
**BUTTE LOCAL AGENCY FORMATION COMMISSION (LAFCO)
EXECUTIVE OFFICER’S REPORT**

TO: Local Agency Formation Commission

FROM: Shannon Costa, Deputy Executive Officer

SUBJECT: *LAFCo File 23-11 – South Feather Water & Power Agency – Foothill Boulevard Annexation No. 8*

DATE: February 23, 2023 for the March 2, 2023 LAFCo meeting

Summary

Proposed is the annexation of a single parcel 7.42 acres in size to the South Feather Water & Power Agency (***Exhibit A***). The proposed annexation would allow the South Feather Water & Power Agency to supply potable (domestic) water to the site to eliminate the dependence on groundwater pumping (via well) for the existing residence at the site. The proposal has the support of the affected landowner and substantially conforms to LAFCo policy; therefore, the Executive Officer recommends approval of this proposal.

General Information

Application Submitted: January 23, 2023

Application Deemed Complete: February 23, 2023

100% Landowner Consent: Yes

Notice and Hearing Required: No

Proponent: South Feather Water & Power Agency, by Resolution 22-11-15

Landowners: Douglas and Christie Holder

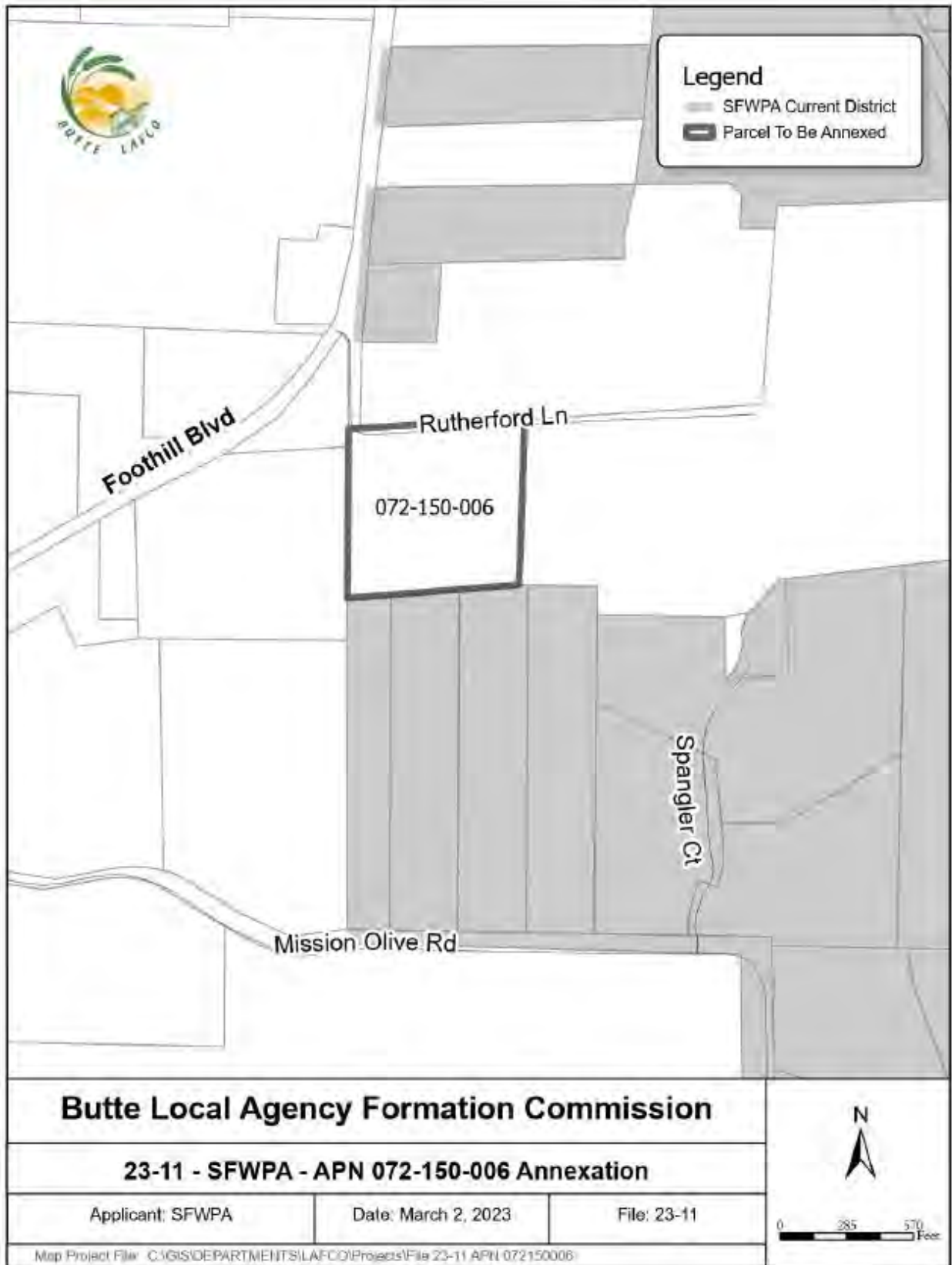
Location: The parcel is located on the east side of Foothill Boulevard, north of Dunstone Drive and south of Oro Bangor Hwy in the Wyandotte area of unincorporated Butte County. The subject parcel is identified as Assessor’s Parcel Number 072-150-006. The territory is located in Supervisorial District 1.

