

Colusa Local Agency Formation Commission

Regular Meeting Agenda

Thursday – June 6, 2019

3:00 PM

**Board of Supervisors Chambers
546 Jay Street
Colusa, CA.**

1. Call to Order/Roll Call

Commissioners

Denise Carter (Chair, County)
John Loudon (Vice-Chair, County)
Brandon Ash (Public)
Tom Reische (Colusa, City)
Sajit Singh, (Williams, City)

Alternates

Merced Corona (County Alternate)
Roberto Mendoza (City Alternate)
Mary Winters, (Public Member Alternate)

Staff

John Benoit, Executive Officer
P. Scott Browne, Legal Counsel
Lora Ceccon, Clerk to the Commission

2. Consider Minutes from April 4, 2019

a. *Consider approving the April 4, 2019 LAFCo minutes*

3. Public Comment

This is the time for the public to address the Commission on any matter not on the agenda. Testimony related to an item on the agenda should be presented at the time that item is considered

4. Consent Agenda

a. *Payment of claims for the months of April and May 2019*

5. Correspondence:

PUBLIC HEARINGS:

6. Public Hearing: New service authorization for the RD-108 to provide hydroelectric generation services as a participant in the Sites Reservoir Project JPA (LAFCo Project 2019-0002).

a) *Review Executive Officer's report and consider LAFCo Resolution 2019-0003 authorizing the RD-108 to provide hydroelectric services as a participant in the Sites Reservoir Project JPA*

7. Public hearing regarding the final 2019-2020 LAFCo Budget

a. *Review Executive Officer's report and consider LAFCo Resolution 2019-0004, a resolution adopting a final 2019-2020 LAFCo Budget.*

8. Public Hearing regarding the dissolution of the Hazel Court CSA and the Century Ranch Water District (LAFCo Project 2019-0003)

a) *Receive Executive Officer's report and consider Resolution 2019-0005 the dissolution of the Hazel Court CSA and the Century Ranch Water District*

ACTION ITEM:

9. Request from the Glenn-Colusa Irrigation District (GCID) to grant a one-year extension for LAFCo project 2016-0001, an incorporated detachment from GCID.

a) *Consider granting a one-year extension for LAFCo Project 2016-0001 detachment of 208- acres more or less of uninhabited and incorporated territory from the Glenn Colusa Irrigation District.*

10. Executive Officer's Report:

a) *Fire and EMS MSR and SOI update ongoing*

11. LAFCo 101 Presentation by LAFCo Staff – Part II (a general overview of LAFCo – Time Permitting)

12. Commissioner Reports - Discussion

This item is placed on the agenda for Commissioners to discuss items and issues of concern to their constituency, LAFCO, and legislative matters

13. Next Colusa LAFCo meeting: to be determined

Any member appointed on behalf of local government shall represent the interests of the public as a whole and not solely the interest of the appointing authority Government Code Section 56325.1

Pursuant to Government Code Section 54954.2, Commission members may make a brief announcement or report on activities. Commission members may also provide a reference to staff or other resources for factual information, request staff to report back to the Commission at a subsequent meeting concerning any matter, or take action to direct staff to place a matter of business on a future agenda.

Public Comment

Members of the public may address the Commission on items not appearing on the agenda, as well as any item that does appear on the agenda, subject to the following restrictions:

- Items not appearing on the agenda must be of interest to the public and within the Commission's subject matter jurisdiction.
- No action shall be taken on items not appearing on the agenda unless otherwise authorized by Government Code Section 54954.2 (known as the Brown Act, or California Open Meeting Law).
- The total amount of time allotted for receiving public comment may be limited to 15 minutes.
- Any individual's testimony may be limited to 5 minutes. Time to address the Commission will be allocated on the basis of the number of requests received.

Public Hearings

Members of the public may address the Commission on any item appearing on the agenda as a Public Hearing. The Commission may limit any person's input to 5 minutes. Written statements may be submitted in lieu of or to supplement oral statements made during a public hearing.

Agenda Materials

Materials related to an item on this agenda submitted to the Commission after distribution of the agenda are available for review for public inspection in the Colusa County Clerk's office located at the Colusa County Courthouse 546 Jay Street, Colusa CA. [such documents are also available on the Colusa LAFCO website as noted below to the extent practicable and subject to staff's ability to post the documents prior to the meeting].

Accessibility

An interpreter for the hearing-impaired may be made available upon request to the Executive Officer 72 hours before a meeting. The location of this meeting is wheelchair-accessible.

Disclosure & Disqualification Requirements

Pursuant to Government Code Sections 56100.1, 56300(b), 56700.1, and 81000 et seq., and Colusa LAFCO's Policies and Procedures for the Disclosure of Contributions and Expenditures in Support of and Opposition to Proposals, any person or combination of persons who directly or indirectly contribute \$1000 or more or expend \$1000 or more in support of or opposition to a change of organization or reorganization that has been submitted to Colusa LAFCO must comply with the disclosure requirements approved by Colusa LAFCO. These requirements contain provisions for making disclosures of contributions and expenditures at specified intervals. Additional information may be obtained at the Colusa County Elections Department 546 Jay Street, Colusa, CA 95932. (530) 458-0500

A LAFCO Commissioner must disqualify herself or himself from voting on an application involving an "entitlement for use" (such as an annexation or sphere amendment) if, within the last twelve months, the Commissioner has received \$250 or more in campaign contributions from the applicant, any financially interested person who actively supports or opposes the application, or an agency (such as an attorney, engineer, or planning consultant) representing the applicant or an interested party. The law (Government Code Section 84308) also requires any applicant or other participant in a LAFCO proceeding to disclose the contribution amount and name of the recipient Commissioner on the official record of the proceeding.

Contact LAFCO Staff LAFCO staff may be contacted at (530) 458-0593 or by mail at Colusa LAFCO P.O. Box 2694, Granite Bay Ca 95746 or by email at lafco@countyofcolusa.com or j.benoit4@icloud.com

Webpage Reports, agendas, minutes and general information about LAFCO are available on the LAFCO Webpage at www.colusalafco.org

LOCAL AGENCY FORMATION COMMISSION
COLUSA COUNTY
MINUTES OF MEETING
April 4, 2019

PRESENT:

JOHN LOUDON, County Member
SAJIT SINGH, City Member
TOM REISCHE, City Member
DENISE CARTER, Chair, County
MARY WINTERS, Public Alternate

ALSO PRESENT:

P. SCOTT BROWNE, Legal Counsel
JOHN BENOIT, Ex. Officer
MERCED CORONA, County Alt.

1. Call to Order/Roll Call

The meeting was called to order at 3:02 p.m. There was a quorum present.

2. Consider Minutes from March 7, 2019

On motion of J. Loudon, second by M. Winters, the commission approved the minutes of March 7, 2019, motion carried by roll call vote.

3. Public Comment – Bill Vanderwaal, Deputy Manager, Reclamation District 108

Mr. Vanderwaal stated that he submitted a packet to John on Monday; however, John stated that he did not receive it. Mr. Vanderwaal provided John with a hard copy. Because Mr. Vanderwaal will not be available for the next Lafco meeting, he wanted to attend today and provide information. Reclamation District 108 has received authority to participate in hydro-electric power generation projects (Sites Reservoir) through AB 568 (August 2015). However, a sunset clause was included that states authority is granted until January 1, 2021. RD 108's legal counsel has given them direction to proceed seeking authority, to participate in hydro-electric projects, from Lafco. At the same time, they are working with Assembly Member Curry to have the clause legislated out. This is what the application to Lafco is about. Mr. Vanderwaal's understanding is that they are to go to Lafco first and then, once the legislation reverses the clause, Lafco is what controls this. John clarified, stating that it is what was once called a latent power. RD 108 went to the legislature requesting that this activity be added to the list of things reclamation districts can do. They now have to apply to Lafco for permission to do this function; all prescribed in the law. John is not sure if it will get on the next agenda; probably June.

4. Consent Agenda

John added the cost of an advertisement in the Pioneer Review (copy handed out to Lafco members). The invoice was received after the agenda had already been posted.

On motion of M. Winters, second by J. Loudon, the commission approved claims for the month of March 2019, motion carried by roll call vote.

5. Correspondence: Article in "California Special Districts" regarding LAFCo's.

John stated that the tone of the article is somewhat upsetting. And, although he has issues with some of the information, there is some value in the article, and it provides a good history. Read the article and take it lightly, some of the information is incorrect. A short discussion followed.

6. Public hearing regarding the proposed 2019-2020 LAFCo Budget

John stated that the Lafco budget is funded by the cities and county and some processing fees. He advised the Commission that the CALAFCO dues have been increased from \$926.00 to \$1,077.00, a 16.25% increase. Also, the CSDA membership remains at \$500.00 bringing the total for the membership category to \$1,577.00. The A-87 cost has yet to be determined; therefore, \$2,666.00 has been budgeted until we hear from the county; maybe in June. The Reserve Fund has been increased by \$10,000 based on the Commission's desire to increase the reserve fund.

On motion of T. Reische, second by J. Loudon, the commission approved Resolution 2019-0002, A Resolution Adopting a Proposed Budget for 2019/2020; motion carried by roll call vote.

7. Request that LAFCo File 2019-0001, City of Colusa Southwest Annexation and Sphere of Influence amendment be designated as complex projects as defined in the Executive Officer's contract provision 2.1.4 having expended more than 10 hours of staff time and otherwise complex.

John advised the Commission that this project has the potential to be a very complex project. The City of Colusa has submitted a check for 10 hours of work. We are not at the 10 hours yet. John asked if the city would like the check returned or put on deposit. Jesse Cain, City of Colusa Manager, stated that John should deposit the check as credit. This item was included on today's agenda as an acknowledgement that this project will most likely reach 10 hours of work.

8. Executive Officer's Report:

a.) Fire and EMS MSR and SOI update – John has sent out another notice and received three responses; on-going.

9. LAFCo 101 Presentation by LAFCo Staff – Part II (a general overview of LAFCo) – Continued to the next Lafco meeting.

10. Commissioner Reports – Discussion - None

11. Closed Session: Employee Performance Evaluation March 2018 – March 2019 – LAFCo Executive Officer

12. Next Colusa LAFCo meeting: June 6, 2019 – Meeting adjourned 4:34 p.m.

ITEM 4

Colusa Local Agency Formation Commission

CLAIMS

For April and May 2019

Authorize payment of the following claims:

FY 2018-2019 EXPENSES:

Claims for April and May 2019:

April 7, 2019	Frontier Phone Apr 7, 2019	\$ 43.19
May 1, 2019	Staff Svcs and Exp. – Apr 2019	\$ 8,306.30
3.16-18-4.15.19	Legal Svcs. P. Scott Browne	\$ 2,017.70
May 7, 2019	Front. Ph May 7, 2019	\$ 45.04
June 1, 2019	Staff Svcs and Exp May 2019	\$ 6,800.61
4.16.19-5.15.19	Legal Svcs. P. Scott Browne	\$ 2,000.00
May 8, 2019	Legal Notice Pioneer Review	\$ 65.00
TOTAL:		\$ 19,277.84

FY 2019-2020 Expense

May 16.19	SDRMA 19-20 Liability Insurance (FY 19-20)	\$ 1,380.00
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DATED: June 6, 2019

APPROVED: June 6, 2019

Denise Carter, Chair or John Loudon, Vice-Chair
Colusa Local Agency Formation Commission

Attest:

