the City grows.
- K. A categorical exemption has been issued pursuant to the provisions of the California Environmental Quality Act (CEQA) indicating that the revisions to the determinations in the Municipal Service Review for the City of Gridley are categorically exempt from CEQA and such exemption was adopted by this Commission on December 2, 2010; and

Section 2. Findings for Adoption of the Sphere of Influence Amendment

- A. The Commission has considered the factors determined by the Commission to be relevant to this proposal, including, but not limited to, Sphere of Influence and General Plan consistency, and other factors specified in Government Code Sections 56425 and 56428 and as described in the staff report dated November 24, 2010, for the meeting of December 2, 2010, in that:
- (1) The Commission has considered the present and planned land uses in the area, including agricultural and open space lands as described in the Butte County General Plan Land Use Element and Agricultural Element and the City of Gridley General Plan Land Use Element.
 - (2) The Commission has considered the present and probable need for public facilities and services in the area as described in the adopted City of Gridley Municipal Service Review and the City of Gridley 2030 General Plan.
 - (3) The Commission has considered the present capacity of public facilities and adequacy of public services which the agency provides or is authorized to provide as described in the adopted City of Gridley Municipal Service Review and the City of 2030 Gridley General Plan.
 - (4) The Commission has considered the existence of any social or economic communities of interest in the area and received as testimony in public hearings.
 - (5) The Commission has considered the conversion of prime agricultural lands as constituent of the Final Environmental Impact Report and through the adoption of Overriding Considerations Findings in Section J of this resolution.

Section 3. Terms and Conditions adopted by LAFCo

Pursuant to its authority under Part 2, Chapter 4 and Part 3, Chapter 5 of the Cortese-Knox Local Government Reorganization Act of 1985, Butte LAFCo incorporates the following terms and conditions into the Sphere Plan for the City of Gridley:

1. All Commission fees must be paid in full prior to the new sphere of influence becoming effective.
2. APNs 025-200-066 and 025-200-119 shall be utilized for agricultural-industrial uses to reduce the potential for incompatibility with agricultural operations and provide additional lands for agriculturally related processing facilities. The Commission will deny any future annexation of these parcels if they are proposed for other than agricultural/industrial uses, unless the Commission approves an alternative means of reducing potential incompatibilities between agricultural uses and the proposed development of these parcels.
3. The existing agricultural buffer established in 2000 and located on the northern boundary of the City of Gridley's existing SOI will be removed and subsequent determinations concerning the necessity for an agricultural buffer and other agriculturally-related mitigations will be evaluated and implemented as a part of the deliberations of future annexations within the SOI expansion area.
4. No annexation of the City of Gridley shall be approved which proposes urban development that will be adjacent to active agricultural production unless the proposal includes a buffer between the urban development and the agricultural uses. The buffer shall be substantially consistent with Butte County agricultural buffer requirements. The buffer condition may provide for elimination of the buffer at such time as the adjacent farmland is converted to non-agricultural use.
5. Parcels within the SOI expansion area will remain within the Biggs-Gridley Area of Concern, and be subject to the provisions of Butte LAFCo Policy 3.1.6, until such time as they are annexed into the City of Gridley.
6. The Commission has accepted and affirmed the Final Environmental Impact Report for the City of Gridley 2030 General Plan a general policy level action intended to provide a broad discussion of growth boundaries and potential impacts. The City should not expect to solely rely on the 2030 General Plan Final Environmental Impact Report to support or mitigate all project specific impacts identified during the annexation process.

WHEREAS, the Sphere of Influence Plan determinations for the City of Gridley are made in conformance with Government Code Section 56425 and local Commission policy and are included in Attachment A to this Resolution; and,

WHEREAS, based on presently existing evidence, facts, and circumstances considered by this Commission, including the findings as outlined above, the Commission adopts written determinations as set forth. The Commission adopts the SOI Plan for the City of Gridley and updates the sphere of influence for the City of Gridley by adding thirty-eight parcels totaling approximately 850 acres, as depicted on Attachment B of this Resolution and in Figure 1-2 of the SOI Plan, adopted by the Commission on December 2, 2010; and,

NOW, THEREFORE, BE IT RESOLVED, that pursuant to powers provided in §56430 of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, the Local Agency Formation Commission of the County of Butte adopts revised written determinations for the Municipal Service Review for the City of Gridley, dated December 2, 2010, as found in Attachment A of this Resolution. Furthermore, pursuant to powers provided in §56425, the Commission adopts the SOI Plan for the City of Gridley and updates the existing sphere of influence for the City of Gridley by adding thirty-eight parcels totaling approximately 850 acres, as depicted on Attachment B of this Resolution and on Figure 1-2 of the City of Gridley SOI Plan, adopted by the Commission on December 2, 2010.