Proposal: Annexation of APN 072-150-006 totaling 7.42 acres to the South Feather Water & Power Agency for the provision of domestic (potable) water.

Requested

Action: Adopt Resolution 19 2022/23 (***Exhibit B***) approving the annexation.

Exhibit A



DISCUSSION AND ANALYSIS

Background

The annexation territory is a 7.42-acre parcel located south and east of the City of Oroville. The annexation territory is developed with a single-family home and surrounding tree crops. Land uses surrounding the annexation territory include single-family homes on larger lots with various agricultural and residential uses. The Wyandotte Grange is located north of the annexation territory and Butte County Fire Station 66 is located 1,700 feet west of the annexation territory.

The annexation territory is within the Sphere of Influence for the South Feather Water and Power Agency, which provides domestic and irrigation water services to eastern and southern Oroville and surrounding areas, including Bangor, Kelly Ridge, and Palermo. Raw irrigation water is currently provided to the site via the South Feather Water and Power Agency's system. The provision of domestic (potable) water to the site would provide for further development of the site with an accessory dwelling unit, consistent with Butte County Land Use Regulations. Domestic water to the site would reduce dependency on pumped water via private well.

Land Use/Zoning Designations

The annexation territory is accessed by a private drive from Foothill Boulevard. The site is zoned RR-5 (Rural Residential with 5 acre minimum lot size) and identified as RR (Rural Residential) by the Butte County General Plan. The Rural Residential land use designation is most appropriate for single-family development at rural densities of 1 dwelling unit per 5 acres, small farmsteads, and accessory dwelling units.



Foothill Boulevard at residence driveway – Google Maps

Annexation

The annexation was initiated by South Feather Water & Power Agency and the affected property owners to facilitate the delivery of domestic (potable) water to the annexation territory to support further development of the site with an additional residence, consistent with Butte County land use regulations. The provision of domestic water would reduce dependency on groundwater pumping via private well.

Individual Factors for Consideration

California Government Code § 56668 provides a list of factors to be considered in the review of a proposal. No single factor is determinative. The purpose in considering these factors is to help

inform the Commission in its decision-making process. An evaluation of these factors as it relates to the proposal follows.

(a) Population; land use; topography; proximity to other populated areas; the likelihood of significant growth in the area.

The affected territory is located in the unincorporated Wyandotte area of Butte County, south and east of the City of Oroville. The site is developed with a single-family home and surrounding tree crops. Surrounding land uses are primarily residential, with some agriculture uses and open space. Topography of the site and surrounding area is gently rolling foothills with woody vegetation. The site is located in the Wyandotte/Dunstone area of unincorporated Butte County, approximately 6 miles south of the city center of Oroville.

Further development in the area is limited by the land use designation and minimum lots size established by the County of Butte, and the availability of utilities and infrastructure.

(b) The need for organized community services; probable effect of the proposed annexation on the cost and adequacy of services and controls in the area and adjacent areas.

The need for organized community services in the annexation area is to support existing and future residential uses at the site and to reduce dependence on pumped groundwater via private well. SFWPA is an enterprise district and service charges are based on quantity consumed. The proposed annexation would not affect the cost or adequacy of services in the area and adjacent areas.

(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 proposed annexation will allow SFWPA to extend services for domestic (potable) water to the annexation territory for the purpose of reducing dependency on pumped groundwater via private well. The annexation territory is within the Sphere of Influence for the South Feather Water and Power Agency, which provides domestic and irrigation water services to eastern and southern Oroville and surrounding areas, including Bangor, Kelly Ridge, and Palermo. The proposed annexation will not have a nominal effect on the local government structure of the county or on mutual social and economic interests.