John Benoit
Executive Officer

Shadow Accounting
2018-2019

EXPENSE	Executive Off. Cont 53180	Clerical Support 53180	Workers Comp 51035	Atty Contract 53180	Insurance 53100	Office Supplies 53170	Postage 53171	Copies 53170	Membership 53150
CALAFCO Dues 18-19	48000.00	3657.00	50.00	24000.00	1818.00	375.00	500.00	1500.00	926.00
SDRMA Insurance 18-19					-1698.00				-925.00
Staff Serviss June 2018	-4000.00	-175.00					-12.64	-101.60	
Frontier Phone June 7, 2018									
Browne Legal Svcs 5.16.2018-6.15.2018				-2000.00					
Conf. Registration Reische & Loudon									
Staff Svcs July 2018	-4000.00						-3.09	-10.00	
Front ph July 7, 2018									
Browne Legal Svcs 6.15 -7.16, 2018				-2000.00					
Staff Svcs August 2018	-4000.00	-200.00					-2.60	-13.80	
Browne legal 7.16.18 to 8.15.18				-2000.00					
Pioneer Rev. notice MSR-Soi Levee, Rec									
Front ph Aug 7, 2018									
Browne Legl 8.16-18 to 9.15.18				-2000.00					
Front Ph Sept 7, 18									
Staff Svcs September 18	-4000.00	-175.00							
Staff Svcs October 2018	-4000.00	-200.00						-5.00	
Calafco Conf. Reimb Mary Winters								-10.00	
Calafco Conf. Reimb John Loudon									
Browne Legal 9.16.18-10.15.18				-2000.00					
Front Phone Oct 7, 2018									
CSDA Dues for 2019 Membership									-500.00
Browne legal 11.16.18				-2000.00					
Front phone Nov 7, 2018									
Staff Svcs November 2018	-4000.00	-175.00					-2.63	-47.00	
Staff Svcs December 2018	-4000.00	-175.00					-2.84	-21.60	
Browne Legal 12.16.18				-2000.00					
Front Ph Dec 7, 2018									
Front Ph Jan 7, 2019									
Browne Legal 1.16.19				-2000.00					
Staff Svcs Jan 2019	-4000.00						-1.42	-16.50	
Browne Legal 2.16.19				-2000.00					
Staff Svcs Februry 2019	-4000.00	-175.00					-1.40	-21.00	
Dist. Intention Dissolution legal 2.9.19									
Front Ph Feb 7, 2019									
Worker's Comp			-29.19						
Indirect overhead 1.1.19									
Workers comp 2.01.19			-4.17						
Staff Svcs March 2019	-4000.00	-175.00					-1.42	-14.00	
Browne legal 3.16.19				-2000.00					
Front Ph -Mar 7, 2019									
Pioneer review Prop Bud Notice 19-20									
Staff Svcs April 2019	-4000.00	-175.00					-0.92	-19.20	
Front Ph Apr 7, 2019									
Browne end 4.15.19				-2000.00					
Staff Svcs May 2019	-4000.00							-10.00	
Pioneer Review FinBudg, dissol and RD 108									
Browne End 5.15.19				-2000.00					
Front Ph May 7, 2019									
Revenue RD-108 Latent Powers									
City of Colusa CIP Annx									
Total Expended in FY 18-19	-48000.00	-1625.00	-33.36	-24000.00	-1698.00	0.00	-28.96	-289.70	-1425.00
Total Remaining in FY 18-19	0.00	2032.00	16.64	0.00	120.00	375.00	471.04	1210.30	-499.00

Colusa LAFCO

**Executive Officer's Report
June 6, 2019**

TO: Colusa Local Agency Formation Commission
FROM: John Benoit, Executive Officer
SUBJECT: Authorization for the RD108 to provide Hydroelectric Services as a participant in the Sites Reservoir Project JPA

EXECUTIVE OFFICER'S RECOMMENDATIONS: Adopt the proposed Resolution (Resolution 2019-0003) authorizing the Reclamation District 108 (RD-108) to provide hydroelectric services as a participant in the Sites Reservoir Project JPA

Suggested Motions:

Adopt proposed Resolution 2019-0003 authorizing the RD-108 to provide hydroelectric services as a participant in the Sites Reservoir Project JPA (see attachment #1)

I. BACKGROUND:

A. Summary of Proposal:

In 2015, the Governor Signed Assembly Bill No. 568 granted Reclamation District No.108 authority to participate in Hydropower projects, subject to LAFCo approval, with a sunset clause ending that authority on January 1, 2021 (see attachment 2). The intent of this authority of power enables RD-108 to participate in the Sites Reservoir Project Joint Power Authority. RD-108's membership in the Sites JPA continues and RD-108 is committed to a 4,000 AF investment in Sites Project through 2019. As the Sites Project continues to move forward, RD-108 intends to continue involvement including JPA membership and investment in the project. While LAFCo has the authority to grant a new or different service for the Reclamation District, removal of a January 1, 2021 sunset clause included in the legislation will enable RD-108 to continue participation in the Sites Project through its estimated completion of 2030 and beyond. Granting of a new and different service to RD-108 by LAFCo beyond January 1, 2021 can only be exercised if the legislature extends the sunset clause.

RD -108 passed resolution 18-08 requesting the removal of the sunset clause and adopted Resolution 19-02 initiating LAFCo proceedings thereby requesting LAFCo to approve an new and different service (Hydroelectric Power Generation) and has found this project exempt from CEQA (See attachment 3, Notice of Exemption). These resolutions were filed with LAFCo concurrently along with a plan for services detailing the purpose and costs of providing the hydroelectric power generation service (see attachment 4, Resolution 18-08; attachment 5, Resolution 19-02; and attachment 6, the Plan for Services).

Staff recommends that the Colusa Local Agency Commission authorize the hydroelectric power service consistent with the section 1 of 50906 of the Water Code and adopt Resolution 2019-0003 authorizing the service insofar as it is consistent with Water Code 50906 section 1 and the sunset clause of January 1, 2021 being removed.

B. Background

The RD-108 was formed in 1870 under the Reclamation District Law of 1868 for the purpose of forming a district to build levees and “reclaim” land subject to periodic overflow from neighboring rivers and water bodies. At this time the Government was promoting reclamation to develop swamplands for the improvement and cultivation of the thousands of acres in California. On October 4, 1870 the landowners submitted a petition to the Colusa and Yolo County Boards of Supervisors authorizing the formation of a new Reclamation District and assigned it the number 108.

C. Location:

Reclamation District No. 108 is located along the western edge of the Sacramento River and delivers water to nearly 48,000 acres of farmland within southern Colusa County and northern Yolo County. RD 108 receives water from the Sacramento River under riparian water rights, licenses for appropriation of surface water, and a Settlement Contract with the US Bureau of Reclamation.

D. Purpose

The purpose of this request is so the district can provide hydroelectric generation services as a participant in the Sites Reservoir Project JPA.

The District is a member of the Sites Project Authority, which operates in accordance with a Joint Exercise of Power Agreement. The Authority is a public agency comprised of Colusa County Water District, County of Colusa, County of Glenn, Glenn-Colusa Irrigation District, Maxwell Irrigation District, Orland-Artois Water District, Proberta Water District, Reclamation District No. 108, Tehama-Colusa Canal Authority, Westside Water District, Yolo County Flood Control and Water Conservation District, Dunnigan Water District, Davis Water District, Cortina Water District and LaGrande Water District.

II. ANALYSIS

A. Compliance with applicable Plans:

The proposed authorization conforms to the Colusa and Yolo County General Plan and its implementation ordinances.

E. Compliance with applicable Spheres of Influence:

The proposed authorization is consistent with the Sphere of Influence for the RD-108.

III. POLICY ANALYSIS -

1. GOVERNING LAW

LAFCO is charged with applying the policies and provisions of the Cortese-Knox-Hertzberg Act to its decisions regarding annexations, incorporations, reorganizations, and other changes of government. Section 56668 of the Government Code states the following:

Factors to be considered in the review of a proposal shall include, but not be limited to, all of the following:

- (a) Population, and population density; land area and land use; per capita assessed valuation; topography, natural boundaries, and drainage basins; proximity to other populated areas; the likelihood of significant growth in the area, and in adjacent incorporated and unincorporated areas, during the next 10 years.
- (b) Need for organized community services; the present cost and adequacy of governmental services and controls in the area; probable future needs for those services and controls; probable effect of the proposed incorporation; formation, annexation, or exclusion and of alternative courses of action on the cost and adequacy of services and controls in the area and adjacent areas. "Services," as used in this subdivision, refers to governmental services whether or not the services are services, which would be provided by local agencies subject to this division, and includes the public facilities necessary to provide those services.
- (c) The effect of the proposed action and of alternative actions, on adjacent areas, on mutual social and economic interests, and on the local governmental structure of the county.
- (d) The conformity of both the proposal and its anticipated effects with both the adopted commission policies on providing planned, orderly, efficient patterns, of urban development, and the policies and priorities set forth in Section 56377.
- (e) The effect of the proposal on maintaining the physical and economic integrity of agricultural lands, as defined by Section 56016.
- (f) The definiteness and certainty of the boundaries of the territory, the nonconformance of proposed boundaries with lines of assessment or ownership, the creation of islands or corridors of unincorporated territory, and other similar matters affecting the proposed boundaries.
- (g) Consistency with city or county general and specific plans.
- (h) The sphere of influence of any local agency which may be applicable to the proposal being reviewed.

- (i) The comments of any affected local agency.
- (j) The ability of the newly formed or receiving entity to provide the services which are the subject of the application to the area, including the sufficiency of revenues for those services following the proposed boundary change.
- (k) Timely availability of water supplies adequate for projected needs as specified in Section 65352.5
- (l) The extent to which the proposal will affect a city or cities and the county in achieving their respective fair shares of the regional housing needs as determined by the appropriate council of governments consistent with Article 10.6 (commencing with section 65580) of Chapter 3 of Division 1 of Title 7.
- (m) Any information or comments from the landowner or owners, voters, or residents of the affected territory.
- (n) Any information relating to existing land use designations.
- (o) The extent to which the proposal will promote environmental justice. As used in this subdivision, "environmental justice" means the fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provision of public services.

These factors will be reviewed with regard to the authorization for a new and different service for the Reclamation District 108:

- (a) Population, and population density; land area and land use; per capita assessed valuation; topography, natural boundaries, and drainage basins; proximity to other populated areas; the likelihood of significant growth in the area, and in adjacent incorporated and unincorporated areas, during the next 10 years.

The population growth within the Reclamation District No. 108 is expected to be minimal because the area is zoned for agriculture and is primarily used for rice growing.

- (b) Need for organized community services; the present cost and adequacy of governmental services and controls in the area; probable future needs for those services and controls; probable effect of the proposed incorporation; formation, annexation, or exclusion and of alternative courses of action on the cost and adequacy of services and controls in the area and adjacent areas.
"Services," as used in this subdivision, refers to governmental services whether or not the services are services, which would be provided by local agencies subject to this division, and includes the public facilities necessary to provide those services.

N/A

(c) The effect of the proposed action and of alternative actions, on adjacent areas, on mutual social and economic interests, and on the local governmental structure of the county.

The effect of the proposed authorization will be a benefit to the District and to the adjacent area.

(d) The conformity of both the proposal and its anticipated effects with both the adopted commission policies on providing planned, orderly, efficient patterns, of urban development, and the policies and priorities set forth in Section 56377.

The adopted Commission policies are examined below. The proposal will have a beneficial effect on patterns of development.

(e) The effect of the proposal on maintaining the physical and economic integrity of agricultural lands, as defined by Section 56016.

This action will not impact adjacent agricultural territory.

(f) The definiteness and certainty of the boundaries of the territory, the nonconformance of proposed boundaries with lines of assessment or ownership, the creation of islands or corridors of unincorporated territory, and other similar matters affecting the proposed boundaries.

The boundaries are definite and certain. This authorization pertains to territory within the district boundary.

(g) Consistency with city or county general and specific plans.

The proposed services are consistent with the Colusa and Yolo General Plans.

