

---

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

---

**TO:** Local Agency Formation Commission

**FROM:** Shannon Costa, Deputy Executive Officer

**SUBJECT:** *LAFCo File 23-15 – Butte Water District – Biggs-West Gridley Water District Reorganization No. 1*

**DATE:** July 26, 2023, for the August 3, 2023 LAFCo Meeting

---

**Summary**

A proposal was received from the Butte Water District Board of Directors that includes 1) A request to amend (expand) the Sphere of Influence for the Butte Water District and 2) The annexation of five parcels to the Butte Water District. Additionally, Staff recommends that that proposal be modified by the Commission to include 3) Amending (reduced) the Sphere of Influence for the Biggs-West Gridley Water District to allow the annexation to BWD, and 4) Detach three parcels from the Biggs-West Gridley Water District as a result of the annexation of these parcels to the Butte Water District. The proposed reorganization would support the efficient delivery of irrigation water to the parcels to maintain ongoing agricultural uses. The parcels involved are generally located on the west side of Butte County, near the cities of Biggs and Gridley. The proposal has the support of the affected landowners and both water districts, and substantially conforms to LAFCo policy; therefore, the Executive Officer recommends approval of this proposal.

**General Information**

Application Submitted: May 30, 2023

Application Deemed Complete: June 30, 2023

100% Landowner Consent: Yes

Notice and Hearing Required: No

Proponent: Butte Water District

Landowners: Various

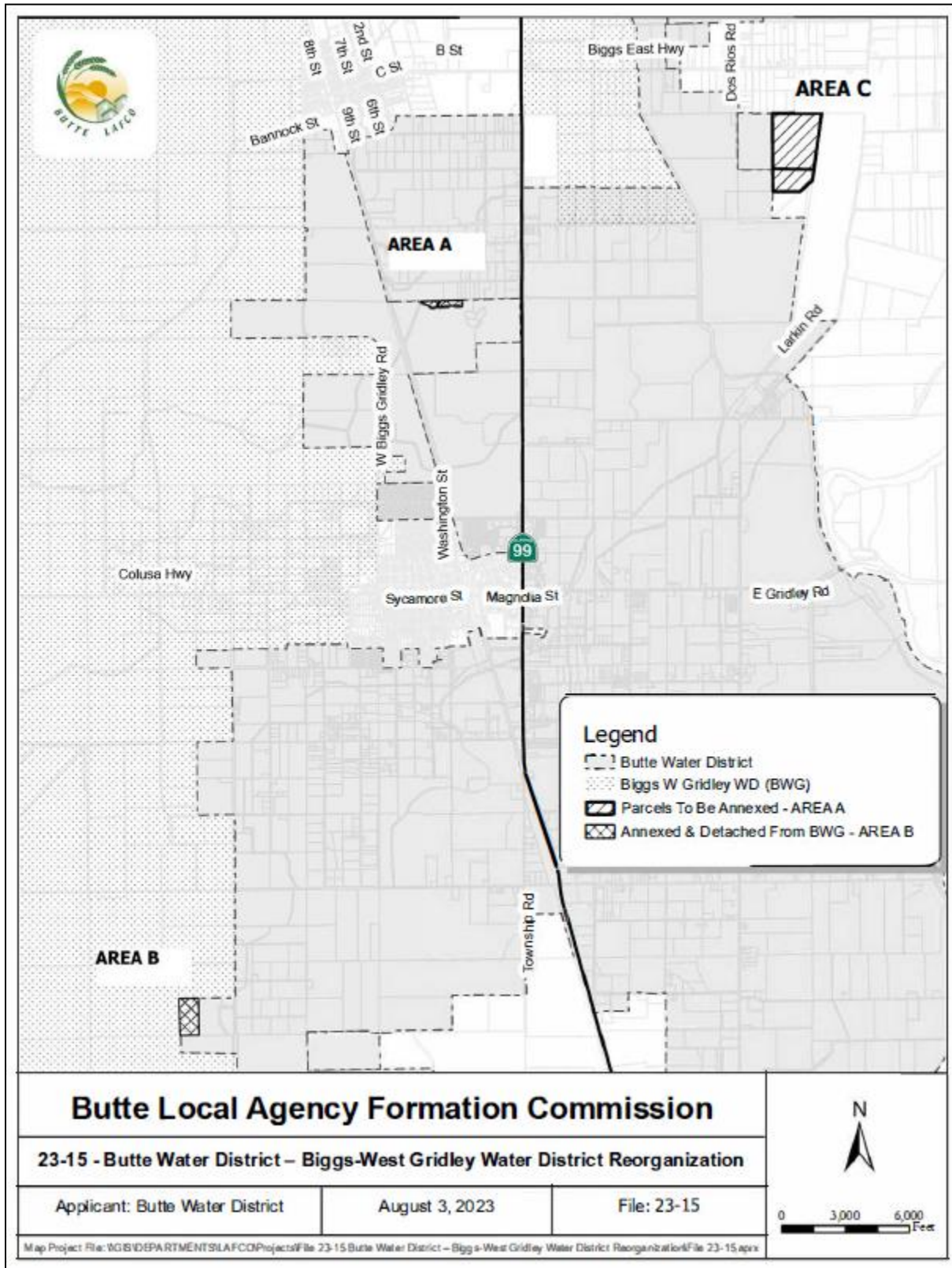
Location: The parcels involved are generally located in southwesterly Butte County, near the cities of Biggs and Gridley. The parcels are located in Supervisorial District 4 (Kimmelshue).

Proposal: Reorganization of five parcels including annexation of all five parcels to the Butte Water District, detachment of three parcels from the Biggs-West Gridley Water District, amend the Sphere of Influence for Butte Water District, and amend the Sphere of Influence for Biggs West Gridley Water District.

**Requested**

**Action:** Adopt Resolutions 27 2022/23, 28 2022/23, and 29 2022/23 (*Exhibits B, C, and D*)

# Exhibit A



## BACKGROUND

The annexation involves five non-contiguous parcels in three distinct geographic areas. Area A (APNs 022-210-074 and 022-210-027) is located between the cities of Biggs and Gridley, west of Highway 99 and south of Pryde Avenue. The parcels are 3.8 and 2.2 acres in size and are used in support of agricultural purposes. The proposal would result in the annexation of the parcels to the Butte Water District and the detachment of the parcels from the Biggs-West Gridley Water District, facilitating the delivery of irrigated water to the parcel via an adjacent canal.

Area B (APN 021-220-034) is 21.69 acres in size and is located south of the City of Gridley, west of Block Road, and south of W Evans Reimer Road. The parcel is currently used for agricultural purposes. The reorganization would result in the annexation of the parcel to the Butte Water District and the detachment of the parcel from the Biggs-West Gridley Water District. A sphere of influence amendment for both districts is necessary to accommodate the reorganization. The purpose of the annexation is to allow for the delivery of irrigation water to support the existing agricultural use and reduce the dependence on pumped groundwater. The West Gridley Water District does not have the infrastructure available to serve the parcel with irrigated water.

