MEMORANDUM LOCAL AGENCY FORMATION COMMISSION

- TO: Local Agency Formation Commission
- **FROM:** Stephen Lucas, Executive Officer

SUBJECT: LAFCO File No. 21-06 – Formation of Tuscan Water District

Informational Meeting Only - No Action To Be Taken

DATE: November 23, 2021 for the meeting of December 2, 2021

<u>Action Requested:</u> Accept for information, file the staff report, accept public comments and continue the public hearing to January 6, 2022.

This is a study session of the Butte Local Agency Formation Commission (LAFCo) regarding the proposed formation of a California Water District (CWD) to be called the Tuscan Water District (TWD).

This is an informational meeting only. No action to approve or deny the proposal will be taken at this meeting.

This staff report is not intended to be a complete staff analysis of the proposal. This Staff Report is intended to provide the Commission and the public key information necessary to understand the broader framework under which the proposal was initiated and will be evaluated by the Commission. More specifically, the report discusses:

	Table of Contents	
1:	Summary Overview	2
2:	What is a Special District	4
3.	Governance Oversight/Public	
	Participation	6
I .	Principal Act	
5.	Governance Types	
5.	District Directors	10
7 .	Boundaries	
3.	Funding	
).	Services, Functions, Powers	12
0.		
	Coordination	15
11.	California Water District	
	Formation Process	17
11.	Formation Step by Step	
	Petition Process	
	Application Review	
	- pp. cauon to to to the total to the total to the total to the total total to the total t	

- How the proposed TWD relates to California laws governing special districts and specifically, how it relates to the California Water District law (Division 13 of the Water Code)
- The information that relates to some of the many general questions that came up at various affected local agency public meetings held over the last few months.

The topics covered generally include an overview of the TWD formation proposal and circumstances, special district characteristics, governance/powers of a CWD and the district formation process as shown in the table of contents.

Public Comments

To further inform the Commission and the public, the staff report includes the public and agency comments received as of the date of the staff report. Responses to the comments will be provided in the detailed staff analysis for the proposal that will be presented to the Commission at the anticipated January 6, 2022 meeting.

Public Notice

Notice was provided pursuant to state law which directs that if the total number of notices required to be mailed exceeds 1,000, then notice may instead be provided by publishing a display

advertisement of at least one-eighth page in a newspaper, as specified in Section 56153, at least 21 days prior to the hearing. The proposal exceeded 1,000 notices. Butte LAFCo has taken additional noticing measures, including: direct email noticing and direct mailings to all landowners within the proposed district.

Attachments: 1. Tuscan Water District Application

2. Public and Agency Comments Received

1. Summary Overview

This is a study session of the Butte Local Agency Formation Commission (LAFCo) regarding the proposed formation of a California Water District (CWD) to be called the Tuscan Water District (TWD). The proposed TWD is to be approximately 102,237 acres in size and contains 3,136 individual parcels that are primarily used for agricultural production. The purpose of the TWD is to organize the landowners into a public agency with the overarching purpose of working cooperatively with the County of Butte, Butte County Water Commission, Vina, Butte and Rock Creek Reclamation District Groundwater Sustainability Agencies (GSA's) and other state and local agencies in the development of a Groundwater Sustainability Plans (GSP) for the Vina and Butte sub-basins that will ensure adequate water is available to continue the existing agricultural uses of the affected land. The proposed TWD formation is initially focused on developing its organizational and administrative capacity that will allow it to provide meaningful representation to its landowners as the process of developing groundwater sustainability plans is completed. The proposed TWD has presented no plans to develop or implement any particular projects, facilities or infrastructure and any such ideas would require great speculation at this time and would ultimately be determined by the yet to be developed groundwater sustainability plans.

Petition/Application

The Butte Local Agency Formation Commission (LAFCo) received an application for the formation of a California Water District entitled the Tuscan Water District (TWD). The application was initiated by a landowner petition pursuant to GC56700 and was submitted by Chief Petitioners Richard McGowan, Darren Rice, and Edward McLaughlin.