(h) The sphere of influence of any local agency, which may be applicable to the proposal being reviewed.

This proposal does not conflict with the Sphere of Influence of any other district.

(i) The comments of any affected local agency.

Comments from the County Auditor regarding the state authorization and the need to have legislative authorization to provide the service requested.

(j) The ability of the newly formed or receiving entity to provide the services which area the subject of the application to the area, including the sufficiency of revenues for those services following the proposed boundary change.

The RD-108 is already a member of the Sites JPA and has providing this service as a participant in the JPA.

(k) Timely availability of water supplies adequate for projected needs as specified in Section 65352.5

N/A

- (l) The extent to which the proposal will affect a city or cities and the county in achieving their respective fair shares of the regional housing needs as determined by the appropriate council of governments consistent with Article 10.6 (commencing with section 65580) of Chapter 3 of Division 1 of Title 7.

N/A

- (m) Any information or comments from the landowner or owners, voters, or residents of the affected territory.

No comments have been received.

- (n) Any information relating to existing land use designations.

The proposed project conforms to the Yolo and Colusa County General Plans.

- (o) The extent to which the proposal will promote environmental justice. As used in this subdivision, "environmental justice" means the fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provision of public services.

There are no issues associated with environmental justice with this proposal.

2. COLUSA LAFCO POLICY

The following analysis is provided as a guide for the Commission to consider. This proposal complies with applicable legal and policy requirements, as summarized below:

LAFCO Policy 2.1. Communication Between Local Agencies

The RD-108 participates with other local agencies in this effort.

LAFCO Policy 2.2. Urban Development

N/A

LAFCO Policy 2.3. Discouraging Urban Sprawl

N/A Authorization of new extended powers will not create urban sprawl.

LAFCO Policy 2.4. Environmental Consequences (CEQA)

No environmental circumstances have changed or could have changed since the district's formation.

LAFCO Policy 2.5. Balancing Jobs and Housing

Not applicable

LAFCO Policy 2.6. Compact Urban Form and Infill Development Encouraged

N/A.

LAFCO Policy 2.7. Public Accessibility and Accountability

N/A

LAFCO Policy 2.8. Adequate Services

To ensure adequate services are provided the RD-109 has applied to LAFCo for authorization of this power.

LAFCO Policy 2.9. Efficient Services

Efficient services will be promoted rather than forming a new district or agency.

LAFCO Policy 2.10. Community Impacts

N/A

LAFCO Policy 2.11. Conformance With General and Specific Plans

The proposed project conforms to the Colusa and Yolo County General Plan.

LAFCO Policy 2.12. Boundaries

The boundaries of the district are definite.

LAFCO Policy 2.13. Revenue Neutrality

Not Applicable

LAFCO Policy 2.14. Agricultural and Open Space Land Conservation

Not applicable

This proposal does not contain prime agricultural lands as defined in Government Code Section 56064.

LAFCO Policy 2.15. Need for Services

There is a need for services by RD-108 to provide hydroelectric generation services as part of the JPA

LAFCO Policy 2.16. Exceptions

No exceptions are necessary.

3. LAFCO POLICIES REGARDING NEW SERVICES BY DISTRICTS

Colusa LAFCO has adopted the following policies regarding new services by districts:

Policies Applicable to New Service Proposals: The purpose of this authorization is to allow the RD-108 to provide Hydroelectric services as a member of the sites reservoir JPA.

Plan for Services Required: The RD-108 has provided a plan for services.

New Services not Subsidized: Services will be paid by ratepayers.

IV. Comments from the public and public agencies.

Comment received by the County Auditor regarding the necessity to extend the authorization time beyond Jan 1, 2021 in the Water Code.

V. ALTERNATIVE ACTIONS BY THE COMMISSION

The Commission has the following alternatives for action after closure of the Public hearing:

Alternative #1

The Commission may deny the application, as submitted.

Alternative #2

The Commission may authorize the service requested.

Alternative #3

The Commission may determine that it does not have sufficient information to make a decision at this time, and continue the matter to a date and time certain.

VII. Staff Recommendations

Staff recommends the Commission approve Resolution 2019-0003 for the authorization of to provide hydroelectric generation services as a participant in the Sites project JPA.

Respectfully Submitted,

John Benoit,
Executive Officer

Attachments:

- 1. LAFCo Resolution 2019-0003*
- 2. Assembly Bill 568*
- 3. Notice of Exemption*
- 4. RD-108 Resolution 18-08*
- 5. RD1-8 Resolution 19-02*
- 6. Plan for Services*

Resolution 2019-0003

Attachment #1

Of the

Local Agency Formation Commission of

Colusa County

A Resolution Granting New and Different Powers (latent powers) to the RD-108 enabling the district to participate in the Sites Reservoir Project JPA – Hydroelectric Power Generation Project

WHEREAS, the Reclamation District 108 was created in 1870 and was previously authorized to perform specific powers authorized by the Reclamation District law at that time including reclamation, irrigation and irrigation water services; and

WHEREAS, the Reclamation District 108 has never performed hydroelectric power generation services. The District desires to perform said services in addition to reclamation services, it currently provides; and

WHEREAS, 2001, the California Legislature amended the LAFCO Act to require independent special districts to obtain approval from LAFCO prior to providing new or different service.

WHEREAS, furthermore in 2015, the California Legislature added Section 50906 Section 1 of the Water Code thereby allowing RD108 the authority to provide hydroelectric power services, (contingent upon LAFCo approval) until January 1 2021; and

WHEREAS, the Reclamation District 108 does not currently provide the requested service and the new service may be authorized in accordance with the Water Code only after approval is granted by the Local Agency Commission of the principal County; and

WHEREAS, on in compliance with Water Code Section 50906 Section 1 the Reclamation District 108 March 26th, 2019 adopted Resolution 19-02 requesting LAFCo to take proceedings to authorize the District to activate a new or different service: hydroelectric power generation.

NOW THEREFORE, The Colusa Local Agency Formation Commission DOES HEREBY RESOLVE, DETERMINE AND ORDER as follows:

1. The foregoing recitals are true and correct.
2. The territory to be served is entirely within the district boundaries.
3. This change of organization is assigned the following distinctive short-form designation:
**Reclamation District 108 Authorization to provide Hydroelectric Services
(Colusa LAFCo File No. 2019-0002)**
4. This proposal will not adversely affect adjacent unincorporated territory or any other service provider.

5. Any costs associated with and incurred or costs to be incurred by all parties to this authorization will be the sole responsibility of the District, including but not limited to State Board of Equalization Fees (if applicable) and administrative charges. Further, all State of California, County of Colusa, and Colusa LAFCo fees will be paid in full prior to the filing of the Certificate of Completion.
6. The Commission hereby affirms the Notice of Exemption (CEQA guideline Section 15061b (3) General Rule Exemption) as adopted by the Reclamation District 108 on January 7, 2019.
7. Approval of this change of organization is conditioned upon the applicant's obligation to defend, indemnify, and hold harmless the Colusa Local Agency Formation Commission and its agents, officers and employees from any claim, action or proceeding against the Commission or its agents, officers, and employees; including all costs, attorney's fees, expenses and liabilities incurred in the defense of such claim, action, or proceeding to attack, set aside, or void the approval or determinations of this Commission concerning this change of organization. The Colusa Local Agency Formation Commission shall promptly notify the applicant of any such claim, action, or proceeding and be entitled to representation by counsel of its choosing.
8. As provided by Section 56663(c) of the California Government Code, the Commission waives protest hearing proceedings for this change of organization and orders the authorization of new and different services as identified above subject to the terms and conditions included in this resolution.
9. The Commission hereby affirms the Reclamation District 108's certification that this authorization for Hydroelectric Power Services is not subject to Section 99 (b) of the Revenue and Taxation code requiring the need for a property tax exchange agreement.
10. In reviewing this application, the Commission finds that hydroelectric power generation services as a member of the Sites JPA to be provided by Reclamation District 108 are necessary and that there will not be a duplication of other powers provided by any other special district or the County of Colusa.
11. The Reclamation District 108 service plan envisions participation in the Sites Reservoir Project JPA with an estimated 5.2 Bn costs of services to be shared with the USBOR, more than 20 investor districts including among others the MWD, GCID, and the CVP to pay for the on-going cost of operations.
12. This approval is contingent upon removal of the January 1, 2021 sunset clause in Water Code Section 1 of 50906. LAFCo's approval shall be contingent upon removal of the sunset clause. Hydroelectric power generation services shall be allowed as long as the legislature has granted the authority in Section 1 of 50906 of the water code.
13. The District shall provide the Commission with proof of removal of the sunset clause in Section 1 of 50906 of the Water Code.

14. The Commission adopts the determinations regarding consistency with LAFCo Policies contained in the staff report for this project and incorporates them by reference herein.
15. This proposal is consistent with the sphere of influence as amended by LAFCo and adopted by Resolution 2018-0008 on September 6, 2018.
16. The Effective Date shall be the date of recordation of the Certificate of Completion.
17. Completion of proceedings shall be concluded within one year after adoption of this resolution. If the proceedings are not concluded within one year after passage of this resolution, all proceedings shall be terminated unless a request is made to the LAFCo Executive Officer for an extension of time.
18. The district is hereby authorized to Hydroelectric Power services including the power to “construct, maintain, and operate a plant for the generation of hydroelectric power, together with transmission lines for the conveyance thereof and with other facilities that may be necessary or appropriate for the construction, maintenance, and operation of that plant subject to the terms and conditions herein.

PASSED AND ADOPTED by this Local Agency Formation Commission of the County of Colusa, on the 6th day of June 2019, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINS:

Signed and approved by me after its passage this 6th day of June 2019.

Denise Carter, Chair – Colusa Local Agency
Formation Commission

Attest:

John Benoit, Executive Officer

Assembly Bill No. 568

CHAPTER 134

An act to amend, repeal, and add Section 50906 of the Water Code, relating to reclamation districts.

[Approved by Governor August 7, 2015. Filed with
Secretary of State August 7, 2015.]

LEGISLATIVE COUNSEL'S DIGEST

AB 568, Dodd. Reclamation District No. 108: hydroelectric power.

Existing law authorizes the formation of reclamation districts by owners of swamp and overflowed lands, salt-marsh, or tidelands, or other lands subject to flood or overflow and by owners of land already reclaimed, or in progress of reclamation, and not included in a reclamation district. Existing law authorizes Reclamation District No. 1004, in conjunction with the County of Colusa, to construct, maintain, and operate a plant, transmission lines, and other necessary or appropriate facilities for the generation of hydroelectric power, as prescribed. Existing law requires proceeds from the sale of electricity to be utilized to retire any time warrants issued for construction of the facilities and otherwise for the powers and purposes for which the district was formed.

This bill would grant the above-described hydroelectric power authority to Reclamation District No. 108 until January 1, 2021.

The people of the State of California do enact as follows:

SECTION 1. Section 50906 of the Water Code is amended to read:

50906. (a) A reclamation district specified in subdivision (d) may construct, maintain, and operate a plant for the generation of hydroelectric power, together with transmission lines for the conveyance thereof and with other facilities that may be necessary or appropriate for the construction, maintenance, and operation of that plant. Construction of the plant and transmission lines may be financed by the issuance of time warrants pursuant to Article 3 (commencing with Section 53040) of Chapter 1 of Part 9 to pay the cost of construction of the plant, transmission lines, and related facilities, except that the board may, by resolution, provide for the payment of those time warrants solely from the proceeds derived from the operation of the hydroelectric powerplant, in lieu of the assessment described in Section 53040, and may, in that event, pledge the plant, transmission lines, and related facilities and the revenues from the operation of the hydroelectric plant as the sole security for the payment of the time warrants.