Parcels in Area C (025-080-096 and 025-080-097) are 26.68 and 76.11 acres in size (respectively) and located south of East Biggs, west of Larkin Road, and south of Watson Road. The parcels are currently used for agricultural purposes. The reorganization would result in the annexation of the two parcels to the Butte Water District to allow for the delivery of irrigated water, reducing the reliance on pumped groundwater to the site. An amendment to the sphere of influence for the Butte Water District is necessary to support the proposal.

Area	APN	Parcel Size	Owner	BC GP	WA Contract	Annex	Detach	Sphere Amend of BWD	Sphere Amend of BWGWD	Total Action	Parcel Location
A	022-204-027	2.20	Peter Montez Trust	AG		✓	✓			Annex into BWD Detach from BWGWD	West of Hwy 99 south of Pryde Avenue.
A	022-210-074	3.80	Jane and Monroe Lee	AG		✓	✓			Annex into BWD Detach from BWGWD	West of Hwy 99 south of Pryde Avenue.
B	021-220-034	21.69	Justeson Ford LP	AG	Yes	✓	✓	✓	✓	Amend BWD Sphere Amend BWGWD Sphere Annex into BWD Detach from BWGWD	South of Gridley, just north of Sutter Co line.
C	025-080-097	76.11	Josh and Kathryn Sheppard	AG		✓		✓		Amend BWD Sphere Annex into BWD	South of East Biggs, west of Larkin Rd
C	025-080-096	49.80	CP Sheppard Trust	AG		✓		✓		Amend BWD Sphere Annex into BWD	South of East Biggs, west of Larkin Rd

All Actions Involved with Project 23-15 Butte Water District – Biggs-West Gridley Water District Reorganization No. 1

## DISCUSSION

### Sphere Amendment

The Sphere of Influence for the Butte Water District was last affirmed in 2010 in conjunction with the adoption of the Municipal Service Review. Butte LAFCo policy provides that minor amendments to a district's sphere of influence map or plan can be made to accommodate a specific proposal. Minor amendments are those which would not have a substantial influence or impact on the agency's ability to provide comprehensive services. An amendment to a sphere of influence must demonstrate a projected need or lack of need for a service.

The proposal involves a minor amendment to the sphere of influence of the Butte Water District to accommodate the annexation of three parcels located outside of the district's current sphere of influence and service boundary. One parcel (021-220-034) is currently located within the Sphere of Influence and service boundary of the Biggs-West Gridley Water District but does not receive irrigated water as the Biggs-West Gridley Water District does not have the infrastructure available to serve it. The parcel is currently receiving water via other sources, including by well or annual surplus water contracts. The sphere of influence for Biggs-West Gridley Water District would subsequently be amended to remove the parcel from the district's sphere of influence.

The proposed Sphere of Influence Amendment is minor in nature, is consistent with LAFCO Policies, will not adversely impact agricultural or designated open space lands, is consistent with the adopted 2010 Municipal Service Review for the Butte Water District, and would not impact the availability of irrigation water provided by the district. This Sphere of Influence Amendment is intended to facilitate the annexation of the parcels to the district to support the provision of irrigated water.

### *Williamson Act Lands*

APN 021-220-034 is held in a Williamson Act Contract, which restricts the parcel to agricultural use in return for reduced property taxes. Butte LAFCo policy provides that the Commission shall not approve a change to a sphere of influence to include lands that are subject to a Williamson Act contract if the annexing agency has the ability to provide sewer service, nonagricultural water, streets, and/roads unless these facilities or services specifically benefit the land uses that are allowed under the contract and the landowner consents to the change. The Sphere of Influence Amendment involves the annexation of the parcel to the Butte Water District, which provides only irrigated water. No changes to existing land uses are proposed. The proposal is consistent with Butte LAFCo regarding Williamson Act Lands.

### Annexation

The reorganization was initiated by the Butte Water District and supported by the Board of Directors of the Biggs-West Gridley Water District (see **Exhibit E** and **Exhibit F**). The reorganization would result in the annexation of five parcels totaling 153.6 acres to the Butte Water District to facilitate the delivery of irrigated water in support of ongoing agriculture uses within the territory. The proposal would reduce the reliance on pumped groundwater for the parcels. Butte LAFCo policy 4.2.4 provides that when approving an annexation, the Commission will determine that the annexing agency possesses the capability to provide the most efficient delivery of the service to the affected territory. For the proposed annexation, parcels would be annexed into the Butte Water District as the Biggs-West Gridley Water District does not have the infrastructure available to serve the parcels.

## Detachment

Detachment of three parcels totaling 27.69 acres in size from the Biggs-West Gridley Water District is necessary to accommodate the proposal. Butte LAFCo policy 4.4.1 provides that the detachment of an area from a high-quality service provider should generally be discouraged, unless the successor agency has been determined to be the most efficient, and the detachment would not significantly reduce the efficiency of service delivery to the remaining inhabitants of the current service providers territory. The parcels proposed for detachment do not currently receive irrigated water from the Biggs-West Gridley Water District as infrastructure is not available; therefore, no impacts to the Biggs-West Gridley Water District service provisions are anticipated as a result of the detachment from the district.

## **ANALYSIS**

The Butte Water District is an independent special district empowered to provide irrigation water to approximately 31,000 acres in Butte and Sutter Counties. The Butte Water District provides irrigation water to customers through an extensive system of canals and laterals. The district is a member of the Joint Water Districts Board, also including the Biggs-West Gridley Water District, Richvale Irrigation District, and the Sutter Extension Water District, all of which receive water from the Sutter Butte Canal.

Services provided by the Butte Water District were previously evaluated in a Municipal Service Review (MSR) adopted by the Commission in 2010. The MSR found that the district has rights to approximately 133,200 acre-feet of Feather River water which is diverted through the Thermalito Afterbay. Annual demand for water from the district averages 100,000 acre-feet during the summer irrigation season and 10,000 acre-feet during the winter. The district currently utilizes approximately 70–80 percent of its allocation. Unallocated water can be transferred between districts within the Joint Water District but cannot be transferred out of the Joint Water D. The Butte Water District's water supplies are adequate to serve existing and future demand within the district boundaries, including unallocated water to serve other agencies, districts, and service areas.

Services provided by the Biggs-West Gridley Water District were previously evaluated in a Municipal Service Review adopted by the Commission in 2007. The MSR found that the district is allocated 160,000 acre-feet of water annually. During the 1997-2007 period, annual demand for water averaged approximately 160,000 acre-feet during the summer irrigation season and 45,000 acre-feet during the winter. The MSR found that the District utilizes about all of its water allocations which further supports the annexations to the Butte Water District, which has unallocated supplies.

## Factors to be Considered

Pursuant to California Government Code Section 56425(e), as part of a SOI update, the Commission is required to consider the following four factors and make appropriate determinations in relation to each of the following:

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

*The parcels in the reorganization territory are identified for agricultural uses by the Butte County General Plan. No change to existing land uses is proposed with the sphere of influence*

update. Parcels surrounding the areas identified for reorganization are primarily used for agricultural purposes.