The California Water Code (34153) provides that holders of title to a majority in an area of land which is capable of using water beneficially for irrigation, domestic, industrial or municipal purposes and which can be serviced from common sources of supply and by the same system of works, may petition for the formation of a district. The petition was signed by landowners owning 57,092 acres, a majority of the 102,327 acres in the proposed TWD area.

Petition Language Describing Proponents Intent

- The proponents are seeking to form a California Water District which is a landowner voter district, initiated through a landowner petition. The specific change of organization proposed is the formation of the Tuscan Water District, pursuant to the California Water District Law (Water Code sections 34000–38501) along with the establishment of the District sphere of influence coterminous with the District boundary.
- 2. The proposed TWD is to be approximately 97,000 acres in size and contains 3,122 (*the acreage and parcels grew slightly as additional landowners wished to be included*) individual parcels that are located in northwest Butte County bordered by the Sacramento River on the west, the Tehama County line to the north, SR 99 to the east and extending south to the northern border

of the Western Canal Water District or roughly the location of the community of Durham. The affected county is the County of Butte.

- 3. The proposed district offices will be located within the District's proposed boundaries.
- 4. The purpose of the TWD is to organize the landowners into a public agency with the overarching purpose of working cooperatively with the County of Butte, Butte County Water Commission, Vina, Butte and Rock Creek Reclamation District Groundwater Sustainability Agencies (GSA's) and other state and local agencies in the development of Groundwater Sustainability Plans (GSP) for the Vina and Butte sub-basins that will ensure adequate water is available to continue the existing agricultural uses of the affected land. The proposed TWD is initially focused on developing its organizational/administrative capacity that will allow it to provide meaningful representation to its landowners as the process of developing groundwater sustainability plans is completed. The proposed TWD has presented no plans to develop or implement any particular projects, facilities or infrastructure and any such ideas would require great speculation at this time and would ultimately be determined by the yet to be developed groundwater sustainability plans.
- 5. Potential sources of water for the proposed district include, but are not limited to, groundwater, surplus surface water allocations from neighboring water districts and surface water obtained from the County of Butte entitlements in Lake Oroville.
- 6. The proposal is consistent with the spheres of influences of all affected cities and affected districts and is not consistent with the sphere of influence of the proposed district as the district is not in existence at this point in time; however, once formed, the service area and sphere of influence will be coterminous, one and the same.
- 7. The proposed formation of the Tuscan Water District is requested to be made subject to the following terms and conditions:
 - a. The District boundary, service area and sphere of influence shall be recorded with Butte County and the State Board of Equalization as the legal boundary and service area and sphere of influence of the District.
 - b. Initial District Directors shall be elected as part of the District formation election process and shall be seven in number and be elected at large.
 - c. To the extent consistent with, and/or required by the applicable Groundwater Sustainability Plan(s), acquire, plan, construct, maintain, improve, operate and keep in repair the works for the production, storage, transmission and distribution of water, including groundwater recharge.
 - d. Authority to establish "zones of benefit" based upon different needs and conditions to provide appropriate levels of service.
 - e. Formation of the Tuscan Water District shall be contingent upon a successful vote on the formation pursuant to the California Water Code, and approval of a revenue proposal capable of funding activities of the district. That action shall also establish a provisional appropriations limit based upon anticipated revenue of the district.

- f. The effective date of District formation shall be upon filing of the Certification of Completion by Butte LAFCO with the Butte County Recorder, the Secretary of State, State Board of Equalization and California Department of Water Resources.
- 8. The persons signing this petition have signed as landowner-voters ("holders of title" under the California Water District Law).
- 9. The chief petitioners are Rich McGowan, Darren Rice, and Ed McLaughlin.

Application

The TWD formation application is attached to this report (**Attachment 1**) and can be found at the Butte LAFCo webpage at <u>https://www.butteLAFCo.org/announcements</u>. The application includes an abundance of information and maps that illustrates the territory to be included and location, the Proponents Justification, Statement of Purpose, Plan for Services and Critical Path Analysis among others.

