



AGENDA ITEM 7A

MEETING: December 17, 2014
TO: Humboldt LAFCo Commissioners
FROM: George Williamson, Executive Officer
SUBJECT: **Authorization for the Palmer Creek Community Services District to Extend Water Services Outside District Boundaries**
The Commission will consider a request submitted by the Palmer Creek Community Services District (CSD) to extend domestic water services to three parcels outside the District's boundary and sphere of influence to respond to a public health and safety threat pursuant to Government Code Section 56133.

Local Agency Formation Commissions (LAFCOs) are responsible under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 to regulate the formation and development of local governmental agencies and their municipal services. This includes approving or disapproving requests from cities and special districts to provide new or extended municipal services outside their jurisdictions under California Government Code (G.C.) Section 56133. LAFCOs are authorized to condition approval for outside service agreements as long as the terms do not directly regulate land uses.

A. BACKGROUND

LAFCo has received an application filed by the Palmer Creek CSD for the extension of water services outside the district boundary to three parcels totaling 34.8 acres (APNs 200-181-014, -025, and -027) (see Attachment B). Each parcel is currently developed with a single-family residence served by onsite water sources (springs). Due to unsustainable, declining water supplies, the property owners requested emergency hookups to the Palmer Creek CSD water system. The request does not include development (i.e., no change in use is proposed) and does not propose sewer connections. This request for water service is further supported by letters received from the Humboldt County Division of Environmental Health.

B. DISCUSSION

G.C. Section 56133 requires cities and special districts to request and receive written approval from LAFCo before entering into agreements to provide new or extended services outside their jurisdictional boundaries. The code further specifies that LAFCOs may only approve outside service extensions beyond an agency's sphere of influence to respond to an "impending threat to the public health and safety of the residents..."

Humboldt LAFCo policy allows the Executive Officer to authorize an emergency extension where the services in question will not facilitate development, or refer the request to the Commission for approval. In the case of this request, concerns

surrounding land use consistency, resource conversion and growth-inducing effects prompted the Executive Officer to refer the request to the Commission for approval.

C. ANALYSIS

The Commission has a locally-adopted Policy on Outside Service Agreements, most recently approved in 2012. Several components are especially relevant to this application:

Criteria for Authorizations for Outside Service Area Requests

The Commission's policy clarifies in Section 5.7 that the Commission and the Executive Officer shall limit its outside service area authorizations to public health and safety emergencies and circumstances where:

A. Sufficient service capacity exists;

Staff Analysis: According to the District's Municipal Service Review, the Palmer Creek CSD draws drinking water from two active groundwater wells. The water system consists of a water treatment facility, a water distribution system, and a 200,000 gallon storage reservoir located on Tompkins Hill Road. Based on the evaluation and recommendation of the Palmer Creek CSD, the Board of Directors approved the new connections affirming there is sufficient water available to serve the property without adversely affecting current service levels within its jurisdictional boundaries.

B. Annexation would not be practicable; and

Staff Analysis: Annexations involving territory located within the affected District's sphere of influence is generally preferred to outside service area agreements. The Commission recognizes, however, there may be instances when outside service area agreements are appropriate given local circumstances.

In the case of this request, signed and notarized annexation agreements between the District and each property owner have been submitted (see Attachment C). However, it is acknowledged that annexation may not be feasible or desirable at this time based on LAFCo policies and Humboldt County land use policies.

Currently, the properties proposed to be served are outside the Palmer Creek CSD Sphere of Influence, as adopted by LAFCo. In addition, the properties are outside of the mapped Urban Development Area (UDA) and Urban Expansion Area (UEA) boundaries as adopted in the Fortuna Area Community Plan (FACP), Volume II of the Humboldt County Framework General Plan.

APN 200-181-025 (9.3 acres) and APN 200-181-027 (6.0 acres) are planned and zoned for residential uses that may eventually require urban services. APN 200-181-014 (19.5 acres) is planned and zoned for timber production (an open space zone). Both the Humboldt County Framework General Plan (Section 2633.13) and LAFCo Policy discourages the premature conversion of resource lands.

Considering the service extension has been requested to remedy a public health and safety threat and is not intended to provide urban services that would create

growth or affect open space and agricultural lands, LAFCo staff has included a recommended condition that would limit the extension of water services to the existing permitted structures on the affected parcels, and not to any other properties. Any additional development on the parcel, such as additional dwelling units or additional bedrooms, will not be allowed unless the parcel is annexed to the Palmer Creek CSD.

- C. The outside service area request is determined by the Commission to be consistent with the policies adopted in and pursuant to the Cortese-Knox-Hertzberg Act.

Staff Analysis: The Commission must also consider G.C. Section 56133, the applicable state law, which states "The commission may authorize a city or district to provide new or extended services outside its jurisdictional boundaries and outside its sphere of influence to respond to an impending threat to the public health or safety of the residents of the affected territory." According to Humboldt LAFCo policy, a "public health or safety threat" means the extension of service to alleviate an immediate health and/or safety problem, and are limited to the provision of water and/or sewer service to an existing structure, etc. LAFCo has established Public Health and Safety Criteria for Water Services, which is discussed and evaluated below.

Public Health and Safety Criteria for Water Services

The Commission's policy states in Section 5.8 that an existing water source used for domestic purposes may be deemed a threat to the health and safety of the public or the affected residents if it meets one or more of the following criteria, as determined by a Humboldt County Division of Environmental Health Specialist or other qualified professional:

- (1) The water supply is impacted by biological, chemical, or radiological constituents that cannot be adequately or reasonably treated or removed to levels deemed safe for human consumption or contact.
- (2) The quantity of the water supply is constantly or periodically inadequate (less than one gallon per minute) to meet the domestic needs for which its use is intended, and additional quantities cannot adequately or reasonably be developed.
- (3) Any other condition in which the continued use of an existing water supply could result in negative impacts to human health.

Staff Analysis: The proposed water service extension has been requested due to insufficient onsite water supplies during the dry weather season and, as such, most closely relates to criteria number 2 (underlined above), which consists of two determinations: 1) whether the quantity of the water is inadequate to meet the domestic needs, and 2) whether additional quantities cannot be reasonably be developed. A discussion of these determinations as they relate to the proposed water service extension is provided below.