PASSED AND ADOPTED by this Local Agency Formation Commission of the County of Butte, on the 2nd day of December 2010 by the following vote:

AYES: Commissioners Lotter, Duncan, Connelly, Sweany, Fichter, Lambert, and Chair Leverenz

NOES: None

ABSENT: None

ABSTAINS: None

ATTEST:



Clerk of the Commission



CARL LEVERENZ, Chair
Butte Local Agency Formation Commission

ATTACHMENT A TO RESOLUTION NO. 05 2010/11

**REVISED DETERMINATIONS TO THE MUNICIPAL SERVICE REVIEW
FOR THE CITY OF GRIDLEY**

ADOPTED BY BUTTE LAFCO ON DECEMBER 2, 2010

Growth and Population Projections

3.-1. There were 6,454 residents in the City limits in 2010.

3.-2. The City's population has grown between 2000 and 2010 on average by two percent annually, double the countywide growth rate. Within Butte County, Gridley has experienced more rapid recent new housing growth than other cities.

3.-3. Through 2030, the annual population growth rate is projected at 3.0 percent by the Butte County Association of Governments. The growth rate is expected to slow around 2014 to between three and four percent until 2020 and two percent from 2021 to 2030.

3.-4. In adopting and implementing its General Plan, the City has a number of new policies and implementation strategies that will create more compact development patterns and use land more efficiently. The City's approach is also designed to provide municipal service cost savings when compared with sprawl. Specific new policies include implementation of a new high-density land use designation, new development impact fees with lower rates for infill and high-density projects, prioritization of growth in the existing SOI over the planned growth area (i.e., the SOI expansion area), and requirements that will reduce unnecessary pavement by placing new buildings closer to the front property line and ensuring that parking space is not excessive. The City's new smart growth policies affect municipal services primarily by reducing service demands and infrastructure costs that will be generated in infill and new growth areas. Compact development helps reduce vehicle miles, helps economize on street maintenance and drainage needs, and helps reduce the extent of water and wastewater infrastructure needs.

Infrastructure Capacity and Service Adequacy

Water

4.1.-1. The City of Gridley's water system is well maintained and monitored, and active wells meet all state and federal water quality requirements.

4.1.-2. The City constructed a new municipal well in 2009. As a result, the City's six water wells produce adequate water supply to serve build-out of the existing SOI.

4.1.-3. The irrigation canals surrounding and passing through the City are vulnerable to urban contamination. The City should work with the irrigation districts and developers to identify cost-effective approaches to maintaining irrigation water quality, to mitigate any safety hazards to residents, and support growth and development of the City.

4.1.-4. The City needs to extend water mains at a cost of approximately \$5.0 million to accommodate buildout of the existing SOI.

4.1.-5. To accommodate future growth and development, the City's General Plan outlines plans to maintain loops along the perimeter of the system to maintain adequate pressure and install a large diameter pipe along the easterly boundary of the sphere of influence (SOI) to provide fire flows to potential development in the area.

Wastewater

4.2.-1. The City's wastewater treatment plant currently uses 84 percent of its design capacity and is projected to use the remaining capacity of 680 equivalent dwelling units by 2015. Wastewater treatment plant expansion is underway to accommodate future growth (an additional 2,600 EDUs) in the City's SOI. The expansion project is designed and funded, and construction began in February 2010.

4.2.-2. To accommodate future development, the City needs a \$10 million investment by 2015 in new gravity and force mains and pump stations to direct flow around the City, as the collection system in the core of the City has reached capacity. In addition, a \$6.9 million investment in a parallel force main and new pump station is needed to accommodate development by 2015. The City is phasing in such improvements. In 2010, the City focused its funding and efforts on replacing one mile of old sewer main and rerouting collection lines to better use gravity flows and eliminate a pump station.

4.2.-3. Funding for the capacity expansion of the WWTP and collection system will determine the rate at which new development can be absorbed into the system. The City regularly updates its capital plans, rates and connection fees, and competes for grants to ensure adequate funding mechanisms.

4.2.-4. Portions of the wastewater collection system date back to 1914. Infiltration and inflow is affecting older collection pipes downtown and possibly elsewhere. The City would benefit from a thorough review of the wastewater collection system to develop a capital improvement plan. The City's 2010 sewer rate increase was designed to fund its sanitary sewer management plan efforts.