**b) The present and probable need for public facilities and services in the area.**

*The proposed reorganization would add five parcels to the sphere of influence of the Butte Water District and their subsequent annexation to the district. The provision of irrigated water to the parcels would support the existing and future agricultural uses allowed by the Butte County General Plan. The Butte Water District is a California Water District and does not have land use authority and does not provide services that would contribute to urban development in the area that would require additional public facilities and services in the area.*

**c) The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.**

*The Butte Water District provides irrigation water to customers through an extensive system of canals and laterals. The majority of the laterals within the district are maintained by private landowners. Most of the primary laterals and canals are privately owned with maintenance easements held by the district. The incremental increase in water delivery as a result of the annexation would not result in the need for increased capacity to the district's infrastructure.*

**d) The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.**

*The Butte Water District and Biggs-West Gridley Water District provide irrigated water to 63,000 acres of land located in western Butte County. These parcels contribute to the nearly 649,000 acres of land suited for agricultural uses in Butte County with most of the western region identified as Prime Farmland. In 2021, the estimated gross value of agricultural production in all of Butte County was approximately \$609 million. Each dollar earned within agriculture contributes to a more robust economy overall, by stimulating additional activity in the form of jobs and labor. The proposal supports ongoing agricultural uses within the affected parcels, therefore, supports the economic community of interest that is the ag-production community in Butte County.*

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 parcels are generally located in western Butte County, near the cities of Biggs and Gridley. The parcels are generally flat and used for agricultural purposes. The nearest urbanized area to the parcels is the cities of Biggs and Gridley. The proposed reorganization would provide for the efficient delivery of irrigated water to the parcels and not result in any change to land use designations assigned by the Butte County General Plan and would not likely result in significant growth in the area.*

**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 reorganization would facilitate the efficient delivery of irrigated water to the parcels by the Butte Water District to support the existing agricultural uses. Butte Water District collects fees associated with water delivery, standby, and water transfers. The proposed reorganization 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 Butte Water District and Biggs-West Gridley Water District provide irrigated water to 63,000 acres of land located in western Butte County. These parcels contribute to the nearly 649,000 acres of land suited for agricultural uses in Butte County with most of the western region identified as Prime Farmland. In 2021, the estimated gross value of agricultural production in all of Butte County was approximately \$609 million. Each dollar earned within agriculture contributes to a more robust economy overall, by stimulating additional activity in the form of jobs and labor. The proposal supports ongoing agricultural uses within the affected parcels, therefore, supports the economic community of interest that is the ag-production community in Butte County.*

*The proposal would not impact services provided by other local government agencies.*

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

*Butte LAFCo policy provides that minor amendments to a district's sphere of influence map or plan can be made to accommodate a specific proposal. Minor amendments are those which would not have a substantial influence or impact on the agency's ability to provide comprehensive services. An amendment to a sphere of influence must demonstrate a projected need or lack of need for a service. The proposal involves a minor amendment to the sphere of influence of the Butte Water District to accommodate the annexation of five parcels. The sphere of influence for Biggs-West Gridley Water District would subsequently be amended to remove one parcel from the district's sphere of influence.*

*Butte LAFCo policy 4.2.4 provides that when approving an annexation, the Commission will determine that the annexing agency possesses the capability to provide the most efficient delivery of the service to the affected territory. Butte LAFCo policy 4.4.1 provides that the detachment of an area from a high-quality service provider should generally be discouraged, unless the successor agency has been determined to be the most efficient, and the detachment would not significantly reduce the efficiency of service delivery to the remaining inhabitants of the current service providers territory.*

*The affected parcels would be annexed into the service boundary for the Butte Water District to receive irrigation water to support ongoing agricultural uses. Three parcels would be removed from the Biggs-West Gridley Water District, which does not have the infrastructure available to serve the parcels. Overall, the proposal substantially conforms to LAFCo policies that encourage planned, orderly, efficient patterns of service delivery.*

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

*The parcels affected by the reorganization are identified for agricultural uses by the Butte County General Plan. The proposed reorganization would support the provision of irrigated*

water to the parcels involved, supporting existing and future agricultural uses allowed by the Butte County General Plan.

**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.**

*Parcels within the territory are designated by the Butte County General Plan AG (Agriculture). This land use designation allows the cultivation, harvest, storage, processing, sale, and distribution of plant crops, as well as roadside stands for the sale of agricultural products grown or processed on the property. The proposed reorganization would allow the Butte Water District to provide irrigated water to the parcels in support of ongoing agricultural uses.*

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

*The proposal involves adding three parcels to the Sphere of Influence of the Butte Water District and the removal of one parcel from the Biggs-West Gridley Water District. The parcels are not within the SOI of any other irrigation water service provider.*

*The proposed annexation territory is also within the Sphere of Influence Gridley-Biggs Cemetery District, Butte Mosquito and Vector Control District, Reclamation District 833, CSA 34 and CSA 164. The existing public services provided to the subject parcels by Butte County or any other special district will not change as a result of this proposal.*

**i) The comments of any affected local agency.**

*On June 5, 2023, LAFCo staff circulated copies of the application materials for review and comment from local public agencies. No substantive comments were received regarding the merits of the proposal.*

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

*The Butte Water District provides irrigation water to customers through an extensive system of canals and laterals. The majority of the laterals within the district are maintained by private landowners. Most of the primary laterals and canals are privately owned with maintenance easements held by the district. The incremental increase in water delivery as a result of the annexation would not result in the need for increased capacity to the district's infrastructure.*

**k) Availability of adequate water supplies.**

*The Butte Water District has rights to approximately 133,200 acre-feet of Feather River water which is diverted through the Thermalito Afterbay. Annual demand for water from the district averages 100,000 acre-feet during the summer irrigation season and 10,000 acre-feet during the winter. The district currently utilizes approximately 70–80 percent of its allocation. Unallocated water can be transferred between districts within the Joint Water District but cannot be transferred out of the district. The district's water supplies are adequate to serve existing and future demand within the district boundaries, including unallocated water to serve other agencies, districts, and service areas.*

**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.**

*On July 13, 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 AG (Agriculture). This land use designation allows the cultivation, harvest, storage, processing, sale, and distribution of plant crops, as well as roadside stands for the sale of agricultural products grown or processed on the property.*

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

*The proposed annexation is intended to benefit the subject territory by providing a long-term source of irrigation water to support ongoing agricultural uses at each site.*

Based on the above responses, the proposal appears consistent with the listed factors.