The following sections of this report will provide an overview of the proposed TWD's key characteristics and the LAFCo application review process to include:

- Choice of special districts
- Type of governance
- Board elections
- Boundary decisions

- Funding options
- Intergovernmental relationships
- Powers and functions
- LAFCo Decision making factors

Role of LAFCo

Under the CKH Act, the Butte Local Agency Formation Commission (Butte LAFCo) has the discretion to approve (with or without conditions), modify, or deny the application for forming such a district. LAFCO may also adopt conditions of approval that would apply to the District. Based on the public and local agency comments received to date, possible LAFCo conditions could include:

Potential LAFCo Imposed Terms and Conditions

- Restrictions on authorized powers such as prohibiting exporting water out of the District/County/Basin.
- Determination of electoral process such as number of directors and the establishment of electoral divisions.
- > Formation of the district only if landowners approve funding source.
- > Modifications to the proposed boundary of the proposed District.
- Execute a memorandum of understanding with the Vina and Rock Creek Groundwater Sustainability Agencies (GSA) for coordination of efforts and implementation of projects and management actions identified in adopted Groundwater Sustainability Plans (GSP).
- Limiting groundwater sustainability projects to those established in the Groundwater Sustainability Plans.
- > Requiring approval from GSA's for projects not identified in a GSP.
- > Restrictions on groundwater recharge or ownership of recharged groundwater
- Restrictions on providing municipal and industrial water or sewer services.

2. What is a Special District / California Water District?

Special districts are local governments created by the people of a community to deliver specialized services essential to their health, safety, economy, and well-being. Special districts can provide a wide range of functions such as irrigation, drainage, wastewater, cemeteries, parks, fire services, public works, and many others. There are some 3,300 special districts in California, some special districts are large; many are very small, all serving diverse urban, suburban, rural, and agricultural regions of the state.

The chief distinction of special districts from their larger cousins – cities and counties - is that they are generally focused on a single service or function. Focused because special districts:

- Serve in specifically defined areas,
- Usually providing only a single service, allowing them to concentrate on one activity,
- Deliver public programs and public facilities that their constituents want,
- Utilize staff and other experts specializing on the specific mission of the district.

What Special districts are not:

- Special districts are not state government.
- Special districts are not city or county government.
- Special districts are not "Mello-Roos" districts or benefit assessment districts.
- Special districts are not private, corporate, or non-profit entities.
- The proposed TWD <u>WILL BE</u> a local government agency, specifically, a California Water District formed pursuant to Water Code Section 34000.
- The proposed TWD <u>WILL NOT</u> be a private, corporate or non-profit entity.

In response to a legislative directive (*AB 38- Chapter 107, Statutes of 2001*), the Legislative Analyst's Office (LAO) published a report in 2002 titled "<u>Water Special Districts: A Look at Governance and Public Participation</u>" that provided an overall review of water special districts. This report concluded:

"Water districts in California provide a diverse range of services—using a variety of financing means and governance structures. While some individual districts have pursued controversial policies, **our analysis indicates no evidence of a statewide structural governance problem.** Districts must make difficult tradeoffs in making their decisions. In those districts which have produced unpopular results, local remedies may be sought. For instance, residents have the opportunity to access the public participation process and propose changes. Local elections also provide the opportunity to change the character and policies of a governing board. If these approaches are not effective in dictating public opinion, residents also have the ability to approach their LAFCO about changing the structure of their special district."

3. Governance Oversight/Public Participation

As indicated above, the proposed TWD will be a local government agency, specifically, a California Water District formed pursuant to Water Code Section 34000 and as such is required to follow a wide variety of state laws concerning its activities and operations.

Effectively governing a water district depends, to some extent, on developing expertise in water policy. The scope of a board's responsibilities will often determine the amount of time available to spend on water issues—in turn influencing the board's level of expertise. For those dependent water districts administered by a board of supervisors or a city council, dedicating enough time to sufficiently understand water issues may be a difficult challenge. For these districts, water would only be one of a series of responsibilities for board members. For instance, the water district's regular meeting agendas may simply be a part of a broader agenda focusing on other county or city business. On the other hand, for independent boards or dependent boards with appointed members, board members' public responsibilities would focus more exclusively on water policy. In these cases, board members may be able to spend greater amounts of time developing their water expertise.