Drainage

4.3.-1. Gridley's stormwater collection system discharges to sloughs and open drainage ditches located near the perimeter of the city. The ditches are maintained by three special districts: Reclamation District No. 833, Reclamation District No. 2056 and Drainage District No. 1. The ditches were designed to convey agricultural rather than urban flows.

4.3.-2. The districts' drainage systems are unable to discharge peak flows and subject to backup conditions due to inadequate channel capacity, lack of pumping capacity, or lack of capacity in downstream discharge waterways also used by the State for flood control purposes.

4.3.-3. Growth-induced drainage infrastructure needs are addressed by City requirements for development to install detention infrastructure to prevent increases in peak drainage flows.

4.3.-4. The drainage ditches and laterals operated by the districts in Gridley are uncovered. The districts have asked that the City "underground" open ditches, although the City has determined that related costs are often excessive due to the high groundwater table and that fencing of these ditches is the practical solution.

Roadways

4.4.-1. Roadway services are adequate in the Gridley area with all streets operating at an acceptable level of service (LOS C or better). A traffic signal is presently needed to ensure adequate flows during peak traffic hours on SR 99 at West Liberty Road. The City will need to install seven traffic signals to accommodate planned growth through 2030.

Existing highway service levels are currently inadequate on the two-lane portion of SR 99 between Spruce Street and Ord Ranch Road. Widening the highway to four lanes would be needed to deliver a level of service in compliance with local standards. Caltrans envisions a four-lane highway through Gridley ultimately. Although clearly a regional priority, the project has not yet been funded. Highway congestion may be avoided presently by most Gridley residents due to availability of alternative routes on local roadways. Caltrans will need to install seven traffic signals to accommodate planned growth through 2030.

4.4.-2. Although the City does conduct preventative maintenance to extend the pavement lifespan, it should consider implementing a computerized Pavement Management System to optimize its roadway investments.

4.4.-3. Pedestrian and bicycle facilities are minimal in the City. The City of Gridley Bicycle Plan outlines various bicycle-related facility needs in the City that should continue to be explored, including the feasibility of creating regional trailways in conjunction with Butte County, Caltrans, Union Pacific Railroad, and the City of Biggs.

Law Enforcement

4.5.-1. The Gridley-Biggs Police Department (PD) provides police and animal control services to the Cities of Gridley and Biggs.

4.5.-2. Law enforcement services are adequate. The current service level is higher than the median among small California cities and the City's adopted minimum standard. The City manages to solve crimes effectively; crime clearance rates are comparable to neighboring cities and higher than Sheriff rates.

4.5.-3. Service demands have increased in recent years due to growth and development, the onset of service to Biggs in 2001, increasing serious crime rates, and gang issues in Gridley.

4.5.-4. The PD currently has sufficient facility space and equipment except for storage and evidence facilities. The PD plans to expand into the adjacent unmanned station space.

4.5.-5. Development and growth in Gridley and Biggs will eventually require increased staffing of sworn and non-sworn officers. The City would need up to 16 new officers by 2025 to sustain service levels as the City grows.

Fire Protection

4.6.-1. There is adequate capacity to provide fire service to planned development within city limits and the SOI area.

4.6.-2. The City has determined that a new fire station would be needed to serve future residents on the western side of the railroad tracks at build-out of the General Plan scenario and maintain the City's standard of a four-minute response time.

4.6.-3. Water pressure and water reserve challenges in the northern part of the City along SR 99 result from dead-end water mains. The City is in the process of replacing all dead-end water mains, which is anticipated to be completed by 2012.

4.6.-4. The area to the north of Gridley—around Ord Ranch Road—will need water flow improvements to provide for greater fire flows.

Parks

4.7.-1. The City has 3.1 acres of developed parkland per 1,000 residents in 2010. To achieve the City's adopted standard of five acres per 1,000 residents, an additional 12 acres of developed parkland are needed.

4.7.-2. The City's 2009 General Plan identifies potential park sites within the existing SOI. City policy is to prioritize adding parkland in areas lacking adequate park acreage according to City parkland standards. In keeping with its smart growth principles, the City aims to expand parkland at joint use sites shared with schools and to collaborate with the County and City of Biggs in developing a regional park for shared use.

Solid Waste

4.8.-1. There is adequate landfill capacity, and services are adequate.

Electricity

4.9.-1. Electricity service is adequate, and capacity is adequate to serve current customers.

4.9.-2. The electric utility can accommodate growth within the existing SOI.

4.9.-3. As new areas are annexed and built out, demand will increase such that expansion of the existing substation or construction of a new substation will eventually be necessary.

Financial Ability to Provide Services

5.-1. The City's total budget is \$22 million in FY 10-11. Electric, sewer and police services are the most costly municipal services.