(b) The hydroelectric plant, transmission lines, and related facilities constructed pursuant to this section may be leased for operation to, or the power generated may be sold to, a public utility or public agency engaged in the distribution, use, or sale of electricity, but shall not be offered for sale directly by the district to customers other than a public utility or public agency.

(c) Proceeds from the sale of electricity shall be utilized to retire any time warrants issued for construction of the facilities and otherwise for the powers and purposes for which the district was formed.

(d) This section applies only to the following reclamation districts:

(1) Reclamation District No. 1004 acting in conjunction with the County of Colusa.

(2) Reclamation District No. 108.

(e) This section shall remain in effect only until January 1, 2021, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2021, deletes or extends that date.

SEC. 2. Section 50906 is added to the Water Code, to read:

50906. (a) A reclamation district specified in subdivision (d) may construct, maintain, and operate a plant for the generation of hydroelectric power, together with transmission lines for the conveyance thereof and with other facilities that may be necessary or appropriate for the construction, maintenance, and operation of that plant. Construction of the plant and transmission lines may be financed by the issuance of time warrants pursuant to Article 3 (commencing with Section 53040) of Chapter 1 of Part 9 to pay the cost of construction of the plant, transmission lines, and related facilities, except that the board may, by resolution, provide for the payment of those time warrants solely from the proceeds derived from the operation of the hydroelectric powerplant, in lieu of the assessment described in Section 53040, and may, in that event, pledge the plant, transmission lines, and related facilities and the revenues from the operation of the hydroelectric plant as the sole security for the payment of the time warrants.

(b) The hydroelectric plant, transmission lines, and related facilities constructed pursuant to this section may be leased for operation to, or the power generated may be sold to, a public utility or public agency engaged in the distribution, use, or sale of electricity, but shall not be offered for sale directly by the district to customers other than a public utility or public agency.

(c) Proceeds from the sale of electricity shall be utilized to retire any time warrants issued for construction of the facilities and otherwise for the powers and purposes for which the district was formed.

(d) This section applies only to Reclamation District No. 1004 acting in conjunction with the County of Colusa.

(e) This section shall become operative on January 1, 2021.

O

ATTACH 3
Rec # 0
DRC# NA

ENDORSED

CEQA Guidelines Appendix E
FILED

JAN 14 2016

Association of Environmental Professionals 2016

APPENDIX E:
NOTICE OF EXEMPTION

ROSE GALLO-VASQUEZ
COLUSA COUNTY CLERK-RECORDER

Notice of Exemption

Appendix E

To: Office of Planning and Research
P.O. Box 3044 Room 212
Sacramento, CA 95812-3044

From: (Public Agency) Reclamation District No. 108
PO Box 50 - 975 Wilson Bend Rd.
Grimes, CA 95950
530-437-2221

} Project Applicant

County Clerk
County of COLUSA
546 JAY STREET, SUITE 200
COLUSA, CA 95922

Project Title Hydroelectric Power Generation Sunset Clause Removal

Project Location - Specific Reclamation District No. 108 Service Area

Project Location - City Grimes Project Location - County Colusa/Yuba

Description of Nature, Purpose and Beneficiaries of Project
The purpose of this project is to remove the legislative sunset clause that ends RD-108's authority to participate in Hydroelectric Power Generation Projects. It will entail administrative actions by LAFCO and the California Legislature to remove the sunset clause in Assembly Bill No. 568.

Name of Public Agency Approving Project Reclamation District No. 108

Name of Person in Agency Carrying Out Project William Vanderwaal, Deputy Manager

- Exempt Status (check one)
- Ministerial (Sec. 21080(b)(1), 15266)
 - Declared Emergency (Sec. 21080(b)(2), 15269(a))
 - Emergency Project (Sec. 21080(b)(1), 15269(b)(1))
 - Categorical Exemption - State type and section number
 - Statutory Exemptions - State code number Section 15061(b)(3)

Reasons why project is exempt
This project is a legislative and administrative process undertaken to remove a sunset clause for an authority which already exists and will not create any environmental impacts.

Lead Agency/
Contact Person William Vanderwaal Area Code Telephone / Extension 530 437.2221

If filed by applicant:
1. Attach certified document of exemption finding.
2. Has a Notice of Exemption been filed by the public agency approving the project? Yes No

Signature: [Signature] Date: JAN 19 Title: DEPUTY MGR

Signed by Lead Agency
 Signed by Applicant

Date received for filing at OPR

Revised 2005

Certificate of Posting Request by:

RECLAMATION DISTRICT NO. 108
P.O. BOX 50
GRIMES, CA 95950

CLERK'S CERTIFICATE OF POSTING

COUNTY OF COLUSA
546 JAY STREET, SUITE 200
COLUSA, CALIFORNIA 95932

I certify that I am an employee of the County of Colusa and that a true copy of the foregoing NOTICE OF EXEMPTION FOR THE RECLAMATION DISTRICT NO. 108, HYDROELECTRIC POWER GENERATION, DUE TO CLAUSE REMOVAL was posted for public review on a list of such notices at (address) 546 JAY STREET, SUITE 200, COLUSA, CA 95932 for a minimum of 30 days commencing on _____, 2019, at Colusa, California

Dated: _____, 2019

By: _____
For Clerk, COUNTY OF COLUSA

FILED
YOLO COUNTY CLERK/RECORDER

JAN 11 2019

Association of Environmental Professionals 2016

CEQA Guidelines Appendix
BY Jesse Salinas, CLERK
Linda Smith, DEPUTY
LINDA SMITH

APPENDIX E:
NOTICE OF EXEMPTION

Notice of Exemption

Appendix E

To: Office of Planning and Research
P.O. Box 5044, Room 217
Sacramento, CA 95812-3044

From: (Public Agency) Reclamation District No. 108
PO Box 50 - 975 Wilson Bend Rd.
Grimes, CA 95950

County Clerk
County of YOLO
P.O. Box 1120
WOODLAND, CA 95776

Project Title Hydroelectric Power Generation Sunset Clause Removal

Project Location - Specific Reclamation District No. 108 Service Area

Project Location - City Grimes Project Location - County Colusa/Yolo

Description of Nature, Purpose and Beneficiaries of Project

The purpose of this project is to remove the legislative sunset clause that ends RD-108's authority to participate in Hydroelectric Power Generation Projects. It will entail administrative actions by LAFCO and the California Legislature to remove the sunset clause in Assembly Bill No. 568.

Name of Public Agency Approving Project: Reclamation District No. 108

Name of Person or Agency Carrying Out Project: William Vanderwaal, Deputy Manager

Exempt Status: (check one)

- Ministerial (Sec. 21080(b)(1), 15268)
- Declared Emergency (Sec. 21080(b)(2), 15269(a))
- Emergency Project (Sec. 21080(b)(4), 15269(b)(1))
- Categorical Exemption, State type and section number: _____
- Statutory Exemption, State code number: Section 15061(b)(3)

Reason why project is exempt:

This project is a legislative and administrative process undertaken to remove a sunset clause for an authority which already exists and will not create any environmental impacts

Lead Agency William Vanderwaal Telephone (City, Co) 530/437-2221

If filed by applicant:

1. Attach certified document of exemption finding
2. Has a Notice of Exemption been filed by the public agency approving the project? Yes No

Signature: William Vanderwaal Date 7 JAN 19 Title DEPUTY MGR

- Signed by Lead Agency Date received for filing at OPR _____
- Signed by Applicant

POSTED JAN 11 2019 TO FEB 13 2019

N-19-01

Certificate of Posting Request by:

RECLAMATION DISTRICT NO. 108
P.O. BOX 50
GRIMES, CA 95950

CLERK'S CERTIFICATE OF POSTING

COUNTY OF YOLO
P.O. BOX 1130
WOODLAND, CALIFORNIA 95776

I certify that I am an employee of the County of Yolo and that a true copy of the foregoing NOTICE OF EXEMPTION FOR THE RECLAMATION DISTRICT NO. 108, HYDROELECTRIC POWER GENERATION SUNSET CLAUSE REMOVAL was posted for public review on a list of such notices at (address) 625 COURT STREET, #105, WOODLAND, CA 95695 for a minimum of 30 days commencing on _____, 2019, at Woodland, California.

Dated: ~~JAN 11~~ 2019, 2019

By: *Linda Smith*
For Clerk, COUNTY OF YOLO
LINDA SMITH



State of California - Department of Fish and Wildlife
2019 ENVIRONMENTAL FILING FEE CASH RECEIPT
 DFW 753.5a (REV. 12/01/18) Previously DFG 753.5a

Print



Finalize & Email

RECEIPT NUMBER:
57 — 01112019 — 001
 STATE CLEARINGHOUSE NUMBER (If applicable)

SEE INSTRUCTIONS ON REVERSE. TYPE OR PRINT CLEARLY.

LEAD AGENCY RECLAMATION DISTRICT NO 108	LEAD AGENCY EMAIL	DATE 01112019
COUNTY/STATE AGENCY OF FILING Yolo <input type="checkbox"/>	DOCUMENT NUMBER N19-01	

PROJECT TITLE
HYDROELECTRIC POWER GENERATION SUNSET CLAUSE REMOVAL

PROJECT APPLICANT NAME WILLIAM VANDERWAAL	PROJECT APPLICANT EMAIL	PHONE NUMBER (530)437-2221
PROJECT APPLICANT ADDRESS P.O. BOX 50 -975 WILSON BEND RD.	CITY GRIMES	STATE CA
		ZIP CODE 95950

PROJECT APPLICANT (Check appropriate box)

Local Public Agency School District Other Special District State Agency Private Entity

CHECK APPLICABLE FEES:

<input type="checkbox"/> Environmental Impact Report (EIR)	\$3,271.00	\$	<u>0.00</u>
<input type="checkbox"/> Mitigated/Negative Declaration (MND)(ND)	\$2,354.75	\$	<u>0.00</u>
<input type="checkbox"/> Certified Regulatory Program (CRP) document - payment due directly to CDFW	\$1,112.00	\$	<u>0.00</u>
<input checked="" type="checkbox"/> Exempt from fee			
<input type="checkbox"/> Notice of Exemption (attach)			
<input type="checkbox"/> CDFW No Effect Determination (attach)			
<input type="checkbox"/> Fee previously paid (attach previously issued cash receipt copy)			
<hr/>			
<input type="checkbox"/> Water Right Application or Petition Fee (State Water Resources Control Board only)	\$850.00	\$	<u>0.00</u>
<input type="checkbox"/> County documentary handling fee	\$50.00	\$	<u>50.00</u>
<input type="checkbox"/> Other		\$	<u> </u>
<hr/>			
PAYMENT METHOD:			
<input type="checkbox"/> Cash <input type="checkbox"/> Credit <input checked="" type="checkbox"/> Check <input type="checkbox"/> Other	TOTAL RECEIVED	\$	<u>50.00</u>

SIGNATURE X	AGENCY OF FILING PRINTED NAME AND TITLE **Deputy**
-----------------------	--

RESOLUTION NO. 18-08**A RESOLUTION OF THE BOARD OF TRUSTEES OF RECLAMATION DISTRICT NO. 108 FINDING THE REMOVAL OF THE LEGISLATIVE SUNSET CLAUSE THAT ENDS RD-108'S AUTHORITY TO PARTICIPATE IN HYDROELECTRIC POWER GENERATION PROJECTS TO BE EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT AND APPROVING THE FILING AND RECORDATION OF A NOTICE OF EXEMPTION**

WHEREAS, Reclamation District No. 108 ("RD-108") desires to remove the legislative sunset clause that ends RD-108's authority to participate in Hydroelectric Power Generation Projects; and

WHEREAS, the California Environmental Quality Act (Public Resources Code, section 21000 *et seq.*, hereinafter "CEQA") requires public agencies to consider the environmental consequences of proposed activities; and

WHEREAS, Chapter 3 of Division 6 of Title 14 of the California Code of Regulations ("CEQA Guidelines") provides exemptions from CEQA in section 15061; and

WHEREAS, CEQA applies only to projects which have the potential for causing a significant effect on the environment, and Section 15061, subdivision (b)(3) of the CEQA Guidelines explicitly exempts any activity for which "it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment;" and

WHEREAS, removal of the legislative sunset clause is a legislative and administrative process undertaken to preserve RD-108's already existing authority, and it will not create any environmental impacts.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of RD-108 as follows:

1. It can be seen with certainty that there is no possibility that removal of the sunset clause may have a significant effect on the environment.
2. The removal of the sunset clause is therefore exempt from CEQA pursuant to the CEQA Guidelines, section 15061, subdivision (b)(3).
3. RD-108 staff is instructed to file and/or record a Notice of Exemption from CEQA, consistent with this Resolution, with any and all appropriate public agencies or entities, subject to only minor, non-substantive revisions, if necessary.