Notice and Comment Requirements

Like all local governments in California, special districts are governed by the Ralph M. Brown Act's requirements for public notices and opportunities for public input. In general, notices of

agendas must be made at least 72 hours before a meeting, and there must be opportunities for public comment during those meetings. Beyond their general meetings, water districts often engage in specialized activities related to specific projects or activities. When engaging in these activities, the districts become subject to the specific notice and public comment requirements of those statutes which govern the activities.

Quick Facts:

- Must follow Brown Act
- Subject to the SGMA
- Subject to LAFCo Oversight
- Projects Subject to CEQA

California Environmental Quality Act (CEQA)

No different than other local government agencies, when a water district proposes an action/project subject to the California Environmental Quality Act (CEQA), it must follow the procedural and public participation requirements laid out in the CEQA statutes. Other common state laws governing water districts include the Sustainable Groundwater Management Act (see Section 10 below).

LAFCO Oversight

The proposed TWD as a local government agency in Butte County will be under the oversight jurisdiction of the Butte Local Agency Formation Commission (Butte LAFCo). Butte LAFCo would have the authority to:

- Prepare a municipal service review (MSR) making determinations concerning its service capabilities and governance among others
- Establish/amend/update its sphere of influence
- Approve/disapprove future jurisdictional boundary changes

• Consider/initiate other reorganizations such as consolidations and dissolution if warranted

Through state LAFCo law (GC56000), Butte LAFCo will have considerable authority to review, evaluate and make determinations related to the TWD allowing for continuous local oversight no different than Butte LAFCo's oversight of the 41 existing special districts, 62 county service areas and five cities. Consequently as described above, water districts often must navigate a complicated set of public participation requirements from various sections of state law—*as well as federal requirements*.

4. Principal Act

Enabling or principal acts are legislative statutes that serve as the framework for a district, outlining the legal parameters for its governance and operation. These statutes specify the types of services special districts can provide, the means by which the services may be funded, the governance structure of the district, how the district may be created, and how it may expand its boundaries through annexation. There are two types of enabling acts: *principal acts* and *special acts*. Principal acts are established for an entire category of special districts

Quick Fact:

According to the California Special Districts Association, there are 141 California Water Districts in the state, which is the 5th most formed special district type out of 29 distinct service categories.

whereas special acts are targeted to the formation and functions of a specific proposed district. The State Legislature has established 29 different principal acts for the different types of special districts.

When forming a special district, LAFCo's must blend the principal act directives with the procedural requirements of LAFCo law, the Cortese Knox Hertzberg Local Government Reorganization Act of 2000 (CKH)(Government Code 56000). CKH (GC56100) provides the sole and exclusive authority and procedure for the initiation, conduct, and completion of changes of organization for districts. Where conflicts exist between the two laws proceedings for the formation of a district shall be conducted as authorized by the principal act, except that the commission shall serve as the conducting authority and the procedural requirements of CKH shall prevail in the event of conflict with the procedural requirements of the principal act of the district. In short, LAFCo must stay in its lane and not create rules or conditions that are not consistent with the principal act.

- The proposed TWD has been initiated locally through Butte LAFCo as a California Water District (WC 34000).
- The TWD proponents could have sought special act legislation to form the district as other districts have and bypass local control but elected to be accountable locally to the Butte LAFCo and other affected local agencies.

5. Governance Types

Special districts are organized by 1) who governs them and 2) who is eligible to vote on matters of the districts functions.

Governing Body

Governing bodies can fall into two broad categories based on the principal acts of the district:

- <u>Dependent Special Districts</u>. Sometimes the governing board of either a city or county will also serve as decision-makers for a special district. These kinds of special districts are called "dependent special districts." About one-third of special districts are dependent.
- <u>Independent Special Districts</u>. Other special districts operate under a locally elected, independent board of directors, which oversees district functions. These kinds of special districts are called "independent special districts." About two-thirds of special districts in the state are independent.

As a California Water District (WC 34700), the proposed TWD is intended to be an independent special district with a governing board elected by landowners within the district.

Independent special districts also fall into two categories for who is who is eligible to be a district board director and who is eligible to vote on matters of the districts functions.