5.-2. The \$4.8 million general fund finances police and fire services, general government costs, and portions of park and street-related costs. Major general fund revenue sources are sales tax, payments from the City of Biggs for contract services, electric revenue, property taxes, and vehicle license fee revenue.

5.-3. The most significant financing constraint is the requirement for voter approval of new or increased taxes or assessments.

5.-4. Water, wastewater and solid waste rates and charges may be increased and restructured, but taxes, general revenue sources and drainage assessments require voter approval to be restructured or increased.

5.-5. Compared with nearby jurisdictions, Gridley businesses attract a relatively high level of sales tax per capita. The City's location along SR 99, economic development efforts and land use decisions are important factors in maintaining and enhancing this revenue stream.

5-6. Strategic growth, redevelopment and economic development offer financing opportunities to the City in the form of enhanced property and sales tax revenues.

5-7. Water, wastewater and electric rates are reasonable compared with other providers, and provide incentives for users to conserve.

5-8. Sewer rates will need to be increased in the future to finance repairs to the aging collection system. Water rates may need to be increased if the City faces more expensive water treatment costs. Otherwise, no significant rate restructuring opportunities were identified.

Facility Sharing

6-5. The City practices extensive sharing of facilities and resources with other public agencies. The City adopted new policies in its 2009 General Plan that promote efficient use of land by municipal government through facility sharing.

6-6. Butte Water District has surplus water available for sale. The City may wish to purchase surface water in the future if it cannot develop adequate wells free of arsenic. Biggs-West Gridley Water District may wish to purchase additional surface water.

6-7. The Guardian Building and proposed new soccer fields are examples of shared facilities between the City and the Gridley Unified School District.

Accountability, Governmental Structure and Efficiencies

6-1. The City generally exhibits the characteristics of well-managed local government, which strives to serve its residents and constituents effectively. The City uses accepted budgeting procedures, balances its budget and maintains reserves.

6-2. As the population grows and changes, increased attention to management efficiencies will be necessary, especially given fiscal constraints affecting local governments in California. Intergovernmental cooperation, regionalization of services and joint efforts for efficiency warrant continued attention.

6-3. The City needs to continue to take actions to increase efficiency, reduce unnecessary duplication of effort and streamline procedures in order to maximize management efficiencies.

6-4. Land use planning designed to promote infill development, redevelopment of underutilized, urban lands, and creation of compact, well-served communities present opportunities to minimize future public service costs through strategic growth.

7-1. The City demonstrates a high degree of public participation in elections as well as other forms of citizen participation. The City prepares meeting agendas and minutes and has accessible staff and elected officials.

7-2. The City makes information about its activities available to the public through a variety of sources, including its website, distribution of agenda and related documents, public access to city council and board meetings, mailing information to constituents, and similar methods.

7-3. The City appears to operate in an open manner that facilitates the public's ability to learn about and participate in current civic affairs.

8.-1. Annexation of territory to Gridley is an option that the City intends to propose, and plans to explore further in its General Plan update.

8.-2. Detachment of territory from Reclamation District No. 833 and annexation to Reclamation District No. 2056 (RD 2056) is an option tentatively identified by RD 2056 to ensure that district boundaries align with drainage benefit areas.

8.-3. Reorganization of County Service Area (CSA) 34 is an option. The CSA finances maintenance of a swimming pool. Butte County Fair operates the pool. The City and Butte County agreed in 2002 to negotiate reorganization of the CSA. Reorganization would most likely involve dissolution of the CSA, formation of a subsidiary district of the City of Gridley, and transfer of CSA revenues and service responsibilities to the subsidiary district.

8.-4. Two options that have not been proposed or recommended by any agencies are consolidation of Gridley and Biggs, and detachment of urbanized territory in the city limits from two irrigation districts—Butte Water District and Biggs-West Gridley Water District.