**Applicable Butte LAFCo Policies**

Section 2.0 (*LAFCo General Policies and Standards*), Section 4.0 (*Annexation and Detachments*) and Section 3.1 (*Spheres of Influence*) of Butte LAFCo Policies and Procedures provide the Commission with general standards for annexation proposals. The relevant policies for consideration and guidance for this proposal include:

- The creation of logical boundaries (2.11.2)
- 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)
- Sphere Changes that include Williamson Act Lands (3.1.8)
- Concurrent Amendments (3.1.1)
- Internal Consistency Required (3.1.7)

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

- The annexation does not create illogical boundaries; and
- The Butte Water District has adequate water rights and facilities to provide service to the territory; and
- The Butte Water District is the most logical service provider to serve the parcels; and
- The proposal is consistent with the MSR for both the Butte Water District and Biggs-West Gridley Water District.

**ADDITIONAL INFORMATION**

Property Tax Agreement

In accordance with provisions of Revenue and Taxation Code § 99, on December 4, 1979, a Master Property Tax Transfer Agreement was executed by the Butte County Board of Supervisors

July 26, 2023

on behalf of all special districts. The Master Property Tax Transfer Agreement states that no property tax shall be exchanged with special districts as a result of annexations.

### Support/Protest and Conducting Authority Proceedings

The proposal was published in the Chico Enterprise Record on July 13, 2023 and individual public hearing notices were mailed to all landowners and registered voters within the affected territory, and within 300 feet of the affected territory. Pursuant to California Government Code §56663, the Commission may waive the protest proceedings given the following conditions are met: mailed notice has been given to the landowners and registered voters within the affected territory; the mailed notice discloses to the registered voters and landowners that unless written opposition to the proposal is received before the conclusion of the commission proceedings on the proposal, the commission intends to waive protest proceedings, and; written opposition to the proposal from landowners or registered voters within the affected territory is not received before the conclusion of the commission proceedings on the proposal.

### Environmental Analysis

The Butte Water District is the lead agency for the proposal under the California Environmental Quality Act (CEQA). The Butte Water District found the proposal to be Categorical Exempt from further CEQA review, pursuant to Section 15319 (Annexations of Existing Facilities and Lots for Exempt Facilities). Staff concurs with the Agency's use of Section 15319 exemption.

### **ALTERNATIVES FOR COMMISSION ACTION**

Pursuant to Butte LAFCo policy 3.4.5, Sphere of Influence amendments shall procedurally precede the Commission's consideration of proposals for reorganization. As such, the proposal will result in separate resolutions for the Sphere of Influence amendments and for the annexation/detachment. Each of these actions includes a motion of approval and supporting findings.

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

#### **Action 1**

OPTION 1 – Move **to Adopt Resolution No. 27 2022/23** approving the Sphere of Influence Amendment for the Butte Water District, finding the project exempt from environmental review, pursuant to CEQA Guidelines Section 15319, and waiving protest proceedings.

OPTION 2 – DENY the proposal.

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

#### **Action 2**

OPTION 1 – Move **to Adopt Resolution No. 28 2022/23** approving the Sphere of Influence Amendment for the Biggs-West Gridley Water District, finding the project exempt from environmental review, pursuant to CEQA Guidelines Section 15319, and waiving protest proceedings.

OPTION 2 – DENY the proposal.

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

**Action 3**

OPTION 1 – **Move to Adopt Resolution No. 29 2022/23** approving the annexation of five parcels to the Butte Water District and detachment of three parcels from the Biggs-West Gridley Water District, finding the project exempt from environmental review pursuant to CEQA Guidelines Section 15319, and waiving protest proceedings.

OPTION 2 – DENY the proposal.

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

Respectfully submitted,

*Shannon Costa*

Shannon Costa  
Deputy Executive Officer

Attachments:

- Exhibit A: Annexation Area Map (Page 2)
- Exhibit B: Draft LAFCo Resolution No. 27 2022/23
- Exhibit C: Draft LAFCo Resolution No. 28 2022/23
- Exhibit D: Draft LAFCo Resolution No. 29 2022/23
- Exhibit E: Butte Water District Initiating Resolution
- Exhibit F: Biggs-West Gridley Water District Letter of Support

**RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION  
OF THE COUNTY OF BUTTE MAKING DETERMINATIONS AND APPROVING  
A SPHERE OF INFLUENCE AMENDMENT TO THE BUTTE WATER DISTRICT**

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

**WHEREAS**, a proposal for a minor amendment to the Butte Water District's Sphere of Influence was heretofore filed by the Butte Water District and accepted for filing on June 30, 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 Butte Water District has identified a need to amend the Sphere of Influence to facilitate the annexation of parcels into the district for the provision of irrigation water to support ongoing agriculture uses and to reduce reliance on pumped groundwater; and

**WHEREAS** the Executive Officer, pursuant to Government Code Section 56427, set August 3, 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 56428, has reviewed this proposal and prepared a report, including her 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 public hearing on the proposal on August 3, 2023, and at the hearing, this Commission heard and received all oral and written protests, objections, and evidence that 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 56425 and 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 Action:

- A. Find that the project as proposed by the Butte Water District is Categorically Exempt from the California Environmental Quality Act per Section 15319, Annexation of Existing Facilities and Lots for Exempt Structures. The Commission certifies that it has considered the Categorical Exemption determined by the Butte Water District and finds that there are not sufficient grounds to require supplementing with further environmental documentation.

**Section 2.** General Findings and Determinations:

- A. The Commission has considered the factors determined by the Commission to be relevant to the Sphere of Influence Amendment including planned land uses, the potential conversion of agricultural and open space lands, the need for municipal services, the availability of services, and the existence of any social or economic communities of interest as discussed

## RESOLUTION NO. 27 2022/23

in Government Code Sections 56425, and as described in the staff report dated July 26, 2023, for the meeting of August 3, 2023.

- B. The subject area is found to be uninhabited and is assigned the following short form designation: 23-15 – Butte Water District – Biggs West Gridley Reorganization No. 1.
- C. The Commission determines that a minor amendment to a district's sphere of influence map or plan can be made to accommodate a specific proposal. Minor amendments are those which would not have a substantial influence or impact on the agency's ability to provide comprehensive services.
- D. An amendment to the Sphere of Influence of the Butte Water District is necessary to accommodate the subsequent annexation of three parcels located outside of the district's current Sphere of Influence for the purpose of providing irrigation water to the parcels, thus reducing dependence on pumped groundwater. The parcels would subsequently be removed from the Sphere of Influence of the Biggs-West Gridley Water District.
- E. The Sphere Amendment involves adding two parcels on the district's easterly boundary, located south of E. Biggs and west of Larkin Road, and one parcel located on the district's westerly boundary located south of the City of Gridley and east of Block Road.
- F. The Commission determines that the Butte Water District is the most logical service provider for irrigation water to the parcels. Upon annexation of the parcels, the district can provide irrigation water via existing infrastructure. The Biggs-West Gridley Water District does not have the infrastructure available to service the parcels.
- G. The Commission determines that the proposal would support ongoing agricultural uses at the site. The parcels are identified for agricultural uses by the Butte County General Plan. No development is proposed at this time.
- H. The Butte Water District has the capacity to provide the required service as the district has rights to approximately 133,200 acre-feet of Feather River water which is diverted through the Thermalito Afterbay. Annual demand for water from the district averages 100,000 acre-feet during the summer irrigation season and 10,000 acre-feet during the winter. The district currently utilizes approximately 70–80 percent of its allocation.
- I. The Commission determines that the Sphere of Influence Amendment is intended to facilitate the annexation of defined territory and is not related to a systematic review of the District's Sphere of Influence as addressed in Section 56430.
- J. Pursuant to California Government Code §56663 (Waiver of Protest Proceedings) the Commission waives protest proceedings for the annexation as no written objections to the proposed annexation were received from any registered voter within the territory prior to the close of the public hearing on the annexation.