- Landowner Voter Districts. Government Code Section 56050 defines a landowner voter district as a "district whose principal act provides that owners of land within the district are entitled to vote upon the election of district officers, the incurring of bonded indebtedness, or any other district matter." As the name implies, landowner voter districts are formed by landowners and only landowners be elected. can pav assessments and vote for its leaders. Landowner voter districts are generally found in rural areas or areas with large agricultural land uses that often require expensive and unique infrastructure to support their mission that might otherwise not be required by the general population. Butte County currently has numerous landowner voter districts that provide water/irrigation, drainage and reclamation services.
- <u>Registered Voter Districts</u>. Government Code Section 56072 defines a registeredvoter district as a "district whose principal act provides that registered voters residing within the district are entitled to vote for the

Are Landowner Voter Districts Constitutional?

The issue of landowner-voter districts was called into question in the US Supreme Court case, Salyer Land Company v. Tulare Lake Basin Water Storage District (1972). The plaintiffs were landowners and resident registered voters within the District who claimed that it was unconstitutional for the District to restrict voting rights to landowners only. Further, they argued that it was inequitable that smaller landowners received fewer votes than larger landowners. The defendant District argued that its services benefited the land only. Thus, any effects on non-landowner residents were indirect and did not entitle them to vote. Also, the number of votes allotted to landowners was proportional to the assessed value of the land, and therefore relative to the benefits and burdens to each landowner. The US Supreme Court agreed with the defendant and upheld landowner-voting because the District "provides no service to the general public."

election of district officers, incurring of bonded indebtedness, or any other district matter. Registered voter districts are generally differentiated from landowner voter districts in that they provide multiple services to a broader community of interest.

As a California Water District, the proposed TWD will be a landowner voter district with its Board of Directors elected by the landowners with votes weighted based on the assessed value of their parcels.

It is relevant to note that Butte County currently has multiple landowner voter districts that operate efficiently, effectively and transparently, the most notable being:

Landowner Districts in Butte County	Acres	Other
Rock Creek Reclamation District	4,644	GSA – Vina Basin
Western Canal Water District	62,974	GSA – Butte Basin
Sacramento River Reclamation District	20,725	
Reclamation District No. 833	38,600	
Biggs West Gridley Water District	32,000	GSA – Butte Basin
Butte Water District	18,030	GSA – Butte Basin
Richvale Irrigation District	34,150	GSA – Butte Basin

Conversion to Registered Voter District

It is important to note that while the proposed TWD will begin functioning as a rural agriculturally based landowner voter district consistent with the Water Code and the referenced United States Supreme Court decision, the Water Code requires this issue be considered annually by the District Board. This requirement was amended into the Water Code in 1973 (Added by Stats. 1973, Ch. 643.) following the Supreme Court decision in Salyer and addresses the issue of a district's need to alter its voting requirements as its constituent land area evolves into a more urban or non-agricultural land use pattern.

ARTICLE 3. Alternative Method of Conducting Elections [35040 - 35060]

- The voting procedure within a district <u>shall be changed from that of a landowner voting district</u> to that of a resident voting district at such time as the board of directors shall determine by a resolution adopted in conformity with the provisions of this article.
- Between January 1 and March 30 of each year, the secretary of the district shall inspect the
 assessable area within the district. At such time as at least 50 percent of the assessable area within
 the district is devoted to and developed for residential, industrial, or nonagricultural commercial use,
 or any combination thereof, such fact shall be certified to the board of directors by the secretary of
 the district. Any time after such certification the registered voters residing within the district to a resident
 voting district.

Should the TWD be formed, the Board of Directors will be required to review the land uses within the District and potentially convert the District from a landowner voter district to a registered voter district.

6. District Directors

Depending on the principal act, special districts can vary on 1) how many directors a district board can have and 2) how the directors are selected.

Number of Directors

Districts generally have a range from 3 to 7 board directors, but can go larger under certain circumstances. The California Water District law (34708) allows district boards to be 5,7,9 or 11 members.

The TWD proponents have requested the proposed TWD be established with a 7 member board of directors.