ATTACHMENT B TO RESOLUTION NO. 05 2010/11

SPHERE OF INFLUENCE MAP FOR THE CITY OF GRIDLEY

ADOPTED BY BUTTE LAFCO ON DECEMBER 2, 2010

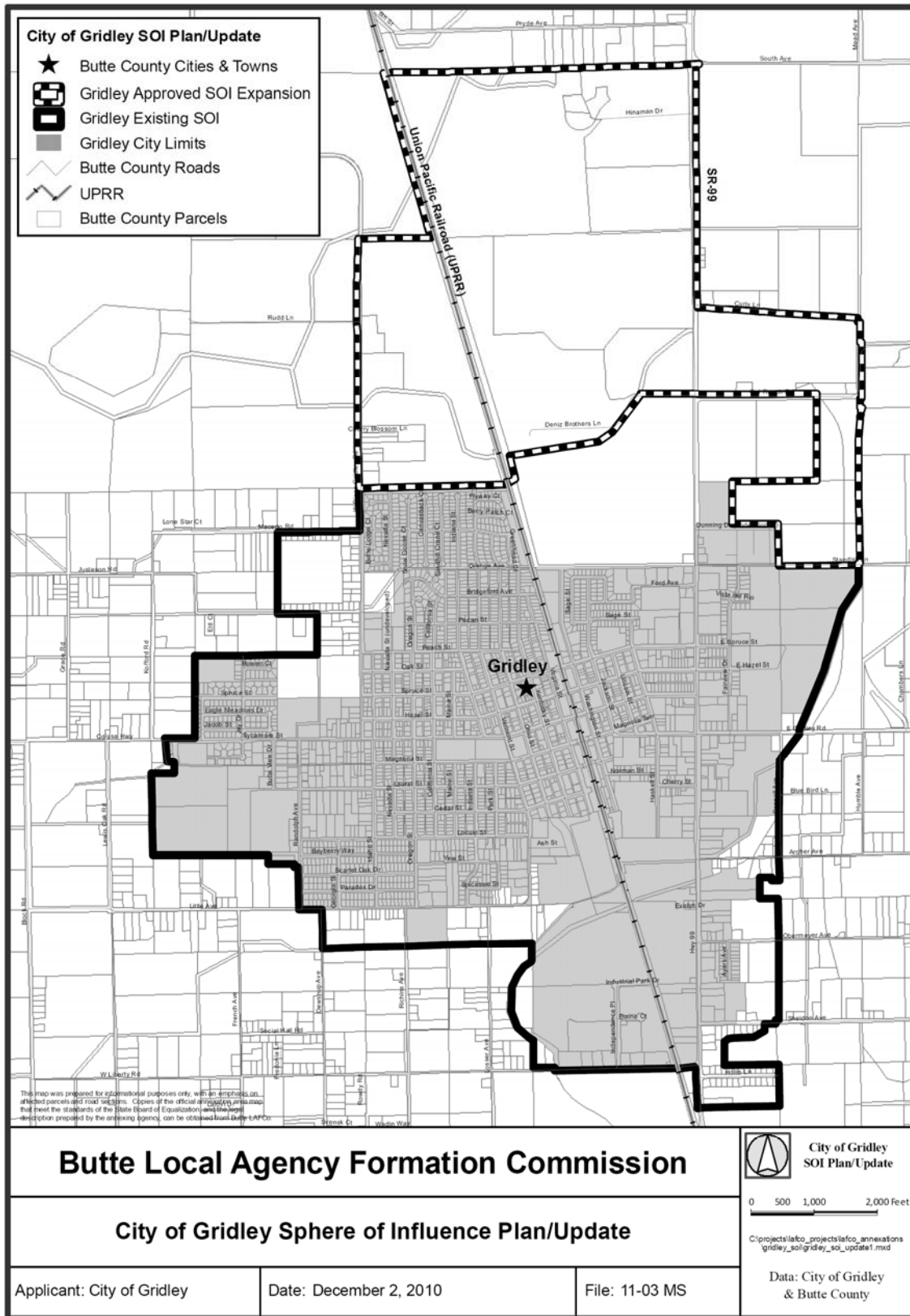
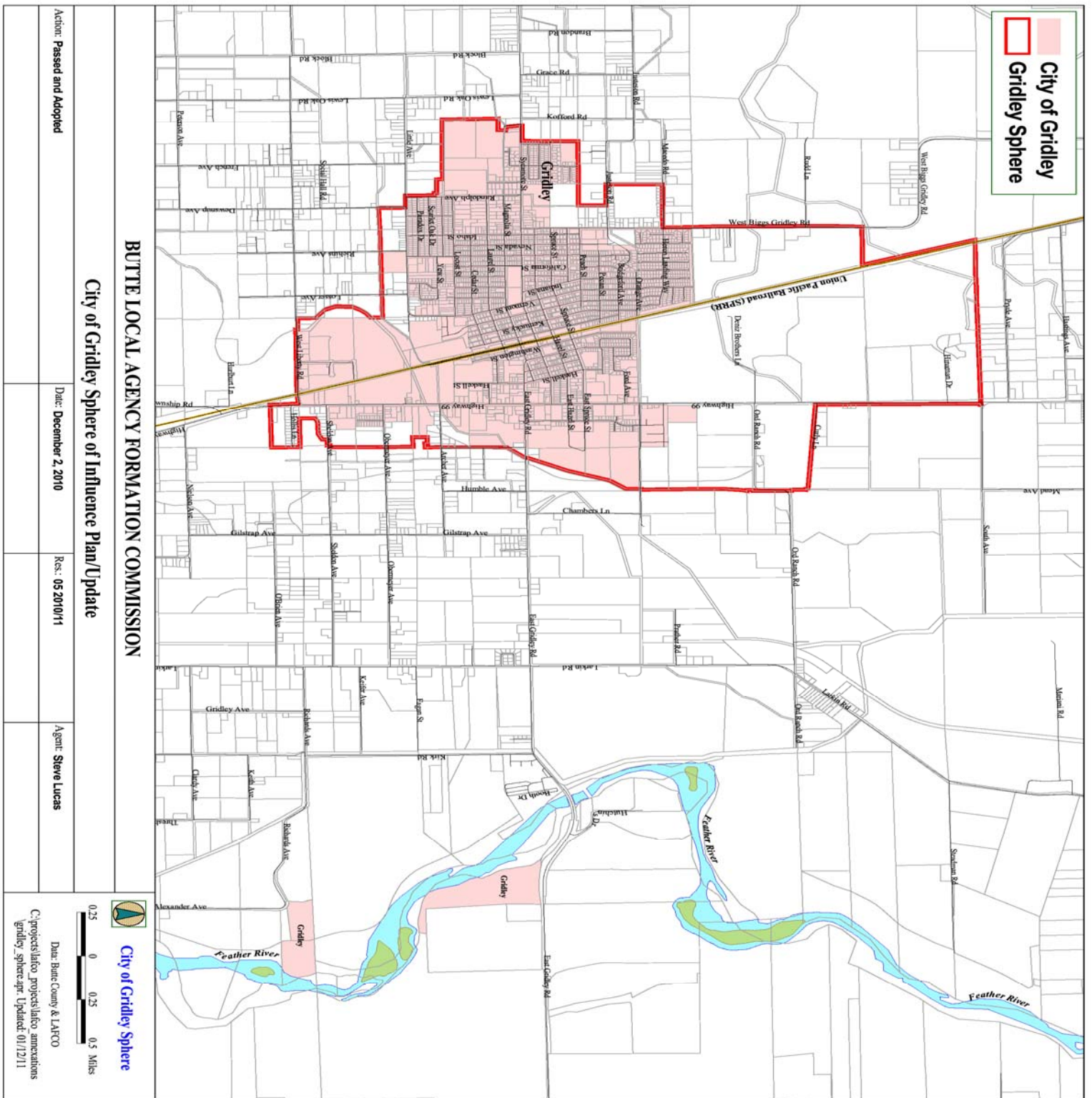