(d) The conformity of the proposal with the adopted commission policies on providing planned, orderly, efficient patterns of urban development.

The proposed boundary change is consistent with existing service delivery patterns and rural residential development in adjacent areas and facilitates efficient provision of domestic and irrigated water services by SFWPA. The proposal is consistent with Commission policies that encourage consistency with spheres and municipal service reviews (4.1.1), and discourage annexations that would have adverse effects on other agencies and service recipients (4.1.10).

(e) The effect of the proposal on agricultural lands.

The annexation territory is developed with tree crops. The proposed annexation would allow for domestic water to the site, reducing dependency on pumped groundwater for domestic purposes. The proposal would not affect exiting agricultural uses in or around the annexation territory.

(f) Boundaries of the territory.

The subject territory is parcel specific, with definite and certain boundaries. There are no conflicts with lines of assessment or ownership.

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

The Butte County General Plan designates the annexation territory as RR (Rural Residential) and zoning is RR-5 (Rural Residential with 5-acre minimum lot size). The proposal would support the existing residential use at the site, and allow for further residential development consistent with Butte County Land Use Regulations.

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

The territory is within the Sphere of Influence for the South Feather Water and Power Agency. The proposed annexation territory is also within the Sphere of Influence for Feather River Parks and Recreation District, Oroville Cemetery District, Butte County Mosquito and Vector Control District, and Community Service District 164 (Animal Control). The annexation proposal does not conflict with the Sphere of Influence of any agency. The existing public services provided to the subject parcel by Butte County will not change as a result of this proposal.

(i) The comments of any affected local agency.

On January 26, 2023, LAFCo staff circulated copies of the application materials for review and comment from local public agencies. Following is a list of the agencies who responded to LAFCo's request for comments and their response.

Agency

Comment

Butte County Elections

The proposed annexation moves voters from a precinct unincorporated with South Feather Water & Power Agency into an adjoining precinct within the South Feather Water & Power Agency boundaries

The following agencies were also sent a request for comments, but did not respond or did not provide substantive comments:

Butte County Animal Control; Butte Resource Conservation District; City of Oroville; Butte County Supervisor District 1; Butte County Mosquito and Vector Control District; Butte County Assessor; CAL Fire; Feather River Recreation & Park District, Butte-Glenn Community College District, Oroville Union High School District and Palermo Union School District; and Butte County Sheriff.

(j) The ability of the receiving entity to provide the services.

The territory is within the Sphere of Influence for the South Feather Water and Power Agency. SFWPA is the most logical irrigation water service provider for the territory because SFWPA already provides domestic and irrigation water services throughout the southern and eastern Oroville area. South Feather Water and power currently has infrastructure available to service the annexation territory as it already service several parcels both north and south of the territory.

(k) Availability of adequate water supplies.

As indicated in the agency's Municipal Service Review (adopted by the Commission in June 2006), SFWPA has sufficient capacity to provide raw water service to the affected parcel without detriment to current service recipients. The Agency's average annual consumption is approximately 28,000 AF (acre-feet), with one quarter (7,000 AF) of that being delivered to

residential users and the rest (21,000 AF) going to agricultural users (whose use is projected to decline in future years as agriculture uses are converted to urban uses). Because the Agency has water rights that exceed the actual yield of the watershed, the Agency has significant expansion capability for residential development.

(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.

This annexation proposal would not affect Butte County in achieving its regional housing needs allocation.

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

The annexation is proposed by SFWPA on behalf of the property owner. The annexation has 100% landowner consent. On February 9, 2023, public hearing notices were mailed to landowners and registered voters within 300 feet of the annexation territory. No comments have been received since the date of this report.

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

The Butte County General Plan designates the annexation territory as RR (Rural Residential) and zoning is RR-5 (Rural Residential, 5-acre minimum lot size).

(o) The extent to which the proposal will promote environmental justice.

The proposed annexation is intended to benefit the residents of the subject territory by providing a long-term source of domestic (potable) water, reducing dependency on pumped groundwater via domestic well.

Based upon the above responses, the proposal appears to be consistent with the listed factors.