CERTIFICATION OF SECRETARY

The undersigned hereby certifies that the foregoing Resolution was duly adopted by the Board of Trustees of RD-108 at a meeting held on December 20, 2018 by the following vote:

AYES: Trustees **4**

NOES: Trustees **0**

ABSTAIN: Trustees **0**

ABSENT: Trustees **1**



Lewis Bair, Secretary

Dated: December 20, 2018

AFFIDAVIT OF POSTING

I, Celia Su certify that I caused to be posted
in the areas designated, from 01/14/2019 to
02/25/2019, the Notice of Exemption

for the project titled:

Hydroelectric Power Generation Sunset Clause Removal

ROSE GALLO-VASQUEZ
COLUSA COUNTY CLERK

BY: Celia Su
Deputy Clerk



Assembly Bill No. 568

CHAPTER 134

An act to amend, repeal, and add Section 50906 of the Water Code relating to reclamation districts.

[Approved by Governor August 7, 2015. Filed with Secretary of State August 7, 2015.]

LEGISLATIVE COUNSEL'S DIGEST

AB 568, Dodd. Reclamation District No. 108: hydroelectric power.

Existing law authorizes the formation of reclamation districts by owners of swamp and overflowed lands, salt-marsh, or tidelands, or other lands subject to flood or overflow and by owners of land already reclaimed, or in progress of reclamation, and not included in a reclamation district. Existing law authorizes Reclamation District No. 1004, in conjunction with the County of Colusa, to construct, maintain, and operate a plant, transmission lines, and other necessary or appropriate facilities for the generation of hydroelectric power, as prescribed. Existing law requires proceeds from the sale of electricity to be utilized to retire any time warrants issued for construction of the facilities and otherwise for the powers and purposes for which the district was formed.

This bill would grant the above-described hydroelectric power authority to Reclamation District No. 108 until January 1, 2021.

The people of the State of California do enact as follows:

SECTION 1. Section 50906 of the Water Code is amended to read:

50906. (a) A reclamation district specified in subdivision (d) may construct, maintain, and operate a plant for the generation of hydroelectric power, together with transmission lines for the conveyance thereof and with other facilities that may be necessary or appropriate for the construction, maintenance, and operation of that plant. Construction of the plant and transmission lines may be financed by the issuance of time warrants pursuant to Article 3 (commencing with Section 53040) of Chapter 1 of Part 9 to pay the cost of construction of the plant, transmission lines, and related facilities, except that the board may, by resolution, provide for the payment of those time warrants solely from the proceeds derived from the operation of the hydroelectric powerplant, in lieu of the assessment described in Section 53040, and may, in that event, pledge the plant, transmission lines, and related facilities and the revenues from the operation of the hydroelectric plant as the sole security for the payment of the time warrants.

(b) The hydroelectric plant, transmission lines, and related facilities constructed pursuant to this section may be leased for operation to, or the power generated may be sold to, a public utility or public agency engaged in the distribution, use, or sale of electricity, but shall not be offered for sale directly by the district to customers other than a public utility or public agency.

(c) Proceeds from the sale of electricity shall be utilized to retire any time warrants issued for construction of the facilities and otherwise for the powers and purposes for which the district was formed.

(d) This section applies only to the following reclamation districts:

(1) Reclamation District No. 1004 acting in conjunction with the County of Colusa.

(2) Reclamation District No. 108.

(e) This section shall remain in effect only until January 1, 2021, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2021, deletes or extends that date.

SEC. 2. Section 50906 is added to the Water Code, to read:

50906. (a) A reclamation district specified in subdivision (d) may construct, maintain, and operate a plant for the generation of hydroelectric power, together with transmission lines for the conveyance thereof and with other facilities that may be necessary or appropriate for the construction, maintenance, and operation of that plant. Construction of the plant and transmission lines may be financed by the issuance of time warrants pursuant to Article 3 (commencing with Section 53040) of Chapter 1 of Part 9 to pay the cost of construction of the plant, transmission lines, and related facilities, except that the board may, by resolution, provide for the payment of those time warrants solely from the proceeds derived from the operation of the hydroelectric powerplant, in lieu of the assessment described in Section 53040, and may, in that event, pledge the plant, transmission lines, and related facilities and the revenues from the operation of the hydroelectric plant as the sole security for the payment of the time warrants.

(b) The hydroelectric plant, transmission lines, and related facilities constructed pursuant to this section may be leased for operation to, or the power generated may be sold to, a public utility or public agency engaged in the distribution, use, or sale of electricity, but shall not be offered for sale directly by the district to customers other than a public utility or public agency.

(c) Proceeds from the sale of electricity shall be utilized to retire any time warrants issued for construction of the facilities and otherwise for the powers and purposes for which the district was formed.

(d) This section applies only to Reclamation District No. 1004 acting in conjunction with the County of Colusa.

(e) This section shall become operative on January 1, 2021.

O

RESOLUTION NO. 19 - 02

ATTACH 5
COPY

A RESOLUTION OF THE GOVERNING BOARD OF RECLAMATION DISTRICT NO. 108
TO APPROVE A NEW AND DIFFERENT SERVICE OF POWER GENERATION

Resolution of the Board of directors of the Reclamation District No. 108 requesting the Colusa Local Agency Formation Commission to take proceedings for the provision of New and Different Services – Hydroelectric Power Generation.

Resolved by the Board of Directors of the Reclamation District No. 108 that:

WHEREAS, the Reclamation District No. 108 desires to initiate proceedings pursuant to the Cortese-Knox Local Government Reorganization Act of 2000, commencing with Section 56000 of the California Government Code, for the provision of New and Different Services – Hydroelectric Power Generation;

WHEREAS, at the time and in the manner provided by law, the General Manager gave notice of the date, time, and place of a public hearing by the District Board of Directors to initiate these proceedings; and

WHEREAS, a notice of intent to adopt this resolution of application has not been (or has been) given to each interested and subject agency; and

WHEREAS, there are no affected cities or districts within the meaning of Subdivision (2) of Section 56700 of the Government Code; and

WHEREAS, this proposal is consistent with the sphere of influence of the Reclamation District No. 108; and

WHEREAS, it is desired to provide that the proposed provision of New and Different Services – Hydroelectric Power Generation, be subject to the following terms and conditions:

1. All costs incurred to complete the change of organization including but not limited to Colusa LAFCO and the State Board of Equalization costs will be borne by the property owner(s) and (or) district
2. All impact mitigation fees will be applied to any construction on this property after the completion of the provision of New and Different Services – Hydroelectric Power Generation.
3. (Other terms and conditions the district may wish for LAFCO to consider); and

WHEREAS, the reasons for the proposed provision of New and Different Services – Hydroelectric Power Generation are as follows:

1. The provision of New and Different Services – Hydroelectric Power Generation will allow the Reclamation District No. 108 to continue to provide enhanced services to an inhabited area that has no other means of acquiring such services.

WHEREAS, the Board of the Reclamation District No. 108 has made an environmental determination for this project and finds that it is CEQA Exempt; and

WHEREAS, in accordance with Government Code Section 56653, the Board hereby adopts a Plan for Services for this proposed provision of New and Different Services – Hydroelectric Power Generation; and

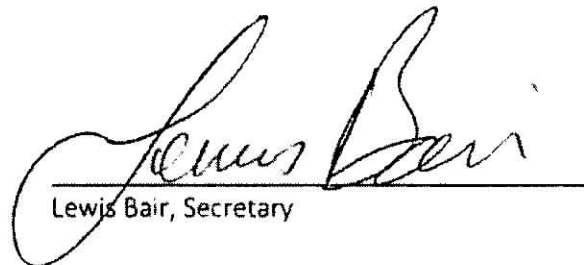
Now, therefore, this Resolution of Application hereby adopted and approved by the Board of Directors of the Reclamation District No. 108 and the Colusa Local Agency Formation Commission is hereby requested to take proceedings for the property owned by Reclamation District No. 108 as shown in Exhibit A according to the terms and conditions stated above and in the manner provided by the Cortese-Knox Local Government Reorganization Act of 2000.

PASSED AND ADOPTED by the Governing Board of RECLAMATION DISTRICT NO. 108 this 26th day of March, 2019 by the following vote:

AYES: 4

NOES: 0

ABSENT: 1


Lewis Bair, Secretary

ATTEST:

Lewis Bair, Secretary

RD-108 Plan for Services – Hydropower

Applicable Government Code

56824.12(a) A proposal by a special district to provide a new or different function or class of services within its jurisdictional boundaries shall be made by the adoption of a resolution of application by the legislative body of the special district and shall include all of the matters specified for a petition in Section 56700, and be submitted with a plan for services prepared pursuant to Section 56653. The plan for services for purposes of this article shall also include all of the following information:

- (1) The total estimated cost to provide the new or different function or class of services within the special district's jurisdictional boundaries.
- (2) The estimated cost of the new or different function or class of services to customers within the special district's jurisdictional boundaries. The estimated costs may be identified by customer class.
- (3) An identification of existing providers, if any, of the new or different function or class of services proposed to be provided and the potential fiscal impact to the customers of those existing providers.
- (4) A plan for financing the establishment of the new or different function or class of services within the special district's jurisdictional boundaries.
- (5) Alternatives for the establishment of the new or different functions or class of services within the special district's jurisdictional boundaries.

(b) The clerk of the legislative body adopting a resolution of application shall file a certified copy of that resolution with the executive officer. Except as provided in subdivision (c), the commission shall process resolutions of application adopted pursuant to this article in accordance with Section 56824.14.

(c)(1) Prior to submitting a resolution of application pursuant to this article to the commission, the legislative body of the special district shall conduct a public hearing on the resolution. Notice of the hearing shall be published pursuant to Sections 56153 and 56154.

(2) Any affected local agency, affected county, or any interested person who wishes to appear at the hearing shall be given an opportunity to provide oral or written testimony on the resolution.

RD-108 Plan for Services

The RD-108 Plan for Services is intended to enable RD-108 Landowners, Water Users, Trustees and Staff to participate in the Sites Reservoir Project. Landowners and Water Users would be participating as investors in the project from which they would expect to receive additional water

supply. Trustees and Staff would be participating as policy makers on the JPA (Trustees) and project oversight and guidance (Trustees and Staff) to ensure the Landowners and Water Users funds and resources are efficiently and effectively used. In order for RD-108 to participate in the Sites JPA, they need to have authority to participate in Hydroelectric Generation Projects, which Sites Reservoir Project is designated. In AB-568, which was passed into law in 2015, RD-108 received legislative authority, however it included a sunset clause of January 1, 2021. This necessitates an Addition of Service to RD-108 through the LAFCo process and this Plan for Services addresses that.

While RD-108 only intends to participate in the Sites Reservoir Project at this time, they would like to retain this service authority should other projects or opportunities become available.