Figure 5-1: Adopted City of Gridley SOI Map



6. ACRONYMS AND DEFINITIONS

6.1 ACRONYMS

AOC:	Area of Concern
BCAG:	Butte County Association of Governments
CAL FIRE:	California Department of Forestry and Fire Prevention
CEQA:	California Environmental Quality Act
CKH Act:	Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000
CSA:	County Service Area
DOF:	California Department of Finance
EIR:	Environmental Impact Report
EDU:	Equivalent Dwelling Unit
FY:	Fiscal Year
GIS:	Geographic Information Systems
LAFCo:	Local Agency Formation Commission
MSR:	Municipal Service Review
NTDH:	Near-term Development Horizon
PD:	Gridley-Biggs Police Department
SOI:	Sphere of Influence
SR:	State Route
WWTP:	Wastewater Treatment Plant

6.2 DEFINITIONS

ANNEXATION The inclusion, attachment, or addition of a territory to a city or district.

BOARD OF DIRECTORS The legislative body or governing board of a district.

CEQA The California Environmental Quality Act (CEQA) is intended to inform governmental decision-makers and the public about potential environmental effects of a project, identify ways to reduce adverse impacts, offer alternatives to the project, and disclose to the public why a project was approved. CEQA applied to projects undertaken, funded, or requiring issuance of a permit by a public agency.

GENERAL PLAN A document containing a statement of development policies including a diagram and text setting forth the objectives of the plan. The general plan must include certain state mandated elements related to land use, circulation, housing, conservation, open-space, noise, and safety.

LAFCo A state mandated local agency that oversees boundary changes to cities and special districts, the formation of new agencies including incorporation of new cities, and the consolidation of existing agencies. The broad goals of the agency are to ensure the orderly formation of local government agencies, to preserve agricultural and open space lands, and to discourage urban sprawl.