- o Inadequate Quantity – On May 6, 2014 and July 15, 2014, the Humboldt County Division of Environmental Health inspected springs used as a domestic water source

for the affected properties. According to property owners, water production for the springs have decreased over the past few years to the extent that water must be trucked to storage tanks beginning in late spring/early summer. At the time of the inspections, there were no visible inflow of water into the spring collection units. There was also concern that the collection unit and appurtenant components serving APNs 200-181-025 & -027 lacked adequate features to prevent external sources of contamination from entering the water supply.

- o *Development of Additional Quantities – LAFCo staff contacted the Palmer Creek CSD and discussed alternate methods for property owners to obtain potable water, including drilling private groundwater wells or installing additional storage capacity. The Palmer Creek CSD noted that there are very high levels of iron and manganese in the groundwater. While there are exceptions, including an active private well on Valley Avenue within the District, the Palmer Creek CSD indicated that most property owners have opted to connect to the District's system which is designed to remove iron and manganese from the groundwater. The properties in question have relied on onsite water storage tanks (between 1,000 and 3,000 gallons) and the purchase of water delivered by trucks during the dry weather season. While additional storage could be installed, the high costs and regulatory uncertainties surrounding bulk water sales presents its own challenges for customers.*

Environmental Review

All matters that involve discretionary action are subject to the applicable provisions of the California Environmental Quality Act (CEQA). If there has been no environmental determination made by the applying agency, LAFCo will serve as the Lead Agency and shall prepare the required environmental analysis. Such a determination shall be required prior to authorization of a service extension.

LAFCo staff has determined the proposed water service extension is a project under CEQA, but qualifies for an exemption from further review pursuant to CEQA Guidelines Section 15303(d), New Construction or Conversion of Small Structures, which exempts the construction and location of water mains and other utility extensions of reasonable length to serve such construction.

RECOMMENDATION

Staff recommends the Commission approve the extension of water services outside the Palmer Creek CSD boundary to APNs 200-181-014, -025, and -027, as submitted by the District (Option 1). Connection to the Palmer Creek CSD water system would eliminate ongoing uncertainties and ensure occupants a continuous supply of safe water. It is recommended that the approval include the following standard conditions:

- o The Palmer Creek CSD and property owners of the affected parcels shall enter into a recorded Covenant and Agreement Regarding Water Service to include a provision that limits the extension of water services to the existing permitted structures on the affected parcels, and not to any other properties. Any expansion or intensification of water services on said properties shall be considered a new request, subject to LAFCo review. This Covenant and Agreement shall automatically terminate at such time as the properties are annexed to the Palmer Creek CSD.

- o A portion of the service extension work occurs within the right of way of Palmer Boulevard (3H065) a paved, county maintained road. Any work performed within the county maintained right of way will require an encroachment permit issued by the Land Use Division of the Humboldt County Public Works Department. The Palmer Creek CSD shall provide LAFCo with a copy of the encroachment permit.
- o The Palmer Creek CSD shall provide LAFCo with final plans and recorded easements showing the location of all water infrastructure improvements.
- o All LAFCo fees must be paid in full prior to the extension of service authorization becoming effective.

ALTERNATIVES FOR COMMISSION ACTION

Staff has identified three options for Commission consideration with respect to the service extension request. These options are summarized below.

- o Option 1 (Recommended): Adopt the draft resolution identified as Attachment A, approving the request with the recommended conditions along with any desired changes as requested by members.
- o Option Two: Continue consideration of the item to the next regular meeting and provide direction to staff for additional information as needed.
- o Option Three: Disapprove the proposal. Disapproval would statutorily prohibit the initiation of a similar proposal for one year unless a request for reconsideration is filed and approved within 30 days of Commission action.

PROCEDURES FOR CONSIDERATION

The following procedures are recommended with respect to the Commission's consideration of this item:

- A. Receive verbal report from staff
- B. Invite public testimony
- C. Discuss item and consider action on recommendation:

"I move to adopt Resolution No. 14-08, authorizing the Palmer Creek Community Services District to extend water services outside District boundaries to APNs 200-181-014, 200-181-025, and 200-181-027, as described in the staff report, subject to the recommended conditions and modifications."

Attachments:

Attachment A: Resolution No. 14-08

Attachment B: Application form and supporting materials

Attachment C: District Annexation Agreements

Cc: Kevin Farmer, Palmer Creek CSD General Manager

RESOLUTION NO. 14-08**AUTHORIZING THE PALMER CREEK COMMUNITY SERVICES DISTRICT
TO PROVIDE WATER SERVICES OUTSIDE DISTRICT BOUNDARIES
TO APN 200-081-014, 200-081-025, & 200-081-027**

WHEREAS, the Humboldt Local Agency Formation Commission (hereinafter referred to as "Commission") is responsible for authorizing cities and special districts to provide new or extended services by contract or agreement outside its jurisdictional boundaries in accordance with California Government Code Section 56133; and

WHEREAS, the Commission received an application from the Palmer Creek Community Services District requesting to extend water services outside its jurisdictional boundaries and outside its sphere of influence to APNs 200-081-014, 200-081-025, and 200-081-027 in response to an impending threat to public health and safety; and

WHEREAS, the Commission reviewed and considered the Executive Officer's report and recommendation; and

WHEREAS, the Commission heard and fully considered all the evidence presented on the proposal at a public meeting held on December 17, 2014.

NOW, THEREFORE, BE IT RESOLVED by the Commission as follows:

1. The Commission, as lead agency, finds that the proposal is categorically exempt from further review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15303(d), New Construction or Conversion of Small Structures, which exempts the construction and location of water mains and other utility extensions of reasonable length to serve such construction, and directs the Executive Officer to file a Notice of Determination with the Humboldt County Clerk.
2. The Commission has considered the factors determined to be relevant to this proposal, including, but not limited to, Sphere of Influence and General Plan consistency, the Palmer Creek CSD Municipal Service Review, and other factors specified in Government Code Section 56133, and as described in the staff report.
3. The Commission authorizes the Palmer Creek CSD to provide water services outside its jurisdictional boundary to APNs 200-081-014, 200-081-025, and 200-081-027, subject to the following conditions:
 - a. The Palmer Creek CSD and property owners of the affected parcels shall enter into a recorded Covenant and Agreement Regarding Water Service to include a provision that limits the extension of water services to the existing permitted structures on the affected parcels, and not to any other properties.