### **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.

**RESOLUTION NO. 27 2022/23**

- 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 requirements and if rejected by the State Board of Equalization, shall be revised at the expense of the applicant.

**Section 3.** The Executive Officer is hereby authorized and directed to mail certified copies of this Resolution in the manner and as provided in Section 56853 of the Government Code.

**PASSED AND ADOPTED** by this Local Agency Formation Commission of the County of Butte, on the 3<sup>rd</sup> day of August 2023 by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAINS:**

---

Clerk of the Commission

---

**BILL CONNELLY**, Chair  
Butte Local Agency Formation Commission

**RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION  
OF THE COUNTY OF BUTTE MAKING DETERMINATIONS AND APPROVING  
A SPHERE OF INFLUENCE AMENDMENT TO THE BIGGS-WEST GRIDLEY WATER DISTRICT**

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

**WHEREAS** a proposal for a minor amendment to the Butte Water District's Sphere of Influence was heretofore filed by the Butte Water District and accepted for filing on June 30, 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 proposal to amend the Sphere of Influence for Butte Water District subsequently results in the need to amend the Sphere of Influence for the Biggs-West Gridley Water District; and

**WHEREAS** the Butte Water District has identified a need to amend the Sphere of Influence to facilitate the annexation of parcels into the district for the provision of irrigation water to support ongoing agriculture uses and to reduce reliance on pumped groundwater; and

**WHEREAS** the Executive Officer, pursuant to Government Code Section 56427, set August 3, 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 56428, has reviewed this proposal and prepared a report, including her 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 public hearing on the proposal on August 3, 2023, and at the hearing, this Commission heard and received all oral and written protests, objections, and evidence that 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 56425 and 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 Action:

- A. Find that the project as proposed by the Butte Water District is Categorically Exempt from the California Environmental Quality Act per Section 15319, Annexation of Existing Facilities and Lots for Exempt Structures. The Commission certifies that it has considered the Categorical Exemption determined by the Butte Water District and finds that there are not sufficient grounds to require supplementing with further environmental documentation.

**RESOLUTION NO. 28 2022/23**

**Section 2. General Findings and Determinations:**

- A. The Commission has considered the factors determined by the Commission to be relevant to the Sphere of Influence Amendment including planned land uses, the potential conversion of agricultural and open space lands, the need for municipal services, the availability of services, and the existence of any social or economic communities of interest as discussed in Government Code Sections 56425, and as described in the staff report dated July 26, 2023, for the meeting of August 3, 2023.
- B. The subject area is found to be uninhabited and is assigned the following short form designation: 23-15 – Butte Water District – Biggs West Gridley Reorganization. No. 1
- C. The Commission determines that a minor amendment to a district's sphere of influence map or plan can be made to accommodate a specific proposal. Minor amendments are those which would not have a substantial influence or impact on the agency's ability to provide comprehensive services.
- D. An amendment to the Sphere of Influence of the Biggs-West Gridley Water District is necessary to accommodate the annexation of the affected parcel to the Butte Water District, including the detachment of the parcel from the service boundary of the Biggs-West Gridley Water District to support the provision of irrigation water to the parcels.
- E. The Sphere Amendment involves removing one parcel located on the district's easterly boundary located south of the City of Gridley and east of Block Road.
- F. The Commission determines that the Butte Water District is the most logical service provider for irrigated water to the parcel. Upon annexation of the parcel, the Butte Water District can provide irrigation water via existing infrastructure. The Biggs-West Gridley Water District does not have the infrastructure available to service the parcel.
- G. The Commission determines that the proposal would support ongoing agricultural uses at the site. The parcels are identified for agricultural uses by the Butte County General Plan. No development is proposed at this time.
- H. The Butte Water District has the capacity to provide the required service as the district has rights to approximately 133,200 acre-feet of Feather River water which is diverted through the Thermalito Afterbay. Annual demand for water from the district averages 100,000 acre-feet during the summer irrigation season and 10,000 acre-feet during the winter. The district currently utilizes approximately 70–80 percent of its allocation.
- I. Previous MSR determinations found that the Biggs-West Gridley Water District utilizes all of its annual water allocations of 160,000 acre feet.
- J. The Commission determines that the Sphere of Influence Amendment is intended to facilitate the annexation of defined territory and is not related to a systematic review of the District's Sphere of Influence as addressed in Section 56430.
- K. Pursuant to California Government Code §56663 (Waiver of Protest Proceedings) the Commission waives protest proceedings for the annexation as no written objections to the



**RESOLUTION NO. 28 2022/23**

proposed annexation were received from any registered voter within the territory prior to the close of the public hearing on the annexation.

**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 requirements and if rejected by the State Board of Equalization, shall be revised at the expense of the applicant.

**Section 3.** The Executive Officer is hereby authorized and directed to mail certified copies of this Resolution in the manner and as provided in Section 56853 of the Government Code.

**PASSED AND ADOPTED** by this Local Agency Formation Commission of the County of Butte, on the 3<sup>rd</sup> day of August 2023 by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAINS:**

---

Clerk of the Commission

---

**BILL CONNELLY**, Chair  
Butte Local Agency Formation Commission

**RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION  
OF THE COUNTY OF BUTTE MAKING DETERMINATIONS AND ORDERING THE  
REORGANIZATION OF TERRITORY DESIGNATED AS 23-15 BUTTE WATER DISTRICT –  
BIGGS WEST GRIDLEY WATER DISTRICT REORGANIZATION**

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

**WHEREAS** a proposal for the reorganization of certain territory to the Butte Water District and the Biggs-West Gridley Water District in the County of Butte was heretofore filed by the Butte Water District and accepted for filing on June 30, 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 56427, set August 3, 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 public hearing on the proposal on August 3, 2023, and at the hearing, this Commission heard and received all oral and written protests, objections, and evidence that 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. Find that the project as proposed by the Butte Water District is Categorically Exempt from the California Environmental Quality Act per Section 15319, Annexation of Existing Facilities and Lots for Exempt Structures. The Commission certifies that it has considered the Categorical Exemption determined by the Butte Water District and finds that there are not sufficient grounds to require supplementing with further environmental documentation.