Applicable Butte LAFCo Policies

Section 2.0 (*LAFCo General Policies and Standards*) and Section 4.0 (*Annexation and Detachments*) of Butte LAFCo Policies and Procedures provides the Commission with general standards for annexation proposals. The relevant policies for consideration and guidance for this proposal include:

- Consistency of a proposal with the Sphere of Influence and Municipal Service Review of the affected jurisdiction(s). (4.1.1)
- Determination of the most efficient service provider. (4.2)

The proposal is substantially consistent with the above policies in that:

- The South Feather Water & Power Agency has adequate water rights and facilities to provide service to the territory; and
- The South Feather Water & Power Agency is the only domestic and irrigation water service provider in the area.

ADDITIONAL INFORMATION

Property Tax Agreement

In accordance with provisions of Revenue and Taxation Code § 99, a Master Property Tax Transfer Agreement was executed between the South Feather Water & Power Agency and the

Butte County Board of Supervisors on July 23, 1996. The Master Property Tax Transfer Agreement states that no property tax transfer will occur because of any annexation to the South Feather Water & Power Agency.

Support/Protest and Conducting Authority Proceedings

On November 15, 2022, the South Feather Water & Power Agency Board of Directors adopted Resolution No. 22-11-15 (**Exhibit D**) initiating the annexation proposal. There are less than twelve (12) registered voters in the territory, which makes the territory uninhabited pursuant California Government Code § 56046, which requires twelve (12) or more registered voters to live within the proposal area before it can be considered inhabited.

The proposed annexation has 100% consent of the affected landowners. Pursuant to California Government Code § 56663, the Commission may waive the protest proceedings given the following conditions are met: the subject area is uninhabited; all owners have given their consent, and; no affected agencies have submitted written opposition for a waiver of the protest proceedings. Therefore, approval by the Commission will be the final action required for this annexation.

Environmental Analysis

The South Feather Water & Power Agency is the lead agency for the proposal under the California Environmental Quality Act (CEQA). The South Feather Water & Power Agency found the proposal to be Categorical Exempt from further CEQA review, pursuant to Section 15319 (Annexations of Existing Facilities and Lots for Exempt Facilities) and has prepared a Notice of Exemption (**Exhibit E**). Staff concurs with the Agency's use of Section 15319 exemption.

ALTERNATIVES FOR COMMISSION ACTION

After reviewing this report and any testimony or materials that are presented, the Commission can take one of the following actions:

OPTION 1 – Adopt Resolution No. 19 2022/23 APPROVING the proposals as submitted and subject to the recommended conditions therein.

OPTION 2 – DENY the proposal.

OPTION 3 – CONTINUE this proposal to a future meeting for additional information.

PROPOSED MOTION

I recommend that the Commission adopt resolution 19 2022/23 making determinations approving the proposed annexation identified as South Feather Water & Power Agency – Foothill Boulevard Annexation No. 8, finding the proposal exempt from environmental review pursuant to CEQA Guidelines section 15319, and waiving protest provisions.

Respectfully submitted,

Shannon Costa

Shannon Costa
Deputy Executive Officer

Attachments:

- Exhibit A: Annexation Area Map (Page 2)
- Exhibit B: Draft LAFCo Resolution No. 19 2022/23
- Exhibit C: SFWPA Resolution 22-11-15
- Exhibit D: Notice of Exemption

RESOLUTION NO. 19 2022/23

**RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION
OF THE COUNTY OF BUTTE
MAKING DETERMINATIONS AND ORDERING THE ANNEXATION OF
TERRITORY DESIGNATED AS 23-11 SOUTH FEATHER WATER & POWER AGENCY
FOOTHILL BOULEVARD ANNEXATION NO. 8**

RESOLVED, by the Local Agency Formation Commission of the County of Butte, State of California, that

WHEREAS, a proposal for the annexation of certain territory to the South Feather Water & Power Agency in the County of Butte was heretofore filed by the South Feather Water & Power Agency and accepted for filing on February 23, 2023 by the Executive Officer of this Local Agency Formation Commission pursuant to Title 5, Division 3, commencing with Section 56000 of the Government Code; and

WHEREAS, the Executive Officer, pursuant to Government Code Section 56658, set February 23, 2023, as the hearing date on this proposal and gave the required notice of public hearing; and

WHEREAS, the Executive Officer, pursuant to Government Code Section 56665, has reviewed this proposal and prepared a report, including recommendations thereon, and has furnished a copy of this report to each person entitled to a copy; and

WHEREAS, this Commission called for and held a hearing on March 2, 2023 and at the hearing this Commission heard and received all oral and written protests, objections and evidence which were made, presented or filed, and all persons present were given an opportunity to hear and be heard with respect to this proposal and the report of the Executive Officer; and

WHEREAS, this Commission considered the factors determined by the Commission to be relevant to this proposal, including, but not limited to, factors specified in Government Code Section 56668; and

NOW, THEREFORE, the Local Agency Formation Commission of the County of Butte **DOES HEREBY RESOLVE, DETERMINE AND ORDER** as follows:

Section 1. Environmental Findings:

- A. The Commission concurs with the South Feather Water & Power Agency determination that the proposed project is Categorically Exempt from the California Environmental Quality Act pursuant to Section 15319, Annexations of Existing Facilities and Lots for Exempt Facilities. A Notice of Exemption was prepared by the South Feather Water & Power Agency on November 15, 2023.

