

M E M O R A N D U M

TO: Local Agency Formation Commission

FROM: Stephen Lucas, Executive Officer

SUBJECT: **Agenda Item 6.1 - Executive Officer's Report**

DATE: February 27, 2024, for the meeting of March 7, 2024.

ADMINISTRATION:

- The Budget Committee (Kimmelshue, Johnson, McGreehan, Betts) will meet on March 19, 2024, to review and discuss the Preliminary 2024/24 FY Budget.
- Staff will begin recruitment for the Commission Public Member and Alternate, as the terms expire in May 2024. Commissioner Betts and Alternate Rust will ask for re-appointment.

PROJECT/GENERAL NOTES:

The following items/proposals are being reviewed, discussed and/or considered at various stages.

- **(NEW) Gridley Area Water Districts** - Staff continues to assist the Gridley area water/drainage districts (Biggs West Gridley Water District, Butte Water District, Reclamation District No. 833) with service issues related to development proposals in the City of Gridley and its Sphere of Influence. The issues are primarily related to mitigations for open canals that represent significant health and safety issues and increases in stormwater drainage. Both LAFCo concerns. There is also frustration with the City's processing of entitlements/projects related to early consultations with affected agencies, timely public hearing notices to affected agencies and landowners, and other irregularities. The Commission has consistently directed its Staff to assist our member agencies when appropriate and we will continue to monitor this issue and assist however we can help so as to resolve these types of issues before a LAFCo application is submitted. Staff is helping all parties develop a Letter Agreement that will outline expectations and processes necessary to ensure cooperation. Staff also facilitated an introductory meeting with the affected districts and the City's newly appointed City Administrator on January 30, 2024, which was very positive.
- **City of Biggs** – The City of Biggs in close coordination with Staff has developed a Phased Annexation Plan that outlines the City's intent to annex lands to the east of the City to enhance its exposure and opportunities along SR 99. Staff suggested the City prepare a Phased Annexation Plan. The Phased Annexation Plan (Plan) outlines four phases to pre-zone and annex approximately 520 acres adjacent to the eastern city limits. The Plan envisions that pre-zone districts will be consistent with existing General Plan designations. Current acreage within the Biggs city limits is approximately 414 acres. When fully implemented, future projects would facilitate potential development of approximately 2,380 new housing units. The City Council adopted the Plan on October 10, 2023. Staff is excited to work with our City partner on making this effort as success and continues to meet on the matter as necessary. The complete [Biggs Annexation Plan](#) can be viewed by clicking [HERE](#). **(NEW)** Staff met with City staff and Supervisor Kimmelshue and Mayor Basset on February 8, 2024, to discuss the a new potential annexation for a commercial use along B Street.

- **Public Request** – Review of relationship between South Feather Water and Power Agency (SFWPA) and the North Yuba Water District (NYWD). At its December 7, 2023, meeting, the Commission received information from Butte County resident Tod Hickman concerning the relationship between the SFWPA and the NYWD. Butte LAFCo is the “principal” LAFCo for the SFWPA and Yuba LAFCo is the “principal” LAFCo for the NYWD. This means that boundary, service and organization issues are handled by the principal LAFCo for each agency. Butte LAFCo has no authority to act on matters related to the services and boundaries of the NYWD.
- **City of Gridley – MSR/SOI Update** – The City has expressed an interest in updating its MSR and SOI Plan in anticipation of new development proposals being considered. Staff entered into a Letter Agreement with the City to conduct this effort, similar to agreements with the City of Chico and City of Oroville.
- **County Service Area (CSA) Reorganization** – At its June 13, 2023, meeting, the Board of Supervisors was provided with an update on the status of the CSA program, administered by the Butte County Public Works Department. The report indicated that many CSAs within the County are severely underfunded and pursuing additional funding is difficult given the costly Prop 218 process. Ultimately, staff was given direction by the Board to coordinate with LAFCo staff to potentially dissolve or consolidate underperforming or underutilized CSAs. Staff met with County PW staff on September 27 to further discuss and will report out to the Commission of any progress.

CALAFCO:

- Staff will be attending the 2024 CALAFCO Staff Workshop in Pleasanton April 24-26, 2024.
- DEO Costa, serving on the Program Committee, has organized two sessions. One will focus on general LAFCo knowledge and one to discuss technical writing skills.

LEGISLATION:

- Indemnification authorization in CKH. Good news, CALAFCO has found a legislator to carry this bill forward.
- Government Code 56133 (Extension of Services). This is a question about should agencies be able to “self-exempt” from LAFCo consideration? This multi-year effort appears to have stiff resistance from legislative staff and partner agencies as a significant new LAFCo power.

APPLICATION ACTIVITY:

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Project Status As of February 27, 2024

File	Applicant	Project Name	Date Application Received	Certificate of Filing	LAFCO Hearing Date	Certificate of Completion	SBE Submittal Date	Additional Comments
11-06	Butte County	CSA No. 114 - Expansion of Powers	02/02/11	N/A	pending	N/A	N/A	Incomplete - On Hold
18-09	TWSD	Clay Pit State Recreation Area Annexation						On hold. Incomplete Application
19-12	County	CSA 158 - Mandville Park Subd. Annex	05/02/19	05/29/19	10/03/19			Approved w/ conditions - 218 Hearing
20-08	Oroville	Municipal Service Review Update (MSR)	05/20/20	N/A				In progress
20-09	LAFCO	Oroville Region Sewer & Water MSR	N/A	N/A				In progress
21-06	Landowners	Tuscan Water District Formation	02/22/21	10/01/21	12/02/21			Approved - awaiting election
22-10	Gridley	W Biggs-Gridley Rd Annexation No. 3	03/28/22	05/16/22	11/03/22	5/18/23	5/30/23	Completed
23-02	Chico	El Monte Ave Annex. No. 1	08/16/22	09/08/22	11/03/22			Will Record 8-1-25
23-03	Chico	Chico Canyon Annex. No. 8	08/16/22	09/08/22	02/02/23			Election results in
23-05	Chico	W East Ave Annex. No 1	08/16/22	09/08/22	10/06/22			Will Record 8-1-24
23-09	Paradise	PID - MSR Update 2022	11/15/22	n/a	02/01/24			Completed
23-12	Gridley	MSR Update 2022	01/06/23	n/a				In progress
23-13	Biggs	W Rio Bonito Road Annex. No. 8	01/13/23	02/13/23	05/04/23	10/18/23	10/23/23	Completed
23-15	BWD	BWG Water District Reorganization	05/25/23	06/26/23	08/03/23	9/8/23	9/11/23	Completed
24-01	BWD	BWG Water District - Sycamore St Detach. No	12/12/23	01/10/24	03/07/24			In progress