Electoral Divisions

Some special districts can also be organized so that the board of directors are *elected at-large* from throughout the district or *elected by divisions* which are sub-units of the district equal to the number of directors. The California Water District statute (34025-34027) allows a district to be divided into as many divisions as there are directors of the district and the boundaries thereof shall be made by the board of supervisors, who shall make such divisions if requested by a resolution passed by a majority of the board of directors or upon a petition signed by a majority of eligible voters within the boundaries of the district. The establishment of the divisions shall be as nearly equal in area as may be practicable. LAFCo may also condition the formation on the creation of electoral divisions and be the approving authority of the electoral division maps (GC56886)(n).

The TWD proponents have considered that the proposed TWD be divided into divisions to allow for broader representation on the District Board and to greatly minimize the influence of large landowners.

7. Boundaries

Special district boundaries are determined by the principal act for each type of district. These boundaries generally fall into two categories:

- **Contiguous** The parcels contained within the district abut or share a common boundary with territory within a local agency. All parcels must touch.
- **Non-Contiguous** The parcels contained within the district do not have to share a common boundary with territory within a local agency. All parcels do not need to touch.

California Water Districts (WC34153)(b) can have non-contiguous territory provided the boundary of each area of the district is within two miles of the boundary of another area of the district.

The proposed TWD boundaries as presented in the application are contiguous.

A California Water District (WC34157) allows a proposed district to include land situated in other distinctive district agencies of the State, including other water districts having different plans and purposes and the object of which is not the same.

- The proposed TWD boundaries overlap with the Rock Creek Reclamation District RCRD), Western Canal Water District (WCWD) Sphere of Influence and the Durham Irrigation District (DID) Sphere of Influence which is permitted under the Water Code.
- Additionally, the TWD application states that the TWD will not provide drainage, flood control or reclamation services within the RCRD without the consent of its Board.
- The RCRD, WCWD and DID have all provided letters of support for the TWD formation and have no concerns about any overlap.

The LAFCo has the authority to modify the boundaries of the District (GC56375)(WC34300) to either *include* contiguous interested landowner or *exclude/remove* landowners not wishing to be a part of the district.

The TWD proponents have no objection to any landowner being removed from the district.

Hydrogeological Boundary

Boundaries for forming the TWD were influenced by the existing groundwater basins established in the Department of Water Resources (DWR) Bulletin 118 and the Sustainable Groundwater Management Act (SGMA). The Vina Groundwater Subbasin has been identified by DWR as a "high priority basin" for purposes of SGMA.

SGMA requires that the Vina Groundwater Subbasin be managed under a Groundwater Management Plan (GSP) that is currently under review by the Vina and Rock Creek Reclamation District Groundwater Sustainability Agencies (GSA).

The Vina Subbasin is a portion of the larger Sacramento Valley Groundwater Basin covering approximately 184,917 acres. The proposed TWD would represent approximately 102,000 acres of the Vina Subbasin, otherwise referred to as the "white area", or the unincorporated territory that is not currently represented by a local water/irrigation/reclamation district and is governed by Butte County. As discussed below in Section 10, the Butte County Board of Supervisors adopted Resolution 17-170 that states in part Butte County will work constructively, cooperatively and collaboratively with landowners on the formation process of a new eligible local agency for involvement in SGMA issues.

The proponents of the TWD actively participated within the County governance structure to develop the proposed district boundaries to align with the Vina Subbasin unincorporated white areas under the Butte County GSA jurisdiction.

8. Funding

Special districts generate revenue from several sources including property taxes, special assessments, and fees and generally characterized as either:

- <u>Enterprise Special Districts</u>. These agencies run much like business enterprises and provides specific benefits to their constituents. They are primarily funded by fees paid by service recipients.
- <u>Non-Enterprise Special Districts.</u> These deliver services that provide general benefits to entire communities. They are primarily funded by property taxes.

Special districts can charge benefit assessments to pay for public works like sewers, parks, and water systems. Property owners pay benefit assessments only for the projects or services that directly benefit their property. The amount of the assessment must be directly related to the benefit received. Proposition 218 (1996) required local governments, including special districts, to get weighted ballot approval from property owners before they can levy benefit assessments.

The proposed TWD is intended to be an enterprise special district with revenue generated exclusively by landowner assessments based on the assessed value of the land. This is one of the fundamental benefits of a landowner district, those who own the most land and benefit the most from services, pay the most for improvements.