Any expansion or intensification of water services on said properties shall be considered a new request, subject to LAFCo review. This Covenant and Agreement shall automatically terminate at such time as the properties are annexed to the Palmer Creek CSD.

- b. A portion of the service extension work occurs within the right of way of Palmer Boulevard (3H065) a paved, county maintained road. Any work performed within the county maintained right of way will require an encroachment permit issued by the Land Use Division of the Humboldt County Public Works Department. The District shall provide LAFCo with a copy of the encroachment permit.
- c. The Palmer Creek CSD shall provide LAFCo with final plans and recorded easements showing the location of all water infrastructure improvements.
- d. All LAFCo fees must be paid in full prior to the extension of service authorization becoming effective.

PASSED AND ADOPTED at a meeting of the Humboldt Local Agency Formation Commission on the 17th of December, 2014, by the following roll call vote:

AYES:	Commissioners:
NOES:	Commissioners:
ABSENT:	Commissioners:
ABSTAIN:	Commissioners:

Virginia Bass, Chair
Humboldt LAFCo

Attest:

George Williamson, Executive Officer
Humboldt LAFCo



**APPLICATION FORM
FOR CITIES AND DISTRICTS TO PROVIDE SERVICES
OUTSIDE AGENCY BOUNDARIES**

1. GENERAL INFORMATION

A. Applicant (City or District): **Palmer Creek Community Services District**

B. Applicant Contact

Name	Kevin Farmer, District Manager Palmer Creek CSD
Address	PO Box 309, Fortuna, CA 95540
Telephone	707-725-0544
E-mail	pccsd@humboldt1.com

C. Property owner(s)

Name	John and Catherine Stibi
Address	1011 Palmer Boulevard, Fortuna CA 95540
Telephone	707-726-7719
E-mail	cstibi@sonic.net

Name	Dennis Wendt
Address	390 Schirman Way, Fortuna CA 95540
Telephone	707-599-6835
E-mail	wendtconstruction@sbcglobal.net

Name	Laurence and Lisa Hindley
Address	320 Schirman Way, Fortuna CA 95540
Telephone	
E-mail	

D. Affected Property Address/Location:

The proposed out of area service is requested for three parcels totaling 34.8 acres. According to the Humboldt County WebGIS, the parcel sizes range from 6.0 acres to 19.5 acres. All of the parcels are developed with single-family residences that are currently accessed via Palmer boulevard (County ROW) and Shirman Way (private ROW). The affected properties are located in the Palmer Creek area, north of the City of Fortuna. Site addresses are provided below:

Stibi Property: 1011 Palmer Boulevard, Fortuna CA 95540
Wendt Property: 390 Schirman Way, Fortuna CA 95540
Hindley Property: 320 Schirman Way, Fortuna CA 95540

E. Assessor's Parcel Number(s):

Stibi Property: APN 200-181-014
Wendt Property: APN 200-181-025
Hindley Property: APN 200-181-027

F. Type of Service(s) to be Provided:

Water supplied by the Palmer Creek CSD.

2. JUSTIFICATION

A. Is the reason for application a public health or safety threat to residents (e.g., a failing septic system or contaminated water supply)?

YES ☒ NO ☐

If yes, please attach documentation and state problem:

On May 6, 2014 and July 15, 2014, the Humboldt County Division of Environmental Health inspected springs used as a domestic water source for the affected properties (see enclosed letters). According to property owners, water production for the springs have decreased over the past few years. At the time of the inspection, there was no visible inflow of water into the spring collection units. Water production from the spring has decreased to the extent where water must be trucked to storage tanks. Connection to the Palmer Creek CSD water system would eliminate ongoing uncertainties and ensure occupants a continuous supply of safe water.

If no, what is the reason for application?

N/A

B. Is the affected property to be served within the applicant city or district's sphere of influence?

YES ☐ NO ☒

C. Explain why a jurisdictional change (e.g., annexation) is not being considered at this time as an alternative to providing services outside the agency's boundaries.

There is an immediate need to process the emergency out of agency service request and supply the affected properties with safe, reliable water. Processing the out of agency service request prior to the annexation application will allow the hookups prior to the rainy season.

D. Is annexation of the affected property anticipated in the future?

YES ☒ NO ☐

If yes, please describe district's plans and timelines, or other relevant information:

It is anticipated that an annexation application and associated fee will be on file with Humboldt LAFCo at the time of processing the out of area request.

3. LAND USES AND SERVICES

A. What is the existing use of the site?

All of the affected properties are developed with single-family residences. Additional parcel-specific information is provided below:

APN 200-181-014 (Stibi) is a 19.5-acre parcel. According to the Humboldt County WebGIS, the parcel has a Timber Production (T) land use designation under the Fortuna Area Community Plan in the Humboldt County General Plan and a Timber Production Zone (TPZ) designation under the Humboldt County Zoning Code. This parcel is accessed by Palmer Boulevard.

APN 200-181-025 (Wendt) is a 9.3-acre parcel. According to the Humboldt County WebGIS, the parcel has an Agricultural Suburban (AS) land use designation under the Fortuna Area Community Plan in the Humboldt County General Plan and an Agriculture General (AG) designation under the Humboldt County Zoning Code. This parcel is accessed by Schirman Way, a private-road off of Palmer Boulevard.

APN 200-181-027 (Hindley) is a 6.0-acre parcel. According to the Humboldt County WebGIS, the parcel has an Agricultural Suburban (AS) land use designation under the Fortuna Area Community Plan in the Humboldt County General Plan and an Agriculture General (AG) designation under the Humboldt County Zoning Code. This parcel is accessed by Schirman Way, a private-road off of Palmer Boulevard.

B. Is a change in use proposed? If yes, please provide a description of the change.

No change in use is proposed.

C. Is development proposed?

YES ☐ NO ☒

If yes, please provide a description of the project and indicate whether discretionary approvals (e.g., use permit, subdivision lot line adjustment) are required. Provide any supporting development documentation.