MUNICIPAL SERVICE REVIEW (MSR) A study designed to determine the adequacy of governmental services being provided in the region or sub-region. Performing service reviews for each city and special district within the county may be used by LAFCo, other governmental agencies, and the public to better understand and improve service conditions.

PRINCIPAL COUNTY The county having all or the greater portion of the entire assessed value, as shown on the last equalized assessment roll of the county or counties, of all taxable property within a district or districts for which a change of organization or reorganization is proposed..

SPHERE OF INFLUENCE (SOI) A plan for the probable physical boundaries and service area of a local agency, as determined by the LAFCo.

SPHERE OF INFLUENCE DETERMINATIONS In establishing a sphere of influence, the Commission must consider and prepare written determinations related to present and planned land uses, need and capacity of public facilities, and existence of social and economic communities of interest.

ZONING The primary instrument for implementing the general plan. Zoning divides a community into districts or -zones- that specify the permitted/prohibited land uses.

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8. APPENDIX A

Table A-1: Scenarios for Housing Absorption, 2010-2030

Year	Gridley BCAG Projections		Rocklin/ Wheatland Scenario		Yuba City Scenario		Lincoln Scenario	
	Housing Units	Cumulative Absorption	Housing Units	Cumulative Absorption	Housing Units	Cumulative Absorption	Housing Units	Cumulative Absorption
2010	2,449	0	2,449	0	2,449	0	2,449	0
2011	2,567	118	2,559	110	2,585	136	2,879	430
2012	2,690	241	2,674	225	2,729	280	3,384	935
2013	2,819	370	2,795	346	2,880	431	3,978	1,529
2014	2,954	505	2,920	471	3,040	591	4,677	2,228
2015	3,096	647	3,052	603	3,209	760	5,497	3,048
2016	3,201	752	3,189	740	3,387	938	6,462	4,013
2017	3,310	861	3,333	884	3,576	1,127	7,597	5,148
2018	3,423	974	3,483	1,034	3,774	1,325	8,930	6,481
2019	3,539	1,090	3,639	1,190	3,984	1,535	10,498	8,049
2020	3,659	1,210	3,803	1,354	4,205	1,756	12,340	9,891
2021	3,733	1,284	3,974	1,525	4,439	1,990	14,507	12,058
2022	3,807	1,358	4,153	1,704	4,686	2,237	17,053	14,604
2023	3,883	1,434	4,340	1,891	4,946	2,497	20,046	17,597
2024	3,961	1,512	4,535	2,086	5,221	2,772	23,565	21,116
2025	4,040	1,591	4,740	2,291	5,511	3,062	27,701	25,252
2026	4,121	1,672	4,953	2,504	5,817	3,368	32,564	30,115
2027	4,203	1,754	5,176	2,727	6,140	3,691	38,280	35,831
2028	4,287	1,838	5,409	2,960	6,481	4,032	44,999	42,550
2029	4,373	1,924	5,652	3,203	6,841	4,392	52,898	50,449
2030	4,460	2,011	5,906	3,457	7,221	4,772	62,183	59,734

Note: 2010 Gridley housing units from Department of Finance. Other housing units projected based on BCAG (2007) projected growth rates, and historic growth rates in high-growth cities north of Sacramento.

9. APPENDIX B



City of Biggs
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(530) 868 -0100

November 29, 2010

Stephen Lucas, Executive Officer
Butte Local Agency Formation Commission
1453 Downer Street, Suite C
Oroville, CA 95965

RE: COMMENT -- City of Gridley Request for Sphere of Influence Area Expansion

Mr. Lucas:

The purpose of this letter is to provide formal comment on behalf of the City of Biggs on the City of Gridley's proposed amendment to its LAFCO adopted Sphere of Influence and the *Draft Sphere of Influence Plan for the City of Gridley* supporting the proposed action by the LAFCo Board.

As you are well aware, the cities of Biggs and Gridley have substantial recent history within the area south of the City of Biggs and north of the City of Gridley. The interest in this area, by both cities, ultimately resulted in the formal adoption of a unique designation of an *Area of Concern* by both cities and the LAFCO Board. This designation was intended to identify the area as a geographic area over which both cities have an interest and share concerns for its future use. This designation was intended to help facilitate potential joint planning activities between the two cities, the County and LAFCo; was intended to enhance public notice and dialogue among the involved local and regional agencies; and was intended to serve as a model for how areas over which multiple entities had an interest could work cooperatively to determine a reasonable future.