Listed Requirements

56824.12(a)(1)

The Total Estimated Cost to provide these services is over \$5.2 Bn but is shared with the US Bureau of Reclamation, the State of California Department of Water Resources, and 20+ investor districts such as Metropolitan Water District of Southern California, Glenn-Colusa Irrigation District, the County of Colusa, and other CVP and State Water Project districts.

Specifically within the RD-108 boundaries, the total cost to provide services varies depending upon how much water is invested in by the district. Phase 1 costs were \$48.50/AF annual yield, and Phase 2 (2019) costs are \$60/AF annual yield. RD-108 had invested in 20,000 AF during Phase 1 and has reduced participation to 4,000 AF in Phase 2 (2019). The Sites Project is repaying districts who have reduced participation or exited from participation on an equal basis as funds become available to do the reimbursement.

RD-108 held numerous Public Meetings as it approached the transition from Phase 1 to Phase 2 and they played a significant role in determining the participation level in Phase 2. Future investment levels and methods will also be directed by feedback and participation in future public meetings.

56824.12(a)(2)

The estimated future costs to Landowners and Water Users for participation are not fully known at this time and will vary significantly as the amount of participation changes, the method of participation adapts and as the costs of the overall project develop.

Current projected costs for Sites Project range anywhere from \$600/AF per year to \$1200/AF per year for 30 to 40 years. This cost could be distributed across all land in the District, through water rates, or by individual subscription. The exact method has not been determined by the Landowners and Water Users of the District at this time.

56824.12(a)(3)

There are currently no other existing service providers for this service within the District boundaries. RD-108 is the only water service provider within its boundaries.

56824.12(a)(4)

The method of financing this project is still being developed with Landowner and Water User input in Public Meetings. Financing could be done through bonds arranged by the Sites Project, through private financing and public financing. The US Department of Agriculture has already awarded a \$420 Mn low interest loan to the Sites Project, and other financing options are being investigated. Additionally, the State of California has provided a Prop 1 grant worth \$820 Mn to the Sites Project.

Landowners and Water Users could finance their portions of the Sites Project through land assessments, water rates or via individual subscription for water benefits from the Sites Project. The exact method has not been determined by the Landowners and Water Users of the District at this time.

56824.12(a)(5)

There are no other alternatives currently available at this time for service to lands within the District. As the project continues to develop, certain alternatives will be considered, such as Improvement Districts or other types of entities that could segregate Sites Project water from the current District supplies. Public Meetings and participation have been used along the whole process and will continue to be a part of the Districts strategy for determining participation and levels of participation in the Sites Project. Landowners, Water Users, neighboring entities have all attended and participated in the previous meetings and will continue to be included in the process.

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COLUSA LAFCO

EXECUTIVE OFFICER'S REPORT

June 6, 2019

TO: Local Agency Formation Commission

FROM: John Benoit, Executive Officer

RE: Recommended Final Budget for FY 2019-2020

Since the passage of AB-2838 in 2000, LAFCO has become independent from the County. Costs for the operation of LAFCO were entirely paid by the County including costs for staff time, legal services, miscellaneous office expenses, and insurance.

I provided a "recommended" budget of \$134,143.00 which was adopted at the May 2, 2019 meeting. A Budget Justification Report was prepared for the Proposed Budget Hearing. During the past year staff has made substantial progress in completing Service Reviews, Spheres of Influence and Mapping.

SUMMARY OF EXPENSES as recommended in the Proposed Budget:

Executive Officer Services The Commission recommended in its proposed budget \$48,000 for this item. This translates into an average of \$4,000.00 per month for LAFCO administration. Notwithstanding a very complex reorganization or incorporation project for Colusa LAFCO, this amount should cover LAFCO administration. Complex projects would be fee supported thereby increasing revenue to LAFCO.

Clerk Support The Commission recommended in its proposed budget \$3,657 for this item.

Webhosting This has been eliminated since LAFCo staff is managing its own website.

Legal Services The Commission recommended in its proposed budget \$24,000 for this item. LAFCO Counsel attends all LAFCO meetings.

Liability Insurance The Commission recommended in its proposed budget \$1,432, a 5% increase from this year. This covers liability for the Commission and Staff and \$50.00 for Worker's comp to cover the Public Member and Public Member Alternate.

Office Supplies The Commission recommended in its proposed budget \$2,875.00 for this item combined with copies and postage. This budget includes \$375.00 for Office Supplies, \$500.00 for Postage and \$750.00 for copies.

Memberships The Commission recommended in its proposed budget \$1,712.00, which includes \$500 for CSDA membership and 1,212.00 for the Calafco membership.

Transportation and Travel and Training The Commission recommended in its proposed budget \$6,500 for this item. This includes miscellaneous mileage and lodging for the Calafco Annual Conference in Sacramento, October 30-Nov 1st and the annual Staff Workshop in Orange County.

Legal Notices/Publications The Commission recommended in its proposed budget \$750.00. for legal notices. This has been reduced due to decreasing costs.

Communications The Commission recommended in its proposed budget \$1,400.00 for this item.

Special Projects:

File Scanning The proposed budget includes an allocation to electronically scan and index LAFCo's old files in accordance with LAFCo's records retention policy. \$5,000.00 has been budgeted for this effort.

Service Reviews The Commission recommended in its proposed budget \$16,000.00 for this effort. This would cover costs of preparing reviews as required by the LAFCO Act including some carryover from this fiscal year and initiating the reviews in the work program for next fiscal year .

Sphere of Influence Updates The Commission recommended in its proposed budget \$16,000.00 to cover the costs of updating Spheres of Influence as required by the LAFCO Act.

Sphere of Influence Mapping The Commission recommended in its proposed budget \$5,000.00 for mapping.

Other Charges A-87 While LAFCO is an independent agency, claims processing and other functions are performed by the County Auditor's office. In theory, A-87 reflects the reasonable and necessary cost of various county services used by LAFCO. LAFCo is estimating this figure to be \$2,666.00 at this time.

Contingency The Commission recommended in its proposed budget a contingency of \$10,000.

Reserve Fund The commission has budgeted for a general reserve of \$60,000.00.

CARRYOVER

This year LAFCO will expend nearly its entire budget. Therefore, an anticipated rollover will be more this year, which is estimated at \$106,200.00. Most of this amount will be needed to fund ongoing Municipal Service Reviews and Sphere of Influence Updates as well as the entire reserve fund.

APPORTIONMENT TO AGENCIES

The amount to be apportioned to the Cities and the County will be \$97,592.00 for this fiscal year.

Recommendation:

- a. Review, discuss, amend, and consider the Final Budget. A budget justification report was prepared by staff prior to the adopted proposed budget.
- b. Adopt LAFCO Resolution 2019-0004 approving a final budget for FY 19-20.

Resolution 2019-0004
of the
Colusa Local Agency Formation Commission

*Resolution of the Colusa Local Agency Formation Commission Adopting a
Final Budget for 2019-2020*

WHEREAS, Colusa LAFCO is required by Government Code Section 56381(a) to adopt annually, following a noticed public hearing, a proposed budget by May 1st and a final budget by June 15th; and,

WHEREAS, the Commission has prepared a final budget for public review; and,

WHEREAS, the Executive Officer has given notice of hearing in the form and manner specified by law for adoption of the final budget and upon the date, time and place specified in said notice of hearing, the Commission heard, discussed and considered all oral and written testimony submitted including, but not limited to, the approved budget priorities for Fiscal Year 2019-2020 and the Executive Officer's report and recommendations; and

WHEREAS, the Commission has considered the attached final Budget in light of the requirements of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000;

NOW THEREFORE, the Colusa Local Agency Formation Commission does hereby determine, resolve, and order the following:

1. That Colusa LAFCO hereby adopts the attached final 2019-2020 budget.
2. Directs the Executive Officer to transmit the final budget to the Auditor and all parties specified in Government Code Section 56381 (a) as promptly as possible.
3. The Commission hereby requests the Auditor to collect the funds, in accordance with Government Code Section 56381 (c). In the event of non-payment of LAFCO funds by any entity subject to the LAFCO's apportionment, the Commission hereby requests and authorizes the Auditor to collect the funds from property tax revenues or any other revenue

source and deposit the funds into the LAFCO account.

4. Any unexpended funds not otherwise re-budgeted into the 2019-2020 budget shall be retained by LAFCO and be either re-budgeted or placed into LAFCO's general reserve fund

PASSED AND ADOPTED by the Colusa Local Agency Formation Commission at a regular meeting of said Commission held on June 6, 2019 by the following roll call vote:

AYES: -

NOES: -

ABSTAINS: -

ABSENT: -

Signed and approved by me after its passage this sixth day of June 2019.

Denise Carter, Chair or John Loudon, Vice-Chair
Colusa LAFCO

Attest:

John Benoit
Colusa LAFCO

EXHIBIT "A"
FINAL 2019-2020 Budget 04060

REV, CATEGORICAL and CARRYOVER ESTIMATES	FINAL 2017-2018 Budget	FINAL 2018-2019 Budget	PROPOSED 2019-2020 Budget	FINAL 2019-2020 Budget
466920 City and County Contributions	\$ (92,555.00)	\$ 93,542.00	\$ 93,542.00	\$ 93,542.00
10100 Carryover Prior-Year	\$ 103,000.00	\$ (95,000.00)	\$ (100,000.00)	\$ (100,000.00)
Categoricals				
466920 Processing Fees	\$	\$ (5,000.00)	\$ (5,000.00)	\$ (5,000.00)
Municipal Service Review Fees	\$	\$	\$	\$
City of Colusa SOI/MSR	\$	\$	\$	\$
441900 Interest	\$	\$ (1,200.00)	\$ (1,200.00)	\$ (1,200.00)
TOTAL REVENUE AND CARRYOVER EST.	\$ 10,445.00	\$ (101,200.00)	\$ (106,200.00)	\$ (106,200.00)
EXPENDITURES				
51035 Workers Comp	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00
53180 Executive Officer Contract	\$ 48,000.00	\$ 48,000.00	\$ 48,000.00	\$ 48,000.00
53180 Clerical Support	\$ 3,657.00	\$ 3,657.00	\$ 3,657.00	\$ 3,657.00
53180 Legal Services (attorney contract)	\$ 24,000.00	\$ 24,000.00	\$ 24,000.00	\$ 24,000.00
53100 Liability Insurance	\$ 1,741.50	\$ 1,818.00	\$ 1,783.00	\$ 1,783.00
53170 Office Supplies	\$ 375.00	\$ 375.00	\$ 375.00	\$ 375.00
53171 Postage	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00
53170 Copies	\$ 1,500.00	\$ 1,500.00	\$ 750.00	\$ 750.00
53150 Memberships	\$ 899.00	\$ 926.00	\$ 1,712.00	\$ 1,712.00
53250 Transportation and Travel	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00
1002.5 Training	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00
53190 Legal Notices and Publications	\$ 1,500.00	\$ 1,500.00	\$ 750.00	\$ 750.00
53060 Communications	\$ 1,250.00	\$ 1,250.00	\$ 1,400.00	\$ 1,400.00
53180 Special Projects -File Scanning	\$ 7,500.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
8062.5 Sphere of Influence Updates	\$ 15,000.00	\$ 16,000.00	\$ 16,000.00	\$ 16,000.00
53180 Municipal Service Reviews	\$ 16,000.00	\$ 16,000.00	\$ 16,000.00	\$ 16,000.00
53180 Mapping	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
53229 A-87/Administration Fees	\$ 2,092.00	\$ 2,666.00	\$ 2,666.00	\$ 2,666.00
TOTAL EXPENDITURE BUDGET	\$ 135,564.50	\$ 134,742.00	\$ 134,143.00	\$ 134,143.00
59400 CONTINGENCY	\$	\$	\$	\$
RESERVE FUND	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
TOTAL Funds needed for expenditures-Cont and Reserv	\$ 195,564.50	\$ 194,742.00	\$ 204,143.00	\$ 204,143.00
FY 16-17 Estimated Revenue, Interest & Carryover	\$ (103,000.00)	\$ (101,200.00)	\$ (106,200.00)	\$ (106,200.00)
Amount to be apportioned to the Cities and the County	\$ 92,564.50	\$ 93,542.00	\$ 97,943.00	\$ 97,943.00

Colusa LAFCO
Executive Officer's Report

June 6, 2019

TO: Lake Local Agency Formation Commission

FROM: John Benoit, Executive Officer

EXECUTIVE OFFICER'S RECOMMENDATIONS: Dissolve the Century Ranch Water District and the Hazel Court CSA and adopt Resolution 2019-0005

Suggested Motion should the Commission approve this dissolution:

Consider Proposed Resolution No 2019-0005 approving the dissolution of the Hazel Court CSA and the Century Ranch Water District subject to the terms and conditions stated (See attachment #1)

I. BACKGROUND:

A. Summary and Background:

The Colusa Local Agency Formation Commission (LAFCo) received the two letters from the State Controller's Office (SCO) regarding the dissolution of the Century Ranch Water District, CSA #3, Hazel Court CSA and the Colusa County Flood Control and Water Conservation District. These letters were based on adopted 2018 legislation. Senate Bill 448 was signed into law by the Governor requiring the SCO to create a list of "inactive" special districts and mandating LAFCo's to dissolve districts that have not completed an audit.