**Section 2.** General Findings and Determinations:

- A. The Commission has considered the factors determined by the Commission to be relevant to the reorganization including planned land uses, the potential conversion of agricultural and open space lands, the need for municipal services, the availability of services, and the existence of any social or economic communities of interest as discussed in Government Code Sections 56425, and as described in the staff report dated July 26,

**RESOLUTION NO. 29 2022/23**

2023, for the meeting of August 3, 2023.

- B. The reorganization area involves five parcels generally located in western Butte County near the cities of Biggs and Gridley, consisting of approximately 153.60 acres, as submitted by the Butte Water District and depicted in “Exhibit A.”
- C. The subject area is found to be uninhabited and is assigned the following short form designation: 23-15 – Butte Water District – Biggs-West Gridley Water District Reorganization.
- D. The proposal is consistent with the Sphere of Influence for the Butte Water District and the Biggs-West Gridley Water District, as amended by the Commission on August 3, 2023.
- E. The proposal involves the annexation of five parcels to the Butte Water District to facilitate the provision of irrigation water to the parcels in support of existing and future agricultural uses and reduce reliance on pumped groundwater.
- F. As a result of the annexation, three parcels would be subsequently detached from the service boundary of the Biggs-West Gridley Water District.
- G. The Commission determines that the Butte Water District is the most logical service provider for irrigation water to the parcels. Upon annexation of the parcels, the district can provide irrigation water via existing infrastructure. The Biggs-West Gridley Water District does not have the infrastructure available to service the parcels.
- H. 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 proposal involves the provision of irrigated water to the parcels to support current and future agricultural uses consistent with the Butte County General Plan. The Butte Water District provides only irrigated water, so no Williams Act Parcels would be affected by the proposal.
- I. In accordance with provisions of Revenue and Taxation Code § 99, on December 4, 1979, a Master Property Tax Transfer Agreement was executed by the Butte County Board of Supervisors on behalf of all special districts. The Master Property Tax Transfer Agreement states that no property tax shall be exchanged with special districts as a result of annexations.
- J. Pursuant to California Government Code §56663 (Waiver of Protest Proceedings) the Commission waives protest proceedings for the annexation as no written objections to the proposed annexation were received from any registered voter within the territory prior to the close of the public hearing on the annexation.

**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.

**RESOLUTION NO. 29 2022/23**

- 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 and detachment, 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 3<sup>rd</sup> day of August 2023 by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAINS:**

---

Clerk of the Commission

---

**BILL CONNELLY**, Chair  
Butte Local Agency Formation Commission

**RESOLUTION 2023-04 OF APPLICATION  
OF THE BUTTE WATER DISTRICT INITIATING LAFCO REORGANIZATION  
PROCEEDINGS FOR THE DETACHMENT OF PARCELS FROM THE  
BIGGS-WEST GRIDLEY WATER DISTRICT AND ANNEXATION  
OF THE SAME PARCELS TO THE BUTTE WATER DISTRICT**

**WHEREAS**, the Board of Directors of the Butte Water District desires to initiate proceedings pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, commencing with 56000 of the California Government Code, for the annexation of three parcels detachment of three (3) parcels into the District, which will be concurrently detached from from the Biggs-West Gridley Water District and;

**WHEREAS**, the reorganization has 100% support of the affected landowners of the parcels, identified as Assessor's Parcel Numbers (APNs) 021-220-031, 022-204-207, and 022-210-074, and;

**WHEREAS**, the proposed reorganization is proposed for the purpose of providing irrigation water to the annexed lands, and;

**WHEREAS**, the territory is uninhabited and a depiction of the boundaries proposed for detachment and annexation is set forth in "Exhibit A", and;

**WHEREAS**, the proposal is consistent with the Final Municipal Service Review for Irrigation, Drainage, and reclamation Service Providers within Butte County, adopted by the Commission on June 7, 2018, and;

**WHEREAS**, the proposed annexed lands are within the Joint Water District service area under the May 27, 1969 Agreement with the State of California, Department of Water Resources; and

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


**NOW, THEREFORE**, the Butte Water District does hereby resolve, and order as follows:

1. This project is exempt from environmental review, pursuant to California Environmental Quality Act (CEQA) Guidelines section 15319; and exempt pursuant to the provisions of 14 Cal Code Regulations 15061(b)(3).
2. District staff is hereby authorized to prepare and submit to the Local Agency Formation Commission this Resolution of Application, together with a request that it be processed concurrently with the request of Biggs West Gridley Water District to detach the same parcels from its boundaries.
3. The proposal is made, and it is requested that LAFCo order the reorganization pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, commencing with section 56000 of the California Government Code.
4. As the reorganization proposal is uninhabited and has 100% consent of the affected landowners, the District, requests LAFCo to waive hearing and notice.

**PASSED AND ADOPTED** by the Board of Directors of the Butte Water District at a Special Meeting held on the 22<sup>nd</sup> day of May, 2023 by the following vote:

AYES:	<u>5</u>	Directors:	<u>Etcheverry, Pantaleoni, Righero, Waller, Smith</u>
NOES:	<u>0</u>	Directors:	_____
ABSENT:	<u>0</u>	Directors:	_____
ABSTAIN:	<u>0</u>	Directors:	_____

BUTTE WATER DISTRICT

By   
 Darin Pantaleoni, President

Attest:

  
 Mark Orme, Secretary

21-22

RD.

REIMER

EVANS

T. 17N. R. 2E. M.D.B. & M.

24-16

ROAD

24-19

TOWNSHIP

(LIVE OAK GRIDLEY)