N/A

D. Describe the physical on and off site improvements needed to extend services to the subject property. Please be specific about the location of existing facilities and the location and extent of the proposed connections.

A proposed 4-inch water main would be connected to an existing water main in Palmer Boulevard. The proposed water main would extend along a portion of the Schirman Way right-of way (private road) and private property to a metered location on APN 200-181-014 (Stibi). Three meters would be set along with a proposed 2-inch blow off. Easements would be required on ANPs 200-191-054 and 200-181-014. Additional water laterals and booster pumps would be required for each of the three residences. County encroachment permit required.

E. Indicate any improvement costs and connection fees the city or district may charge, and method of financing, if applicable.

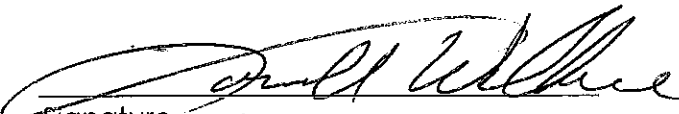
Associated improvement costs would be borne by the property owners, including Humboldt County encroachment permits, Palmer Creek CSD hookup fees, and LAFCo fees.

F. Please list any desired conditions, restrictions or terms to be added to the LAFCo approval.

Affected property owners will consent to annexation and file an annexation application in form provided by Humboldt LAFCo.

4. INDEMNIFICATION

As part of this application, the Applicant agrees to indemnify, hold harmless and reimburse LAFCo for all reasonable expenses and attorney fees in connection with the defense of LAFCo and for any damages, penalties, fines or other costs imposed upon or incurred by LAFCo should LAFCo be named as a party in any litigation or administrative proceeding in connection with his/her/its application. This obligation includes the obligation to reimburse LAFCo, its officers, employees and agents for any court costs, or attorney fees, which LAFCo, its officers, employees or agents are required by a court to pay, as a result of such claim, action or proceeding. LAFCo agrees to notify the Applicant of any such claim, action or proceeding promptly after LAFCo becomes aware that such action has been taken. LAFCo agrees to cooperate in the defense provided by the Applicant. Additionally, LAFCo may participate in the defense of the claim, action or proceeding at LAFCo's expense, but such participation will not relieve the Applicant of Applicant's defense and indemnification obligations. However, if Applicant defends LAFCo with a reservation of rights or with any conditions other than an unqualified and full agreement to defend and indemnify, at the sole discretion of LAFCo, Applicant will also pay reasonable attorney's fees and expenses for separate counsel, selected by LAFCo, for LAFCo's participation in the defense.


Signature


Title


Date

Found pipe per Book 12, Parcel Maps, Page 97; and unrecorded surveys by Oscar Larson for John G. Brown and Al Belland

JOHN + KATHY STIBI

DENNIS WENDT 390 SCHIRMAN WAY

LOT 1
9.24 ACRES

AP # 200-181-025

NOTE:
Lot 4 is subject to a development agreement on file with the Humboldt County Planning Department.

LOT 2
6.00 ACRES

LOT 4
5.00 ACRES

LOT 3
5.34 ACRES

PROPOSED 2" BLDW OFF

Found 1" IP at fence corner accepted as corner set by Bower in unrecorded survey for Schirman.

STIBI

N89°58'17"E 200.00'
(N89°55'E 200.00')

Found pipe per Book 15, Parcel Maps, Page 114

EXISTING ROAD

EXIST 6" HYDRANT

R/W For Ingress, egress, public utilities purposes Vol. 1722 O.R. Page 1000

Palmer Blvd. per Book 15 Parcel Maps, Page 114

S81°16'46"W 29.72'

Palmer Blvd. County Rd. No. 3H065

Found pipe per Book 15, Parcel Maps, Page 114

PROPOSED 4" VALVE

WATER METER LOC.

PROPOSED WATER MAIN 4" C-900 CL 150

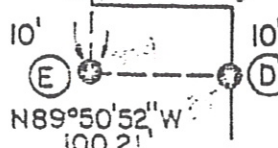
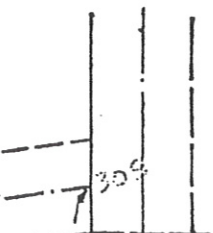
REMAINDER

Per. Vol. 782 O.R., Page 275

480' From Existing Hydrant

SEE DETAIL "A" SHEET 2

N89°50'52"W 100.21'