The California Association of LAFCo's and the California Special District's Association were successful in amending SB 448 to include a definition of an "inactive special district" but were not successful in defeating the legislation.

As required in SB 448, LAFCo is now mandated to dissolve "inactive" districts. Based on information provided by the Auditor's office it was determined that the Hazel Court CSA and the Century Ranch Water District were inactive and the Colusa County Flood Control and Water Conservation District and CSA #3 were not since there is evidence that the Districts have had financial transactions in the previous fiscal year (2016-2017 or 2017-2018), the Districts have assets and liabilities, and the Districts have outstanding debts, judgments, litigation, contracts, liens or claims.

SB 448 gives LAFCo specific permission to not follow the Conducting Authority Proceedings for dissolution of inactive districts in specific cases. Therefore, no notice and hearing will be required in this case.

The Hazel Court County Service Area (CSA) was formed on October 20, 1988 to provide maintenance of Hazel Court, a private drive located east of 5th Street in Colusa consisting of 4.6-acres.

The Century Ranch Water District was formed on March 2, 1970 as a California Water District (Water Code section 34000 et. seq. consisting of 6.16 Sq/ miles (3940-acres) in 17 contiguous areas for domestic water service.

The Hazel Court CSA and the Century Ranch Water District are both inactive districts meeting the definition of an inactive district in Government Code Section 56042, as defined below:

An inactive district must meet all of the following criteria to be considered inactive:

- “(a) The special district is as defined in Section 56036.
- (b) The special district has had no financial transactions in the previous fiscal year.
- (c) The special district has no assets and liabilities.
- (d) The special district has no outstanding debts, judgments, litigation, contracts, liens, or claims”.

Another requirement of SB 448 was that LAFCo must first initiate dissolution of inactive districts. Therefore, on March 7th, 2019 LAFCo adopted Resolution 2019-0001, a resolution initiating proceedings for the dissolution of the Hazel Court CSA and the Century Ranch Water District (See attachment #2).

Staff recommends that the Lake Local Agency Commission approve this dissolution be subject to the terms and conditions stated in proposed Resolution 2019-0005.

B. Proposal and Justification:

This proposal is to dissolve districts as required by the Cortese-Knox Hertzberg Act

II. ANALYSIS

A. Accepted for filing: May 8, 2019

B. Publication and Posting: May 8, 2015

C. Compliance with CEQA:

Lead Agency:	LAFCo
Responsible Agency:	
Environmental Finding:	Exempt
Date of Finding:	June 6, 2019 (See Attachment #3)

D. Compliance with applicable Plans:

The proposed dissolutions conform to the Colusa County General Plan

E. Compliance with applicable Spheres of Influence:

This dissolution does not conflict with any applicable Spheres of Influence. No Sphere of Influence is needed since the districts will cease to exist.

F. Existing Land Use and Zoning:

- LAND USE DESIGNATION: Agriculture and Rural Residential
- ZONING: Agriculture – Rural Residential
- DWELLINGS: n/a
- SERVICE POPULATION: n/a
- REGISTERED VOTERS: N/A

G. LANDOWNER (S): SEVERAL

H. Existing Land Use and Zoning for surrounding territory:

Agriculture and rural residential

I. Proposed development: N/A

J. Fiscal data: N/A

L. Governing Law and LAFCo Policy

LAFCo is charged with applying the policies and provisions of the Cortese-Knox-Hertzberg Act to its decisions regarding annexations, incorporations, reorganizations, and other changes of government. LAFCo's review of projects must be consistent with the policy directives of the LAFCo Act. Specifically, LAFCo's policies are designed to:

a) Provide Information. Give applicants for changes of organization guidance as to the information LAFCo needs to make appropriate determinations concerning their applications and provide information and notice to elected officials, governmental staff, and members of the general public as to the standards and procedures that LAFCO will use in evaluating applications.

b) Set Criteria. Provide applicants for changes of organization with explicit guidance as to the criteria LAFCo will use in approving, disapproving, amending, or conditionally approving applications for changes of organization.

c) Ensure Greater Consistency in LAFCo's decision-making process.

d) Facilitate Communication among local agencies in the region.

e) Minimize Adverse Impacts of the social, economic and environmental results of growth.

f) Provide for Planned, Well-Ordered Efficient Urban Development Patterns with appropriate consideration of preserving open space lands within those patterns.

The following table is provided as a guide for the Commission to consider for a project's consistency with Government Code Section 56668, the broader legislative direction of LAFCO in Government Code Section 56001 as well as those adopted by Lake LAFCo.

This proposal complies with applicable legal and proposed policy requirements, as summarized below:

General Policy Considerations

Policy Consideration	Consistency/ Applicability	Comment
Communication between local agencies is encouraged.	<i>Consistent</i>	<i>LAFCo sent notices to the affected agencies</i>
Urban development proposals shall include annexation to a city where possible.	<i>N/A</i>	
LAFCO will normally deny proposals that result in urban sprawl.	<i>N/A</i>	
Environmental consequences (CEQA) shall be considered.	<i>Consistent</i>	<i>No longer a need for the inactive districts Services</i>
LAFCO will consider the impact of a proposal on the regional supply of housing for all income levels.	<i>N/A</i>	
LAFCO will favor proposals that promote compact urban form and infill development.	<i>N/A</i>	
Government structure should be simple, accessible, and accountable.	<i>Consistent</i>	
Agencies must provide documentation that they can provide service within a reasonable period of time.	<i>N/A</i>	
Efficient services are obtained when proposals: <ul style="list-style-type: none"> • Utilize existing public agencies; • Consolidate activities and services; and • Restructure agency boundaries 	<i>N/A</i>	

to provide more logical, effective, and efficient services.		
Adverse impacts on adjacent areas, social and economic interests and the local government structure must be mitigated.	N/A	
Conformance with general & specific plans required.	Consistent	<i>This project conforms to the adopted Colusa County General Plan.</i>
Boundaries: <ul style="list-style-type: none"> Definite boundaries are required. Boundaries that are favored: <ul style="list-style-type: none"> Create logical boundaries & eliminate islands or illogical boundaries. Follow natural or man-made features and include logical service areas. Boundaries that are disfavored: <ul style="list-style-type: none"> Split neighborhoods or communities. Result in islands, corridors, or peninsulas. Drawn for the primary purpose of encompassing revenue-producing territories. Create areas where it is difficult to provide services. 	Consistent	<i>The entire districts are to be dissolved</i>
Revenue neutrality required.	N/A	<i>No tax exchange is to occur per county resolution. Services are no longer needed</i>
Agricultural and Open Space Land Conservation Standards: <ul style="list-style-type: none"> Must lead to plan, orderly & efficient development. Approved Sphere of Influence Plan required. Findings with respect to alternative sites required. Impact on adjacent agricultural/open space lands assessed. Agricultural Buffers. 	Consistent	<i>No impact leading to the conversion of Agricultural or Open Space lands.</i>
Need for services exists when: <ul style="list-style-type: none"> Public health and safety threat exists. The residents have requested 	Consistent	N/A

extension of non-growth-inducing community services. <ul style="list-style-type: none"> • Subject area is likely to be developed for urban use within 5 years. 		
Exceptions are justified on the following grounds: <ul style="list-style-type: none"> • Unique. • Standards Conflicts. • Quality/Cost. • No Alternative. 	<i>Consistent</i>	<i>No exceptions to policy considerations are needed</i>

Dissolution Policies—General

<i>Policy</i>	<i>Consistency/ Applicability</i>	<i>Comment</i>
Services Authorized are no longer necessary, or	<i>Consistent</i>	
The services can be provided more efficiently by another agency or provider and that agency agrees to provide the services	<i>N/A</i>	
The agency is insolvent and unable to provide the services.	<i>Consistent</i>	<i>There is no need for the services since these districts are inactive</i>
Bonded Indebtedness. Where possible, LAFCO shall condition any dissolution to provide for the repayment of any bonded indebtedness or other obligations of the dissolved agency.	<i>N/A</i>	<i>N/A</i>
Disposition of Remaining Funds, A dissolved district shall turn over its funds to its successor as determined under 57451.	<i>Consistent</i>	<i>If the territory of a dissolved district is located within the unincorporated territory of a single county, the County shall be the successor (G.C. 57451(b).</i>
Action options include: <ul style="list-style-type: none"> • Approval. • Conditional approval to require only a portion of the area to be detached. • Denial. 	<i>N/A</i>	
<ul style="list-style-type: none"> • Send back to the County for further negotiations with the HOA 		

III. Comments from the public and public agencies.

None Received

IV. PROCEDURE

The Commission has the following alternatives for action at this hearing, after receiving public testimony:

- **Approval.** After the closure of the Public Hearing, if the Commission concurs with the terms as proposed, it may approve this dissolution proposal by adopting the proposed LAFCO Resolution 2019-0005 for the Dissolution of the Hazel Ct. CSA and Century Ranch Water District
- **Conditioned Approval.** The Commission may modify the proposed terms and conditions.
- **Denial.** Commission may deny this proposal. No similar proposal may be submitted within a year; unless the Commission makes a finding that the yearlong prohibition period is detrimental to the interests of the public.

The Commission may also continue the hearing to a specific date, time and place to resolve concerns about any portion of the proposal.