13

23

27

19

21

10

22

9

15

3

4

32

34

33

14

5

6

7

25

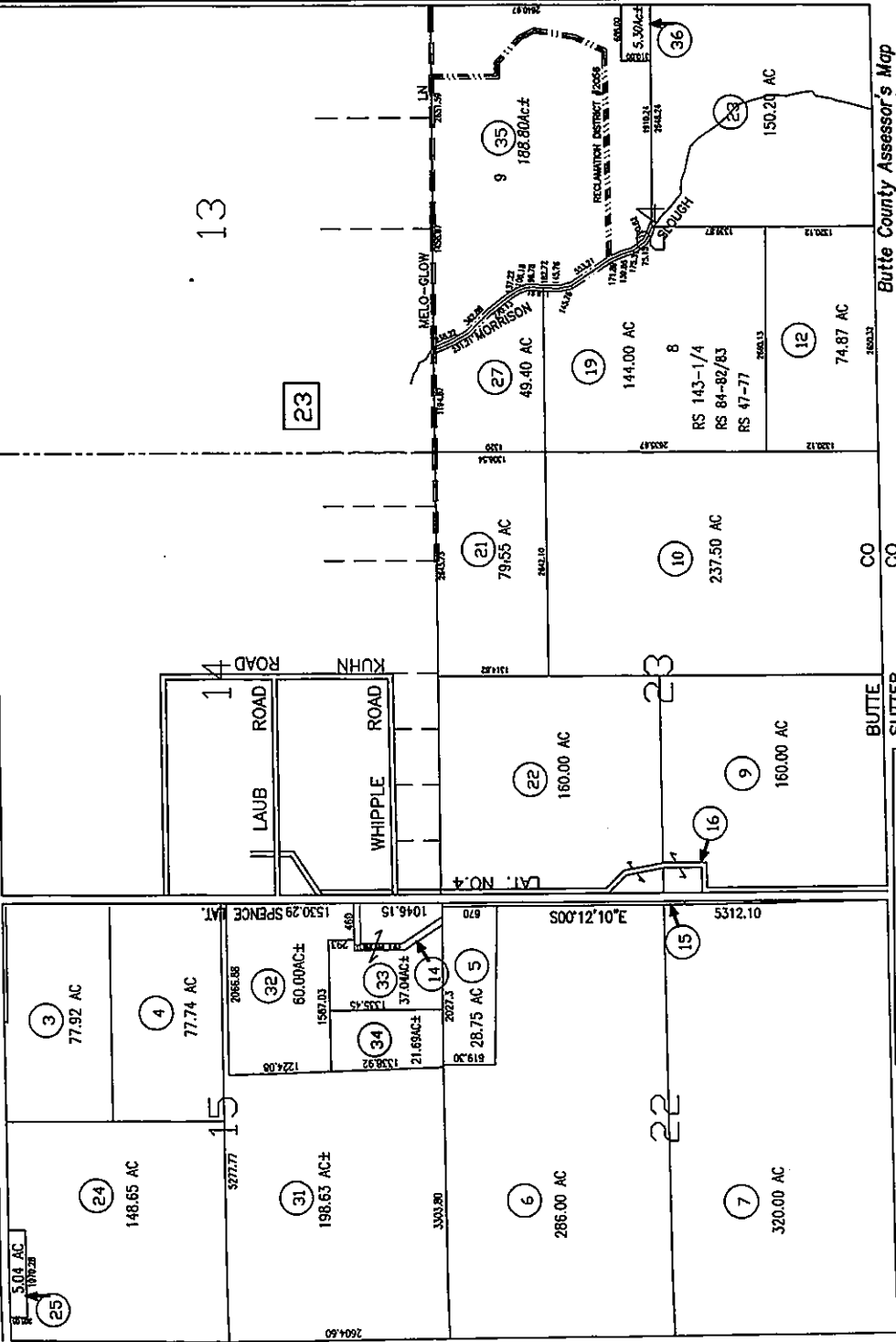
24

31

30

21

1"=1200'



Butte County Assessor's Map  
Book 21, Page 22

CREATED BY	BT	CREATED ON	12-01-1998
REVISION BY	BT	REVISION ON	08-07-2013
FILE NAME	21-22	EFFECTIVE	2014-15 ROLL

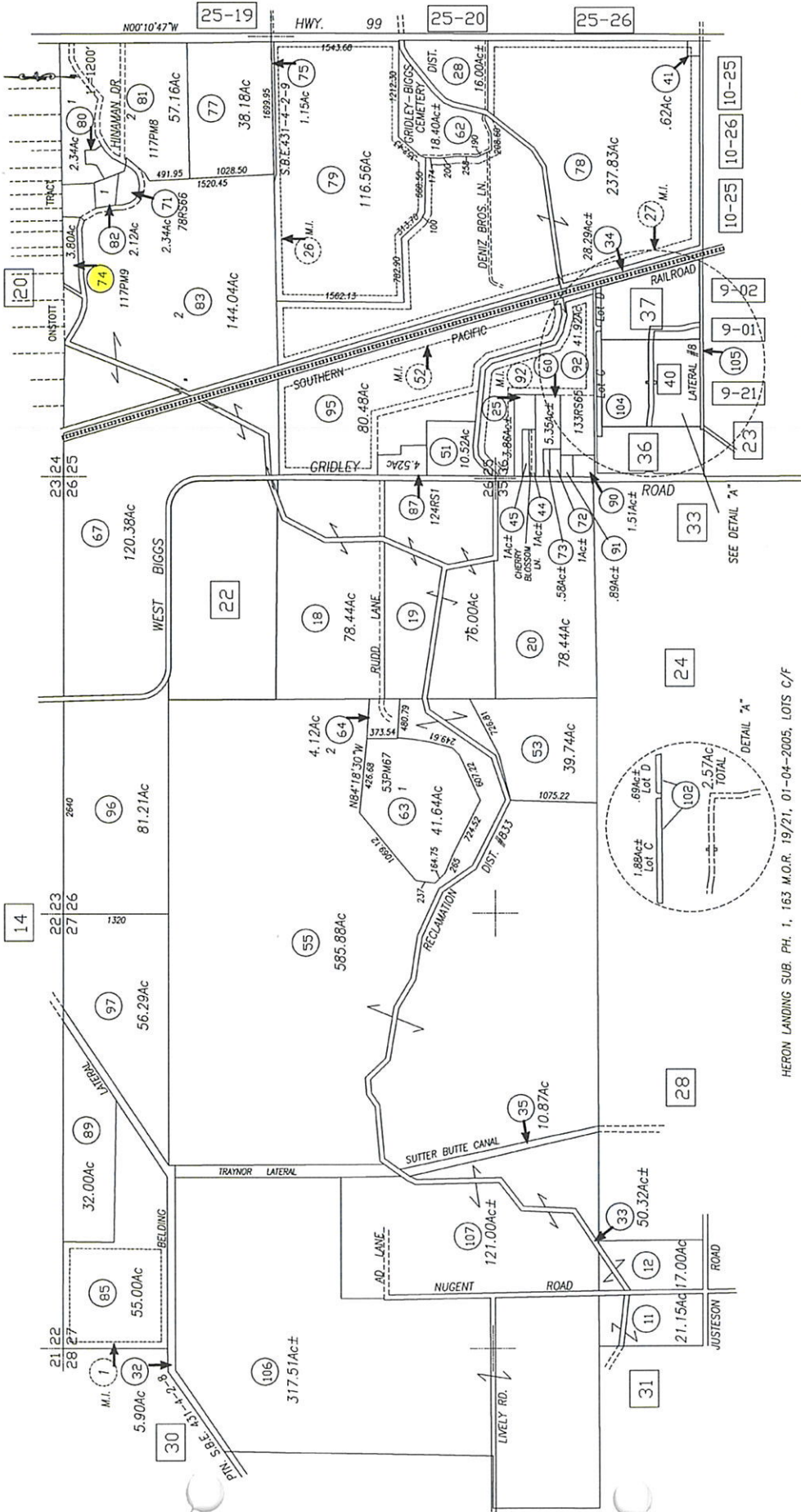
Compiled By: The Butte County Assessor's Office

All assessors' maps are prepared for local property assessment purposes only. They are not to be used for any other purpose. No liability is assumed for the use of information shown on any Assessor's map. ALL ADDRESSES APPROXIMATE FOR REDUCED INFORMATION.