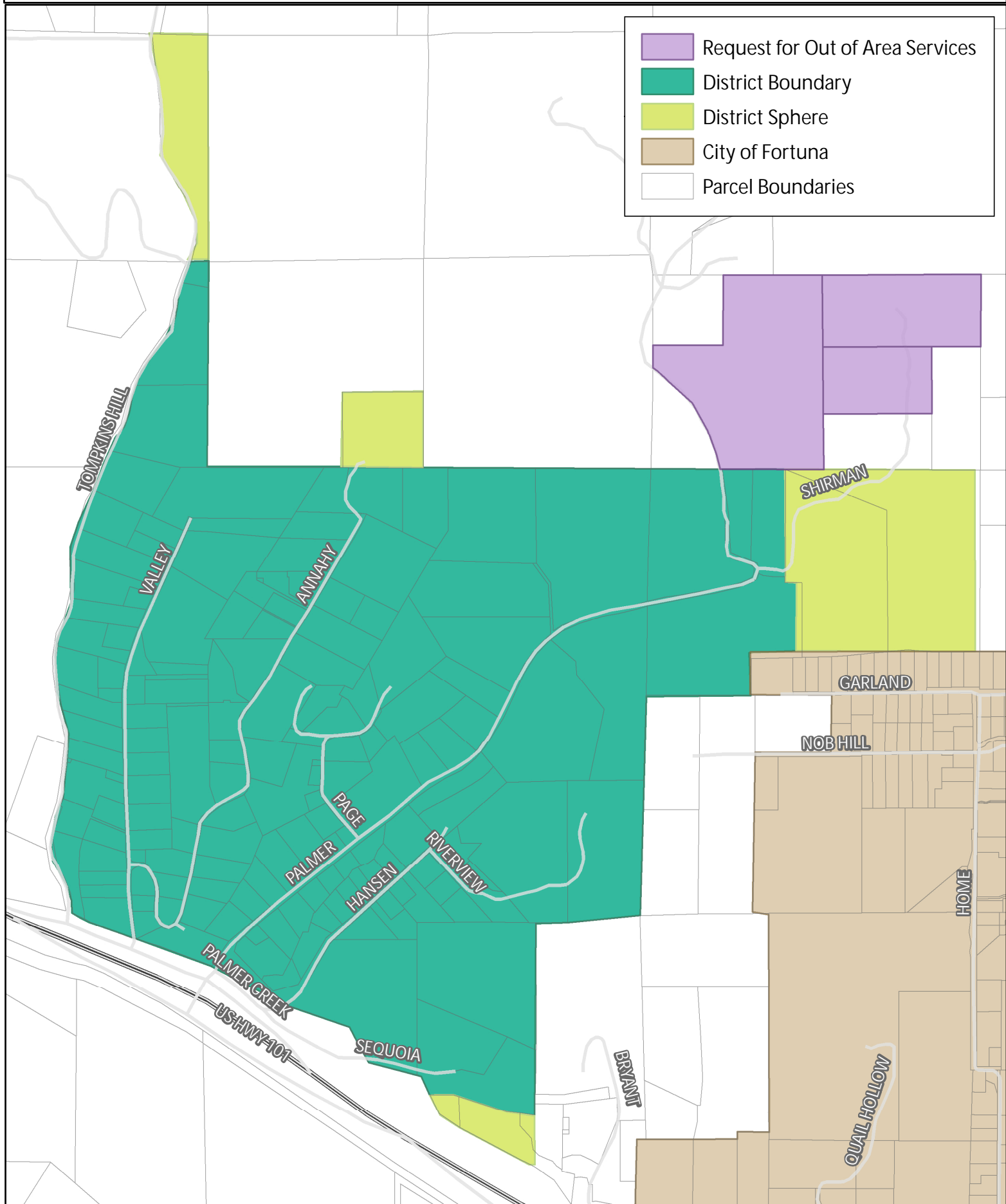


North line of Ecble

per Vol. 555 O.R. Page 275

10°14'W 1052.6 per Larson Survey

Palmer Creek Community Services District





Environmental Health
100 H Street, Suite 100, Eureka, CA 95501
phone: (707) 445-6215 fax: (707) 441-5699

May 9, 2014

Palmer Creek Community Services District
P.O. Box 309
Fortuna, CA 95540

Subject: Private Water Supply serving 1011 Palmer Blvd., Fortuna, CA
APN: 200-181-014

To Whom It May Concern

On May 6, 2014 personnel from the Humboldt County Division of Environmental Health inspected the spring used as a domestic water source for the aforementioned residence. The spring is developed with a collection unit set below the ground surface on a hillside above the residence. Black plastic pipe runs from the subsurface unit to a collection tank at a lower location. Apparently water production from the spring has decreased over the past few years. There was no water discharge observed from the spring at the time of the inspection. Although the appurtenant components of the spring collection system appear to be in good condition the absence of water discharge from the spring itself this early in the year presents a hardship to the property owners.

A reliable supply of potable water is a necessary requisite for domestic water users to avoid unwanted waterborne health impacts. The Humboldt County Division of Environmental Health supports residential connection to a public water supply whenever possible. The connection of the residence at 1011 Palmer Boulevard to the Palmer Creek Community Services District water system would eliminate ongoing uncertainties and ensure occupants a continuous supply of safe water.

If you have any further questions regarding this matter please contact me at (707)268-2209.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Spinosa'.

David Spinosa, REHS
Senior Environmental Health Specialist



Environmental Health
100 H Street, Suite 100, Eureka, CA 95501
phone: (707) 445-6215 fax: (707) 441-5699

July 16, 2014

Palmer Creek Community Services District
P.O. Box 309
Fortuna, CA 95540

Subject: Private Water Supply serving 320 & 390 Schirman Way, Fortuna, CA
APN: 200-181-025 & -027

To Whom It May Concern

On July 15, 2014 personnel from the Humboldt County Division of Environmental Health inspected the spring used as a domestic water source for the aforementioned residences. The spring is developed with cylindrical concrete culvert sections extending below the ground surface at the base of a hillside 500 – 600 feet below the residences. There was no visible inflow of water into the spring collection unit at the time of the inspection; only a small amount of standing water. The concrete collection unit and appurtenant components lacked adequate features to prevent external sources of contamination from entering the water supply. Water production from the spring has decreased to the extent where water must to be trucked to storage tanks. The lack of sufficient water discharge from the spring presents the homeowners served by it with an unnecessary reliance on domestic water haulers.

A reliable supply of potable water is a necessary requisite for domestic water users to avoid unwanted waterborne health impacts. The Humboldt County Division of Environmental Health supports residential connection to a public water supply whenever possible. The connection of the residences at 320 and 390 Schirman Way to the Palmer Creek Community Services District water system would eliminate ongoing uncertainties and ensure occupants a continuous supply of safe water.

If you have any further questions regarding this matter please contact me at (707)268-2209.

Sincerely,

A handwritten signature in black ink, appearing to read 'David Spinoso'.

David Spinoso, REHS
Senior Environmental Health Specialist

2014-017890-6
 Recorded - Official Records
 Humboldt County, California
 Carolyn Crnich, Recorder
 Recorded by: PALMER CREEK CSD
 Rec Fee: \$28.00

Recorded at the request of and for the
 Benefit of the PALMER CREEK COMMUNITY SERVICES DISTRICT

When recorded return to:

SECRETARY
 PALMER CREEK COMMUNITY SERVICES DISTRICT
 P.O. BOX 309
 FORTUNA, CA 95540

Clerk: LH Total: \$28.00
 Oct 17, 2014 at 14:50:50

ANNEXATION AGREEMENT

This agreement is entered into this 18th day of September 2014 by and between Palmer Creek Community Services District, hereinafter referred to as DISTRICT, and **Laurence and Elisa Hindley** A.P. #200-181-027 hereinafter referred to as PROPERTY OWNER. **Hindley**

WHEREAS, PROPERTY OWNER HAS REQUESTED DISTRICT provide water to an existing home located on that real property described in attached Exhibit A; and

WHEREAS, said real property is located outside DISTRICT boundary; and

WHEREAS, DISTRICT Board of Directors has considered this a hardship case.