Respectfully Submitted,

John Benoit,
Executive Officer

Attachments:

1. LAFCo Dissolution Resolution 2009-0005
2. LAFCo Initiating Resolution 2019-0001
3. Notice of Exemption

COLUSA LOCAL AGENCY FORMATION COMMISSION

Attachment #1

Resolution # 2019-0005

A Resolution Making Determinations and Approving the Dissolution of the Hazel Court CSA and Century Ranch Water District

WHEREAS, A Resolution Initiating the proceedings for the dissolution of the Hazel Court CSA and the Century Ranch Water District was adopted by LAFCo on March 7, 2019 was initiated by the Colusa Local Agency Formation Commission pursuant to the requirements of the Cortese-Knox-Hertzberg Local Government Reorganization Act (Section 56000 *et seq* of the Government Code); and

WHEREAS, said The Hazel Court County Service Area (CSA) was formed on October 20, 1988 to provide maintenance of Hazel Court, a private drive located east of 5th Street in Colusa consisting of 4.6-acres; and

WHEREAS, The Century Ranch Water District was formed on March 2, 1970 as a California Water District (Water Code section 34000 *et. seq.* consisting of 6.16 Sq/ miles (3940-acres) in 17 contiguous areas for domestic water service; and

WHEREAS, the Executive Officer has provided notice of this hearing as described under Government Code Sections 56151 through 56159; and

WHEREAS, the Executive Officer reviewed the application and determined its completeness within 30 days of their submission and prepared and filed his report with this Commission at least five days prior to the regularly scheduled meeting during which this application is to be considered; and

WHEREAS, this Commission has considered the application, the report of the Executive Officer, the applicable General Plan, and each of the factors required by Government Code Section 56668 to be considered in the review of a proposal; and

WHEREAS, it is desired that the proposed dissolution of the Hazel Court CSA and Century Ranch Water District be subject to terms and conditions as follows:

1. The County agrees to defend, indemnify, and hold harmless the Colusa Local Agency Formation Commission and its agents, officers and employees from any claim, action or proceeding against the Commission or its agents, officers, and employees; including all costs, attorney's fees, expenses and liabilities incurred in the defense of such claim. Action, or proceeding to attack, set aside, or void the approval or determinations of this Commission concerning this annexation. The Colusa Local Agency Formation Commission shall promptly notify the applicant of any such claim, action, or proceeding and be entitled to representation by counsel of its choosing.

WHEREAS, all interested parties and proponents of the proposal were heard at a public hearing

held on June 6, 2019.

NOW, THEREFORE, IT IS HEREBY RESOLVED, DETERMINED AND ORDERED by the Colusa Local Agency Formation Commission as follows:

1. The foregoing recitals are true and correct.
2. Said change of organization territory is found to be uninhabited.
3. Further protest proceedings are waived through legislation and the Commission orders the Dissolution of the Hazel Court CSA and the Century Ranch Water District pursuant to Part 4 of Division 3 of the California Government Code commencing with Section 57000.
4. In reviewing this application, the Commission finds that the Hazel Court CSA and the Century Ranch Water District are inactive and provide no services.
5. In reviewing this application, this Commission has considered each of the factors required by Government Code Section 56668 and LAFCO's policies.
6. Colusa County is designated the successor agency for the dissolution of the Hazel Court CSA and the Century Ranch Water District.
7. The Commission hereby adopts the Notice of Exemption included as part of the Executive Officer's report for this dissolution.
8. The subject proposal is assigned the following short form designation: Dissolution of the Hazel Court CSA and the Century Ranch Water District (LAFCo File 2019-0003).
9. The Executive Officer of this Commission is instructed to mail a certified copy of this resolution to those persons so indicated on the application and as required by Government Code Section 56882 (in this case, the state controller's office).
10. The dissolution of the Hazel Court CSA and the Century Ranch Water District (LAFCO 2019-0003) is hereby approved subject to the terms and conditions herein.
11. The effective date shall be the date the Certificate of Completion is recorded.
12. Upon the effective date of this dissolution control of all monies or funds including cash on hand and monies due but uncollected, and all property, real and personal, of the dissolved district is vested with the County as provided for in Government Code section 57457.
13. The Executive Officer is directed to record a Certificate of Completion for this proposal upon completion of all proceedings and compliance with the terms and conditions.
14. Completion of proceedings shall be concluded within one year after adoption date of this resolution. If the proceedings are not concluded within one year after passage of this resolution, all proceedings shall be terminated.

PASSED AND ADOPTED at a regular meeting of the Local Agency Formation Commission of the County of Colusa, State of California, on the 6th day of June 2019 by the following vote:

AYES:
NOES:
ABSTAINS:
ABSENT:

**Denise Carter, CHAIR
COLUSA LOCAL AGENCY
FORMATION COMMISSION**

ATTEST:

**JOHN BENOIT
Executive Officer**

RESOLUTION NO. 2019-0001

**A RESOLUTION OF THE COLUSA LOCAL AGENCY FORMATION
COMMISSION INITIATING PROCEEDINGS FOR THE DISSOLUTION OF THE
HAZEL COURT CSA AND CENTURY RANCH WATER DISTRICT IN COLUSA
COUNTY, CALIFORNIA**

WHEREAS, the Hazel Court CSA and Century Ranch Water District are districts existing and operating pursuant to County Service Area Law (California Government Code section 25210.1 *et seq.*) and Section 30000 *et seq.* of the Water Code; and

WHEREAS, on November 6, 2018, a letter from the Office of the State Controller was received by LAFCo requesting dissolution of the Century Ranch Water District, CSA #3, Hazel Court CSA and the Colusa County Flood Control and Water Conservation District; and

WHEREAS, on December 21, 2018, a letter from LAFCo was mailed to the Colusa County Auditor and Public Works along with a copy of the SCO letter explaining LAFCo is mandated to dissolve the CSA #3, the Colusa County Flood Control and Water Conservation District, the Hazel Court CSA and Century Ranch Water District. The County responded affirming the Hazel Court CSA and Century Ranch Water District were inactive and CSA #3 and the Colusa County Flood Control and Water Conservation District were not inactive and provided documentation accordingly.

WHEREAS, the Colusa Local Agency Formation Commission has never prepared a Municipal Service Review and Sphere of Influence since the "Hazel Court CSA and Century Ranch Water District" have no facilities and provide no services": and

WHEREAS, Chapter 334, Statutes of 2017 (Senate Bill 448) added provisions to the LAFCo Act requiring the State Controller's Office (SCO) to create a list of inactive special districts based on information in the district's Financial Transactions Reports and to annually publish a list of inactive districts; and

WHEREAS, Pursuant to Government Code Section 56042 an inactive district must meet all of the following criteria to be considered inactive:

- (a) The special district is as defined in Section 56036.
- (b) The special district has had no financial transactions in the previous fiscal year.
- (c) The special district has no assets and liabilities.
- (d) The special district has no outstanding debts, judgments, litigation, contracts, liens, or claims".

WHEREAS, on February 13, 2019, a notice of intent to adopt this resolution at the February March 7, 2019 LAFCo meeting was published and provided to each interested and subject agency; and

NOW THEREFORE the Colusa Local Agency Formation Commission hereby resolves, orders and determines the following:

The Colusa Local Agency Formation Commission hereby initiates proceedings for the dissolution of the Hazel Court CSA and Century Ranch Water District as required by Chapter 334, Statutes of 2017 (Senate Bill 448) for being inactive districts.

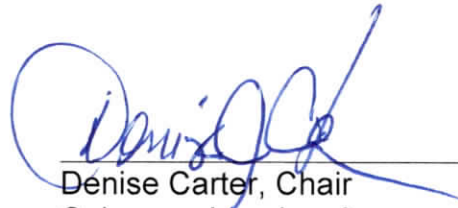
PASSED AND ADOPTED, by Colusa LAFCo on this 7th day of March 2019

AYES: D. Carter, J. Loudon, Brandon Ash, S. Singh

NOES: None

ABSENT: T. Reische

ABSTAIN: None



Denise Carter, Chair
Colusa Local Agency Formation
Commission

Attest:



John Benoit
Colusa LAFCo Executive Officer

NOTICE OF EXEMPTION

TO: County Clerk
County of Colusa
Colusa, CA

FROM: Colusa LAFCO
P.O. Box 2694
Granite Bay, CA 95746

PROJECT TITLE: Dissolution of the Hazel Court CSA and Century Ranch Water

PROJECT LOCATION: Colusa County

DESCRIPTION OF PROJECT:

The proposed project involves dissolving the Hazel Court CSA and the Century Ranch Water District since these districts are inactive.

NAME OF PUBLIC AGENCY APPROVING PROJECT:

Colusa Local Agency Formation Commission

NAME OF PERSON OR AGENCY CARRYING OUT THE PROJECT:

Colusa Local Agency Formation Commission

EXEMPT STATUS:

Class 19 Categorical Exemption, The proposal would not result in the development or use of structures or land (CEQA Guidelines Section 15319) and this proposal is also covered by the General Rule Exemption (15061 b (3)). Based on the record, there are no unusual circumstances or controversy regarding the dissolutions

REASONS WHY PROJECT IS EXEMPT:

The proposal would not result in any change in services or service area since there are no services being provided or have been provided and whereby this activity is covered by the general rule that CEQA applies only to projects, which have the potential for causing a significant effect on the environment.

CONTACT PERSON:
John Benoit
LAFCO Executive Officer

TELEPHONE NUMBER:
(530) 458-0593

By: _____

Date: June 6, 2019

ITEM 9



BOARD OF DIRECTORS
Donald R. Bransford, President
Peter Knight, Vice President
John Amaro
Logan Dennis
Blake Vann
GENERAL MANAGER
Thaddeus L. Bettner, P.E.

Via Email

May 17, 2019

Mr. John Benoit
Colusa LAFCo
Post Office Box 2694
Granite Bay, CA 95746

Subject: One-Year Extension Request for Colusa LAFCo Resolution 2018-0005

Dear Mr. Benoit:

Glenn-Colusa Irrigation District (GCID) requests that the Colusa Local Agency Formation Commission (LAFCo) consider granting a one-year extension on its Resolution 2018-0005 proceedings deadline, which is presently June 7, 2019. This would afford GCID and the landowner applicants sufficient time to fulfill the standing Conditions of Approval (Condition(s)) necessary to detach 207.96 acres, more or less, for the South Willows Commercial and Industrial Center. This includes:

- Preparation of the application materials required by the U.S. Bureau of Reclamation (Reclamation) to conduct a review, in accordance with Condition 26.
- Review period by Reclamation, which includes an environmental evaluation that can be variable in duration.
- Revisions to maps required by Colusa LAFCo, as noted in the attachment, amongst other outstanding Conditions.

Your time spent in review and consideration of this request is greatly appreciated. Please feel free to contact me at (530) 934-8881, if you have any comments or questions.

Sincerely,

A handwritten signature in black ink that reads 'Zachary W. Dickens'.

Zachary W. Dickens, P.E.
District Engineer

Attachments (1)

cc via email: Matt Sherrill
Wayne Peabody
Keith Doglio

Zac Dickens

From: Zac Dickens
Sent: Wednesday, July 25, 2018 2:42 PM
To: 'Keith Doglio'
Cc: 'Matt Sherrill' (msherrill@basin-street.com); 'suz@rarcivil.com'
Subject: South Willows Project Detachment
Attachments: 2018-0005 Reso GCID Willows Anx 6.7.18 copy.pdf; Giesbrecht legal description.pdf; Giesbrecht 8.5x11 reduced size scan.pdf

Good Afternoon Keith,

The Colusa Local Agency Formation Commission (LAFCO) has conditionally approved the South Willows Project Detachment from Glenn-Colusa Irrigation District (GCID), as shown in the attached Colusa LAFCo Resolution 2018-0005. In accordance with condition 21 and 22 of:

21. One electronic copy in PDF, five large copies and three 8 1/2 x 11 reductions of all maps (including Sphere of Influence Maps) along with five copies of the final LAFCO approved boundary descriptions shall be submitted to LAFCo) prior to recordation of the Certificate of Completion. In addition, GIS shape files for the boundary and Sphere of Influence, as amended shall be provided to Colusa LAFCo.
22. All maps and geographic descriptions for this detachment shall include the following heading "LAFCo File 2016-0001 Glenn Colusa Irrigation District Willows Detachment" prior to recordation of the Certificate of Completion.

The second and third attachments are examples from a recent annexation, with the distinction for this detachment being that Exhibit A is the boundary description and Exhibit B is the map. Can you please generate these deliverables and convey them to me via mail/email to keep this detachment progressing? We would need the original signed copies and the electronic PDFs can simply be emailed.

Please feel free to contact me if you have any comments or questions.

Thank you,

Zachary W. Dickens, P.E.
District Engineer
Office: (530)934-8881