The City of Biggs supported that effort and those goals when it adopted a Resolution to support the Area of Concern designation. The City of Biggs continues to support those same ideals today. However, it is the belief of the City of Biggs that the goals that were established by both the cities of Biggs and Gridley in the adoption of Resolutions to create the Area of Concern have not yet been realized. The City of Gridley's sphere of influence amendment request is based in part upon that City's recent adoption of their updated General Plan and the City of Biggs congratulates them on their successful completion of this effort. However, it is curious to note that the City of Biggs was not

invited by Gridley or their consultants to directly discuss the future of the geographic area known as the Area of Concern. The City of Biggs believes that this runs counter to the ideals of the adopted Area of Concern designation. While the City of Biggs supports the right of all local agencies to plan for growth within their Planning Area in a manner that is appropriate for and supported by their community, the City of Biggs believes that it is unfortunate that Gridley chose to plan for this area without any input from the City of Biggs despite both City's express commitment to the joint planning of the area. It is acknowledged that while the adopted Gridley General Plan does have text stating a desire to work with the City of Biggs in this area, the City of Biggs does not believe that the inclusion of text within a policy of a General Plan constitutes a satisfactory approach to collaborative planning at a time to follow the adoption of the land use plan for the area.

The City of Biggs also questions the justification in the statement of need as described in the SOI Amendment Plan and the effort of the City of Gridley to directly include the landowners within the potential expanded area of concern in the preparation of this request. The SOI amendment Plan goes to great lengths to quantify land availability and development potential within Gridley's current city limits and SOI and does a commendable job at describing why an expansion of the City's SOI is necessary. However, the Plan justifies the need for the area beyond the identified "near-term horizon" using growth rates not supported by the currently economic conditions and using terms such as "business cycle" which do not provide definitive time frames or numerical justification as to why that portion of the requested territory is necessary to be included at this time. The City of Biggs does not discount the potential in the longer term that the portions of the area within the Area of Concern, and included in the General Plans of both cities, could be placed into the Sphere of Influence of the City of Gridley. However, the City does question the assertion that this area needs to be included at this time and with this request. In reviewing the City of Gridley's SOI amendment request, the City of Biggs would note that at least one large landowner within the area has in the recent past expressed a desire to not be included in the City of Gridley's Sphere of Influence or Planning Area, instead to be a part of Biggs' future development, and the City of Biggs would request that LAFCo consider input from the property owners within the requested area relative to their desire to be included in the City's SOI at this time.

The City of Biggs is concerned that this action, and a subsequent action by the Butte LAFCo Board to approve this request, would devalue the intent of the Area of Concern designation, as it is not supported by a realistic statement of need as is not necessary at this time to allow for the continued prosperity of the City of Gridley. As a result, the City of Biggs cannot at this time support the City of Gridley's request to LAFCo to include the entire area shown on *Figure 1-2: Map of SOI Expansion Area* within the proposed Sphere of Influence. While the City of Biggs supports Gridley's request to expand their SOI, we would request that LAFCo limit Gridley's expansion to only that area identified by Gridley and its justification document as being within the self-identified "near-term development horizon."

As described above, the City of Biggs supports the right of the City of Gridley to make this request of LAFCo and believes Gridley's request to include those areas located inside of the City's self-identified "near-term development horizon" and outside of the

area of mutual interest by the City's of Biggs and Gridley are reasonable, appropriate and supported by the Plan. However, should the LAFCo Board decide to include the full area being requested by the City of Gridley, the City of Biggs would make a request that the Board simultaneously remove the Area of Concern designation on all property within the south Biggs / north Gridley area. This request is based upon the City of Biggs' opposition to the following statement in the SOI amendment Plan:

(Reference Pg. 8, Section 2.5): "[b]ecause LAFCo policies define the AOC as outside the SOI, expansion of the City's SOI would have the unintended effect of reducing the AOC. To ensure that the City continues to receive timely notice of proposals within the SOI expansion area, the City requests that the LAFCo SOI resolution provide that LAFCo offer comparable notice as is presently afforded to the City under the AOC policy."

It seems inconsistent to support the concepts of joint planning, regional collaboration and enhanced noticing while at the same time stating that the result of the requested action would be to remove the Area of Concern designation altogether and while requesting to be allowed to retain all benefits of the designation for the remaining portion of the AOC designated area.

Thank you for the opportunity to provide input on this matter.

Sincerely,

City of Biggs

By: 
Peter R. Carr, City Administrator

cc: Mayor and Members of the City Council
Greg Einhorn, City Attorney
Tim Snellings, County of Butte
Andrea Redamonti, City of Gridley
Scott Friend, PMC/Biggs City Planner