Section 2. General Findings and Determinations:

- A. The Commission has considered the factors determined by the Commission to be relevant to this proposal, including, but not limited to, Sphere of Influence and General Plan consistency, the Domestic Water and Wastewater Service Providers Municipal Service Review and Commission Policies and other factors specified in Government Code Section 56668 and as described in the staff report dated February 22, 2023, for the meeting of March 2, 2023.

- B. The Commission finds that the proposal has 100% support of the affected property owners and orders the annexation complete without a protest hearing pursuant to Government Code Section 56663.
- C. The annexation area shall consist of a single parcel identified as Assessor's Parcel Number 072-150-006, consisting of a single 7.42 acre parcel, as submitted by the South Feather Water & Power Agency and described in "Exhibit A."
- D. The subject area is found to be uninhabited, and is assigned the following short form designation: 23-11 – South Feather Water & Power Agency – Foothill Boulevard Annexation No. 8
- E. The proposal is consistent with the South Feather Water & Power Agency Sphere of Influence.
- F. Pursuant to Butte LAFCO Policy 2.13.1, the Commission determines that agricultural and/or open space lands will not be adversely affected by this proposal as the subject parcel is developed; will not result in a change in land use or a significant increase in density on the subject parcel; the adjacent parcels are not developed with agricultural; and the adjacent parcels are not considered to be "prime agricultural land" as defined in §56064. Therefore, no conversion of designated agricultural or open space lands will occur because of the requested annexation.
- G. A Master Property Tax Transfer Agreement, which states that there will be no transfer of property taxes, was executed between the South Feather Water & Power Agency Board of Directors and the Butte County Board of Supervisors on July 23, 1996.

Section 3. Conditions requested by LAFCO:

- A. All LAFCO, County of Butte and State of California fees must be paid in full prior to filing the Certificate of Completion.
- B. The legal description and map, if amended by action of the Commission, will be revised at the expense of the applicant, prior to filing the Certificate of Completion.
- C. The map and legal description shall comply with the State Board of Equalization requirement and if rejected by the State Board of Equalization, will be revised at the expense of the applicant.

Section 4. The boundaries, as set forth in the proposal or as amended by action of the Commission, are hereby approved as submitted and are as depicted in Exhibit "A" attached hereto and by this reference incorporated herein.

Section 5. Further protest proceedings are waived and the Commission orders the annexation, pursuant to Part 4 commencing with Section 57000.

Section 6. The Executive Officer is hereby authorized and directed to mail certified copies of this Resolution as provided in Section 56882 of the Government Code.

PASSED AND ADOPTED by this Local Agency Formation Commission of the County of Butte, on the 2nd day of March 2023 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINS:

Clerk of the Commission

BILL CONNELLY, Chair
Butte Local Agency Formation Commission

DRAFT



SOUTH FEATHER WATER & POWER AGENCY

LAFCO EXHIBIT 1 RESOLUTION OF THE BOARD OF DIRECTORS

Resolution 22-11-15

**Application by the South Feather Water & Power Agency
Requesting the Local Agency Formation Commission to
Take Proceedings for the Annexation of Territory into the Agency**

Foothill Blvd. ANNEXATION #3-22 (Holder)

WHEREAS, the Board of Directors of the South Feather Water and Power Agency desires to initiate proceedings pursuant to the Cortese-Knox Local Government Reorganization Act of 1985, commencing with §56000 of the California Government Code, for the annexation of the territory hereinafter described; and,

WHEREAS, notice of intent to adopt this resolution of application has been given to each interested and subject agency; and,

WHEREAS, the territory proposed to be annexed is inhabited and its owners support the annexation proposal;

WHEREAS, a description of the boundaries of the territory proposed to be annexed is set forth in Exhibit 3 of the LAFCo Application Form for the subject annexation, attached hereto and by this reference incorporated herein; and,