N89°14'E

T. 18N. R. 2E. M.D.B.&M.

22-21



Butte County Assessor's Map  
Book 22, Page 21

CREATED BY	DB	CREATED ON	2-28-2002
REVISED BY	SL	REVISED ON	04-13-2009
		EFFECTIVE	2009-10 ROLL

All Assessor's maps are prepared for local property owners. They are not intended to be used as a substitute for a deed or other legal instrument. No liability is assumed for the use of the information shown on any Assessor's map.

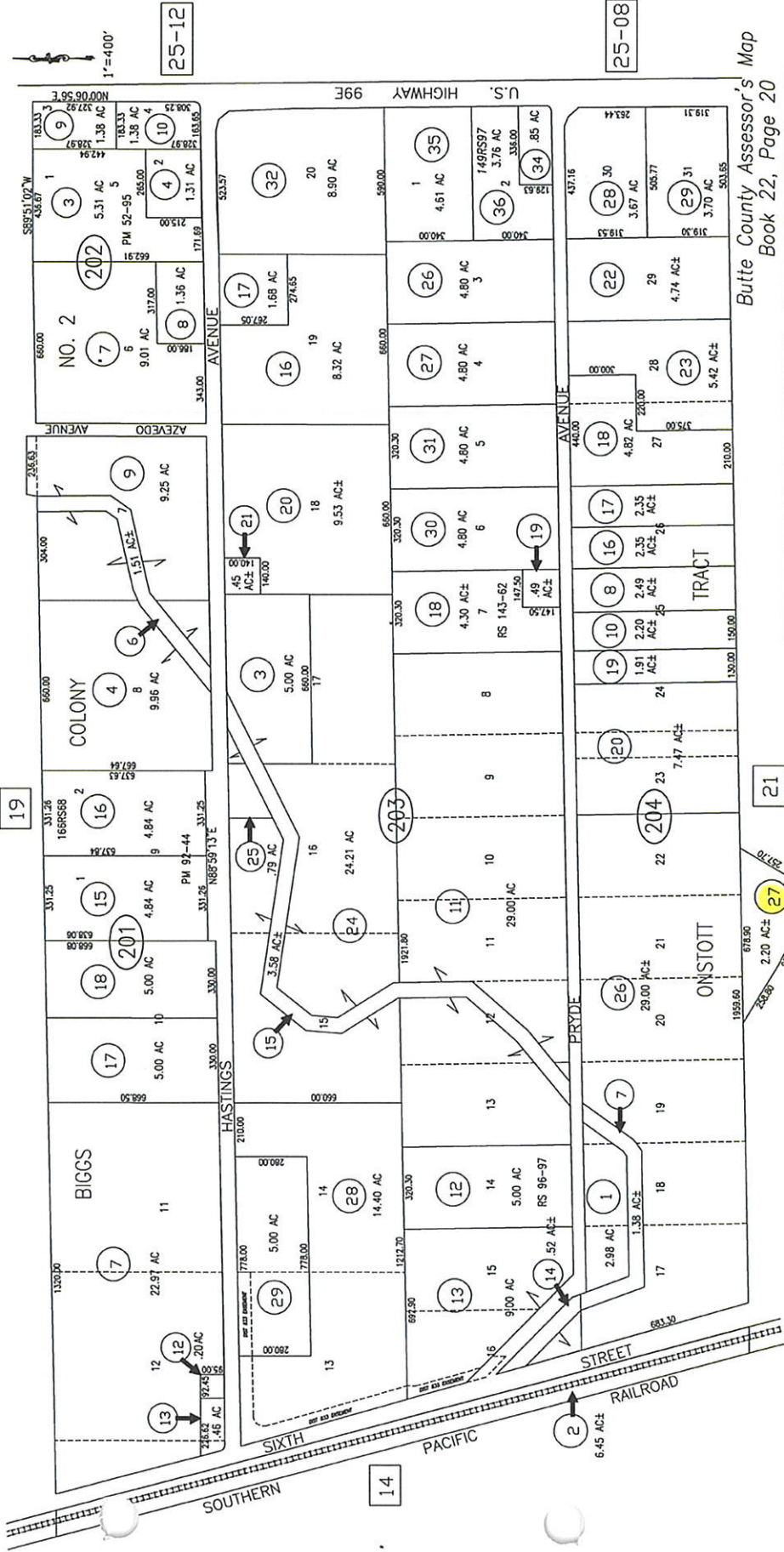
HERON LANDING SUB. PH. 1, 163 M.O.R. 19/21, 01-04-2005, LOTS C/F

Compiled By The Butte County Assessor's Office



PTN. SEC. 24, T.18N. R.2E. M.D.B.&M.

22-20



CREATED BY	CREATED ON
REVISED BY	SL REVISED ON 02-27-2018
	EFFECTIVE 2019-20 ROLL
Compiled By The Butte County Assessor's Office	

All Assessors' maps are prepared for local property assessment purposes only. Parcels shown herein may not comply with State or local subdivision ordinances. No liability is assumed for errors or omissions. ALL MEASURES APPROXIMATE PER REQUIRED INFORMATION.

BIGGS COLONY #2, 6 M.O.R. 103  
ONSTOTT TRACT 8 M.O.R. 22

Butte County Assessor's Map  
Book 22, Page 20

Exhibit F

# Biggs-West Gridley Water District

1713 WEST BIGGS GRIDLEY ROAD  
GRIDLEY, CALIFORNIA 95948

PHONE 530-846-3317  
FAX 530-846-5737

**DIRECTORS**

Eric Waterbury, President  
Clark Becker, Vice President  
Eric Sligar, Sec./Treas.  
Dominic B. Nevis  
Chuck Sheppard



DANNY ROBINSON, GENERAL MANAGER

May 03, 2023

Mr. Steve Lucas, Executive Officer  
Butte Local Agency Formation Commission  
1453 Downer Street, Suite C  
Oroville, CA 95965

Re: Three Parcel Annexation to the Butte Water District and Detachment from the Biggs-West Gridley Water District

Dear Mr. Lucas,

I am writing on behalf of the Board of Directors of the Biggs-West Gridley Water District ("BWGWD") regarding the above-referenced proceeding. BWGWD understands that the owners of three parcels currently in our district, namely Butte County Assessor's Parcel Nos. 021-220-034 (Justeson Ford Limited Partnership), 022-204-207 (Peter Montez Revocable Trust), and 022-210-074 (Lee William Monroe & Jane Monroe), have requested that their parcels be detached and annexed into the Butte Water District ("BWD").

021  
The BWGWD Board supports this request and Butte LAFCO's proceedings to complete the reorganization. BWGWD does not have the facilities to serve these parcels and we understand that BWD may already be providing water service to one or more of them. Our interest is in supporting continued farming in Butte County and therefore wish to ensure that these parcels can remain in productive agricultural use.

Thank you for accepting our expression of support for this proposed annexation and detachment. If BWGWD can further assist with this proceeding or if you need additional information, please contact our General Manager, Danny Robinson.

Sincerely,  
BIGGS-WEST GRIDLEY WATER DISTRICT

Eric E. Waterbury  
President, Board of Directors