WHEREAS, Department of Public Health has determined that a lack of sufficient water discharge from the spring presents the PROPERTY OWNER with unreliable source of safe drinking water. The connection of the residence to the DISTRICT would ensure a continuous supply of safe water.

NOW, THEREFORE, the parties hereto, for and in consideration of the premises and agreement of the other do covenant and agree that:

I. DISTRICT hereby agrees to:

A. Provide water to an existing home located on PROPERTY OWNER'S real property described in attached Exhibit A, in accordance with the terms of DISTRICT ordinances regulating and providing for connections to the DISTRICT water system, and conditioned upon the availability of water service to said real property.

B. Accept ownership of, and maintain the water main to be installed by PROPERTY OWNER once DISTRICT determines the water main meets all specifications of DISTRICT.

II. PROPERTY OWNER hereby agrees that:

A. PROPERTY OWNER will petition upon request of DISTRICT, for the annexation of said real property to DISTRICT, and further agree that they shall actively pursue annexation and shall file no objections to such annexation at the public hearing held thereon by the Board of Directors of DISTRICT and Local Agency Formation Commission.

B. DISTRICT may disconnect any water service to said real property and all fees paid in connection therewith shall be forfeited in the event of PROPERTY OWNER'S failure to comply with the above stipulations, or the terms of any other agreement executed concurrently herewith.

C. DISTRICT is not obligated to provide water to any subsequent parcels resulting from a subdivision of said real property, as access to DISTRICT water services does NOT run with the land under the terms of this agreement once said real property is subdivided.

D. PROPERTY OWENER will install a water main from DISTRICT'S existing main to PROPERTY OWNER'S property, together with all other improvements necessary to provide water to the subject property, to the specifications of the DISTRICT, at the sole expense of PROPERTY OWNER.

III. GENERAL

A. Interest of Property Owner. PROPERTY OWNER represents that they have a legal interest in the real property described in Exhibit A, and that all other persons holding legal or equitable interest in the property are to be bound by this Agreement.

B. Succession, Binding Effect, and Assignments. Whenever this Agreement refers to one of the parties or to any governmental agency it also refers to any successor in interest to that party or agency. The terms of this Agreement shall constitute a covenant appurtenant to the subject Real Property described in Exhibit A, and said Real Property shall be held, conveyed, encumbered, used, and improved subject to the terms and conditions of this Agreement.

C. Notices. All notice required or provided for under this Agreement shall be in writing and delivered in person or sent by certified mail, postage prepaid. Notice required to be given to PROPERTY OWNER shall be addressed as follows:

Laurence and Elisa Hindley
320 Schirman Way
Fortuna, CA 95540

A party may change the address by giving notice in writing to the other party and thereafter notices shall be addressed and transmitted to the new address.

D. Amendment. This agreement shall not be altered or amended except in writing executed between the parties. No such amendment shall be effective without prior approval of the parties.

E. Governing Law. This Agreement shall be construed in accordance with, and governed by, the laws of the State of California, unless otherwise governed by Federal Law.

F. Violation of Annexation Agreement. In the event of the violation of any of the provisions of this agreement by PROPERTY OWNER, the DISTRICT shall give written notice of said violation to PROPERTY OWNER by registered or certified mail. If such violation is not corrected to the satisfaction of the DISTRICT within (60) days after the date such notice is postmarked, or within such further time as the DISTRICT may, without further prior notice, declare in writing a default under this Agreement effective on the date of such declaration of default. Upon any such declaration of default, the DISTRICT may apply to any court, State or Federal, for specific performance of this Agreement.

G. Partial Invalidity. If any provision of this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions thereof shall not in any way be affected or impaired thereby.

H. Waiver. No waiver by the DISTRICT or any breach of or default under this Agreement shall be deemed to be a waiver of any other or subsequent breach hereunder.

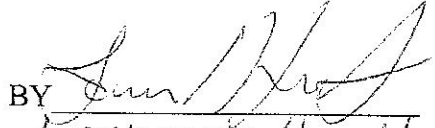
IN WITNESS THEREOF, this Agreement has been executed by the parties on the day and year first above written.

Palmer Creek Community Services Dist. (PROPERTY OWNER


BY


District Board Chairman
LOWELL WALLACE

BY


Laurence Hindley
Name, Property Owner

BY


Elisa A. Hindley
Name, Property Owner

Attach Notary

ACKNOWLEDGMENT

State of California

County of Humboldt

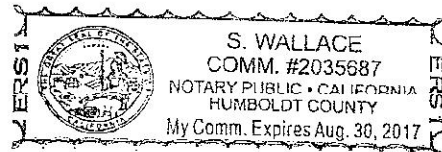
On 8-4-17 before me, S. Wallace, Notary Public
(insert name and title of the officer)

personally appeared Laurean Biedler and Elva Biedler
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.

Signature [Signature] (Seal)



ACKNOWLEDGMENT

State of California

County of Humboldt

On 10-17-14 before me, D. Simon, Notary Public
(insert name and title of the officer)

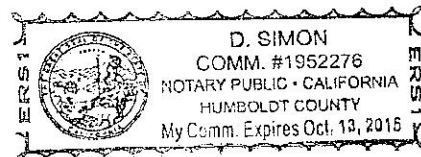
personally appeared Lowell Wallace
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.

Signature: D. Simon

(Seal)



Recorded at the request of and for the
Benefit of the PALMER CREEK COMMUNITY SERVICES DISTRICT

When recorded return to:

SECRETARY
PALMER CREEK COMMUNITY SERVICES DISTRICT
P.O. BOX 309
FORTUNA, CA 95540

Clerk: LH Total: \$28.00
Oct 17, 2014 at 14:50:50

ANNEXATION AGREEMENT

This agreement is entered into this 18th day of September 2014 by and between Palmer Creek Community Services District, hereinafter referred to as DISTRICT, and **John and Catherine Stibi A.P. #200-181-014** hereinafter referred to as PROPERTY OWNER. Stibi

WHEREAS, PROPERTY OWNER HAS REQUESTED DISTRICT provide water to an existing home located on that real property described in attached Exhibit A; and

WHEREAS, said real property is located outside DISTRICT boundary; and

WHEREAS, DISTRICT Board of Directors has considered this a hardship case.