WHEREAS, this proposal is consistent with the sphere of influence of South Feather Water and Power Agency; and,

WHEREAS, the proposed annexation is consistent with the Butte County General Plan applicable to this property; and,

WHEREAS, the annexation is proposed for the purpose of allowing South Feather Water and Power Agency to provide raw (irrigation) water to the annexing territory when available; and,

WHEREAS, this Board of Directors acknowledges that, in accordance with Section 99, Subsection B, Paragraph 8, Subpart (d) of the Revenue and Taxation Code, the Master Property Tax Exchange Agreement that exists between South Feather Water and Power Agency (formerly Oroville-Wyandotte Irrigation District) and the County of Butte applies to this proposed annexation; and,

WHEREAS, this Board of Directors finds that, in accordance with said Master Property Tax Exchange Agreement with Butte County, this change of organization will be revenue neutral to all affected agencies; and,

WHEREAS, this Board of Directors acknowledges that South Feather Water and Power Agency is responsible for Butte LAFCo's expenses for staff services and materials associated with the processing of this annexation

application and agrees to pay, prior to the filing of the Certificate of Completion or within 30 days of receipt of invoice, all required fees and to reimburse Butte LAFCo for the cost of its services that exceed the initial deposit; and,

NOW, THEREFORE, BE IT RESOLVED that this project is exempt from the California Environmental Quality Act in accordance with the general rule contained in Title 14 CCR, §15319(b).

BE IT FURTHER RESOLVED that this Resolution of Application is hereby adopted and approved by the Board of Directors of the South Feather Water and Power Agency, and the Local Agency Formation Commission of Butte County is hereby requested to take proceedings for the annexation of territory as described in LAFCo Exhibit 3, according to the terms and conditions stated above and in the manner provided by the Cortese-Knox Local Government Reorganization Act of 1985 (rev. 1994).

BE IT FURTHER RESOLVED that the Local Agency Formation Commission be requested to make this change of organization subject to the conditions specified in the Statement of Justification, set forth in Section A.4 of the LAFCo Standard Application Form for the subject annexation, by this reference incorporated herein.

BE IT FURTHER RESOLVED that the General Manager shall file a Notice of Exemption from CEQA with the County Clerk for this project.

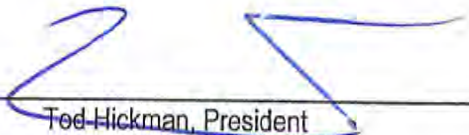
PASSED AND ADOPTED by the Board of Directors of the South Feather Water and Power Agency at the regular meeting of said Board on the 15th day of November 2022, by the following vote:

AYES: TH / RW / DM / RD

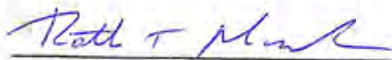
NOES: 0

ABSTAINED: 0

ABSENT: JS



Tod Hickman, President



Rath T. Moseley, Secretary

NOTICE OF EXEMPTION

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

From: South Feather Water and Power Agency
2310 Oro-Quincy Highway
Oroville, CA 95966

County Clerk
County of Butte
25 County Center Drive
Oroville, CA 95965-3375

Project Title: 4886 Foothill Blvd. Property Annexation into South Feather Water and Power Agency

Project Location - Specific:

Refer to Figure 1: The project is east of the City of Oroville in an unincorporated area of Butte County, CA.

Project Location - City: South East Oroville **Project Location - County:** Butte

Description of Nature, Purpose, and Beneficiaries of Project:

The project applicant is requesting annexation into the South Feather Water and Power Agency. The inhabited rural residential parcel intersects with Foothill Blvd. and Oro Bangor Hwy.

Name of Public Agency Approving Project: South Feather Water and Power Agency

Name of Person or Agency Carrying Out Project: Christie Holder

Exempt Status:

- Ministerial (Sec. 21080(b)(1); 15268);
- Declared Emergency (Sec. 21080(b)(3) 15269(a));
- Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
- Categorical Exemption (type and section number); 15319 (b) -Annexations of Existing Facilities and Lots for Exempt Facilities
- Statutory Exemption (state code number): _____

Reason why project is exempt:

The project is the annexation of an individual RS-5 parcel to a district containing existing domestic water public facilities that have been developed to the allowed density under the current zoning. The existing facility has the capacity to serve the existing rural residential property.

Lead Agency

Contact: Rath Moseley, General Manager **Phone:** (530) 533-2412

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: _____ Title: _____ Date: _____

Signed by Lead Agency

Signed by Applicant

Date received for filing at OPR: _____