WHEREAS, Department of Public Health has determined that a lack of sufficient water discharge from the spring presents the PROPERTY OWNER with unreliable source of safe drinking water. The connection of the residence to the DISTRICT would ensure a continuous supply of safe water.

NOW, THEREFORE, the parties hereto, for and in consideration of the premises and agreement of the other do covenant and agree that:

I. DISTRICT hereby agrees to:

A. Provide water to an existing home located on PROPERTY OWNER'S real property described in attached Exhibit A, in accordance with the terms of DISTRICT ordinances regulating and providing for connections to the DISTRICT water system, and conditioned upon the availability of water service to said real property.

B. Accept ownership of, and maintain the water main to be installed by PROPERTY OWNER once DISTRICT determines the water main meets all specifications of DISTRICT.

II. PROPERTY OWNER hereby agrees that:

A. PROPERTY OWNER will petition upon request of DISTRICT, for the annexation of said real property to DISTRICT, and further agree that they shall actively pursue annexation and shall file no objections to such annexation at the public hearing held thereon by the Board of Directors of DISTRICT and Local Agency Formation Commission.

further time as the DISTRICT may, without further prior notice, declare in writing a default under this

G. Partial Invalidity. If any provision of this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions thereof shall not in any way be affected or impaired thereby.


H. Waiver. No waiver by the DISTRICT or any breach of or default under this Agreement shall be deemed to be a waiver of any other or subsequent breach hereunder.

IN WITNESS THEREOF, this Agreement has been executed by the parties on the day and year first above written.

Palmer Creek Community Services Dist. (PROPERTY OWNER)

BY 

District Board Chairman
LOWELL WALLACE

BY 
Name, Property Owner

BY 
Name, Property Owner

Attach Notary

ACKNOWLEDGMENT

State of California

County of Humboldt

On 8-13-12 before me, S. Wallace Notary Public
(insert name and title of the officer)

personally appeared John Stib. and Catherine Stib.
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.

Signature [Signature] (Seal)

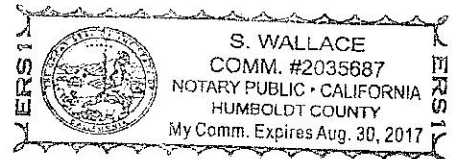


EXHIBIT 'A'

All those portions of the Southwest Quarter of the Northeast Quarter and of the Northwest Quarter of the Southeast Quarter of Section 27, Township 2 North, Range 1 West, Humboldt Meridian, described as follows:

BEGINNING at the Southwest corner of said Northwest Quarter of the Southeast Quarter; and running
thence East on the Subdivision Line, 637 feet to the Southwest corner of the parcel of land conveyed to John W. Cox,
et ux, by deed recorded January 18, 1949, under Recorder's File No. 497, Humboldt County Records;
thence North along the West line of said Cox parcel, 220 feet to the Northwest corner thereof;
thence East along the North line of said Cox parcel, 320 feet;
thence North 0 degrees 07-1/2 minutes East, 449.9 feet;
thence South 89 degrees 55 minutes West, 100 feet;
thence North 0 degrees 07-1/2 minutes East, 636 feet to the point of beginning of the parcel of land to be herein
described;
thence North 89 degrees 55 minutes East, 200 feet;
thence North 0 degrees 07-1/2 minutes East, 1175.3 feet to the South line of the strip of land conveyed to Albina
Alexander, et al, by deed recorded May 20, 1918 in Book 142 of Deeds, page 343, Humboldt County Records;
thence Westerly along the South line of the last mentioned strip of land, 595.6 feet to the Northeast corner of the
parcel of land conveyed to W.S. Pollard, by deed recorded May 27, 1918, in Book 142 of Deeds, page 356, Humboldt
County Records;
thence South along the East line of said Pollard parcel, 420 feet to the Southeast corner thereof;
thence West along the South line of said Pollard parcel, 420 feet to the quarter section line running North and South
through the center of said Section 27;
thence South on said quarter section line, about 180 feet to Pollard Road;
thence is a general Southerly direction along said Pollard Road to a point which bears South 89 degrees 55 minutes
West from the point of beginning;
thence North 89 degrees 55 minutes East, 530 feet, more or less, to the point of beginning.

Recorded at the request of and for the
Benefit of the PALMER CREEK COMMUNITY SERVICES DISTRICT

When recorded return to:

SECRETARY
PALMER CREEK COMMUNITY SERVICES DISTRICT
P.O. BOX 309
FORTUNA, CA 95540

Clerk: LH Total: \$28.00
Oct 17, 2014 at 14:50:50

ANNEXATION AGREEMENT

This agreement is entered into this 17th day of September, 2014, by and between Palmer Creek Community Services District, hereinafter referred to as DISTRICT, and **Dennis Wendt A.P. #200-181-025** hereinafter referred to as PROPERTY OWNER.

WHEREAS, PROPERTY OWNER HAS REQUESTED DISTRICT provide water to an existing home located on that real property described in attached Exhibit A; and

WHEREAS, said real property is located outside DISTRICT boundary; and

WHEREAS, DISTRICT Board of Directors has considered this a hardship case.

WHEREAS, Department of Public Health has determined that a lack of sufficient water discharge from the spring presents the PROPERTY OWNER with unreliable source of safe drinking water. The connection of the residence to the DISTRICT would ensure a continuous supply of safe water.

NOW, THEREFORE, the parties hereto, for and in consideration of the premises and agreement of the other do covenant and agree that:

I. DISTRICT hereby agrees to:

A. Provide water to an existing home located on PROPERTY OWNER'S real property described in attached Exhibit A, in accordance with the terms of DISTRICT ordinances regulating and providing for connections to the DISTRICT water system, and conditioned upon the availability of water service to said real property.

B. Accept ownership of, and maintain the water main to be installed by PROPERTY OWNER once DISTRICT determines the water main meets all specifications of DISTRICT.

II. PROPERTY OWNER hereby agrees that:

A. PROPERTY OWNER will petition upon request of DISTRICT, for the annexation of said real property to DISTRICT, and further agree that they shall actively pursue annexation and shall file no objections to such annexation at the public hearing held thereon by the Board of Directors of DISTRICT and Local Agency Formation Commission.

B. DISTRICT may disconnect any water service to said real property and all fees paid in connection therewith shall be forfeited in the event of PROPERTY OWNER'S failure to comply with the above stipulations, or the terms of any other agreement executed concurrently herewith.

C. DISTRICT is not obligated to provide water to any subsequent parcels resulting from a subdivision of said real property, as access to DISTRICT water services does NOT run with the land under the terms of this agreement once said real property is subdivided.

D. PROPERTY OWNER will install a water main from DISTRICT'S existing main to PROPERTY OWNER'S property, together with all other improvements necessary to provide water to the subject property, to the specifications of the DISTRICT, at the sole expense of PROPERTY OWNER.

III. GENERAL

A. Interest of Property Owner. PROPERTY OWNER represents that they have a legal interest in the real property described in Exhibit A, and that all other persons holding legal or equitable interest in the property are to be bound by this Agreement.

B. Succession, Binding Effect, and Assignments. Whenever this Agreement refers to one of the parties or to any governmental agency it also refers to any successor in interest to that party or agency. The terms of this Agreement shall constitute a covenant appurtenant to the subject Real Property described in Exhibit A, and said Real Property shall be held, conveyed, encumbered, used, and improved subject to the terms and conditions of this Agreement.

C. Notices. All notice required or provided for under this Agreement shall be in writing and delivered in person or sent by certified mail, postage prepaid. Notice required to be given to PROPERTY OWNER shall be addressed as follows:

Dennis Wendt
390 Schirman Way
Fortuna, CA 95540

A party may change the address by giving notice in writing to the other party and thereafter notices shall be addressed and transmitted to the new address.

D. Amendment. This agreement shall not be altered or amended except in writing executed between the parties. No such amendment shall be effective without prior approval of the parties.

E. Governing Law. This Agreement shall be construed in accordance with, and governed by, the laws of the State of California, unless otherwise governed by Federal Law.

F. Violation of Annexation Agreement. In the event of the violation of any of the provisions of this agreement by PROPERTY OWNER, the DISTRICT shall give written notice of said violation to PROPERTY OWNER by registered or certified mail. If such violation is not corrected to the satisfaction of the DISTRICT within (60) days after the date such notice is postmarked, or within such further time as the DISTRICT may, without further prior notice, declare in writing a default under this Agreement effective on the date of such declaration of default. Upon any such declaration of default, the DISTRICT may apply to any court, State or Federal, for specific performance of this Agreement.

G. Partial Invalidity. If any provision of this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions thereof shall not in any way be affected or impaired thereby.

H. Waiver. No waiver by the DISTRICT or any breach of or default under this Agreement shall be deemed to be a waiver of any other or subsequent breach hereunder.

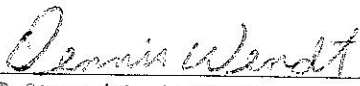
IN WITNESS THEREOF, this Agreement has been executed by the parties on the day and year first above written.

Palmer Creek Community Services Dist. (PROPERTY OWNER

BY


District Board Chairman
LOWELL LASHAE

BY


DENNIS WENDT
Name, Property Owner

BY

Name, Property Owner

Attach Notary

ACKNOWLEDGMENT

State of California

County of Humboldt

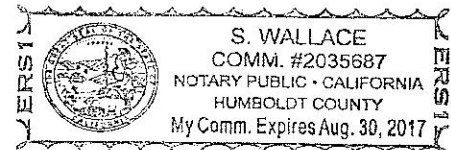
On 9/15/16 before me, S. Wallace, Notary Public
(insert name and title of the officer)

personally appeared Jose Alcaraz
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.

Signature [Signature] (Seal)



ACKNOWLEDGMENT

State of California

County of Humboldt

On 10/17/14 before me, D. Simon Notary Public
(insert name and title of the officer)

personally appeared Lowell Wallace
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.

Signature D. Simon (Seal)

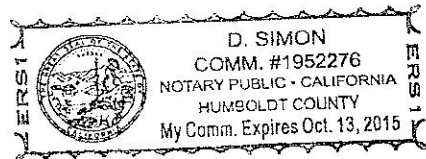


EXHIBIT 'A'

That real property situate in the County of Humboldt, State of California, described as follows:

PARCEL ONE

Lot 1 of Tract No. 217, as shown on the Subdivision Map thereof filed May 3, 1984, in the office of the Humboldt County Recorder, in Book 18 of Maps, Pages 33 and 34.

PARCEL TWO

A nonexclusive easement for ingress, egress and public utilities over a strip of land 40 feet in width, the centerline of which is described as follows:

BEGINNING on the East line of Parcel 2 as shown on Parcel Map No. 1778 filed May 28, 1980, in the office of the Humboldt County Recorder, in Book 15 of Parcel Maps, Page 114, at a point lying South 0 degrees 07 minutes 30 seconds West 549.00 feet from the Northeast corner of said Parcel 2;

thence South 83 degrees 39 minutes 28 seconds West, 41.47 feet;

thence North 77 degrees 55 minutes 33 seconds West, 113.19 feet;

thence South 81 degrees 16 minutes 46 seconds West, 29.72 feet to Palmer Boulevard.

BEING the same easement conveyed to Sheila Schirman by Deed recorded January 4, 1984, in Book 1722, Page 1000, and rerecorded January 9, 1984, in Book 1723, Page 144, Humboldt County Official Records.

PARCEL THREE

A nonexclusive easement for ingress, egress and public utilities over that portion of the Remainder Parcel as shown on the Map of said Tract No. 217 lying within Parcel A, and that certain road 50 feet in width shown as Schirman Way on said Map.

PARCEL FOUR

A nonexclusive easement for water supply purposes over that portion of the Remainder Parcel as shown on the Map of said Tract No. 217 lying within Parcel C as shown on said Map.

PARCEL FIVE

A nonexclusive easement for ingress, egress and public utilities over that portion of the Remainder Parcel as shown on the Map of said Tract No. 217 lying within Parcel D as shown on said Map.