9. Services/Functions/Powers

Special districts are *limited purpose* local governments. This means that, unlike cities and counties, special districts focus on providing one service or a single suite of services. Focused service, or specialized service, is ultimately what makes special districts "special." It can lead to innovative and sustainable local decisions. However, it also limits the scope and breadth of what a special district can perform. Special districts do not have land-use planning jurisdiction, and they can only be granted service authority consistent with their enabling act and <u>with the consent of LAFCo at formation and thereafter.</u>

Most special districts perform a single function, such as water service, parks and recreation, fire protection, pest abatement or cemetery management. Other districts have multiple functions, such as community service districts or county service areas. Some special districts provide services for residents in both cities and counties, while others provide services only for residents who live outside city boundaries in the unincorporated areas.

Scientists, firefighters, engineers, health care professionals, water and environmental experts,

and many other specialists provide special district services. Due to the specialized nature of their services, special districts must maintain their critical infrastructures and evolve with state-of-the art tools of their trade – whether it be a new, more effective water delivery system, firefighting equipment, transit system, lighting, or sanitation or other service delivery.

The ability to hire experts in the desired field allows districts to quickly initiate services at formation and respond to a rapidly changing world and to new technologies quickly.

Special districts enjoy many of the same governing

powers as other cities and counties. They can enter into contracts, employ workers, and acquire real property through purchase or eminent domain. They can also issue debt, levy assessments, and many charge fees for their services. Special districts, like other governments, can sue and be sued.

The Butte Local Agency Formation Commission (Butte LAFCo) has authority to consider the application for forming the TWD under the Cortese-Knox-Hertzberg Act (GC56000). Specifically, Butte LAFCo has the authority to determine the powers granted to the TWD at formation and thereafter. All powers allowed under the principal act not initially granted by LAFCo, become latent powers. Districts can apply to LAFCo to activate latent powers or divest themselves of existing powers if warranted and at LAFCo's discretion.

Primary California Water District Powers (WC35400)

- Acquisition and operation of water works for the production, storage, transmission, and distribution of water for irrigation, domestic, industrial and municipal purposes, and any drainage or reclamation works connected with such undertakings.
- Acquire and operate facilities and services for the collection, treatment, and disposal of sewage, waste, and storm waters.

In addition to these powers, the Board of Directors of the District has the power to perform all acts necessary or proper to carry out fully the provisions of the Water Code. These more generalized powers (non-service specific) are found in the principal acts of most if not all special districts. Sections 35400-35409 (Powers) of the Water Code are listed below:

35401. A district may acquire, plan, construct, maintain, improve, operate, and keep in repair the necessary works for the production, storage, transmission, and distribution of water for irrigation, domestic, industrial, and municipal purposes, and any drainage or reclamation works connected therewith or incidental thereto.

35402. A district shall not contract for the construction of irrigation works nor construct the irrigation works by employees of the district, if the cost of the construction is paid out of the proceeds of bonds of the district, until an election has been held to determine whether or not the bonds shall be issued.

35403. A district may contract to perform and perform any agreement for the transfer or delivery pursuant to Chapter 5 of this part of any irrigation system, canals, rights of way, or other property owned or acquired by the district in exchange for the right to receive and use water or a water supply to be furnished to the district by the other party.

35404. A district may enter for the purposes of the district upon any land.

35405. A district may take conveyances, contracts, leases, or other assurances for property acquired by the district pursuant to this division.

35406. A district may execute, by its president and secretary, all contracts and other documents necessary to carry out the powers and purposes of the district.

35407. A district may commence and maintain any actions and proceedings to carry out its purposes or protect its interests and may defend any action or proceeding brought against it.

35408. A district may commence, maintain, intervene in, compromise and assume the costs of any action or proceeding involving or affecting the ownership or use of waters or water rights within the district used or useful for any purpose of the district or a benefit to any land.

35409. A district may commence, maintain, intervene in, defend and compromise actions and proceedings to prevent interference with or diminution of the natural flow of any stream or natural subterranean supply of waters which may:

(a) Be used or be useful for any purpose of the district;

(b) Be of common benefit to the land or its inhabitants; or

(c) Endanger the inhabitants or land.

35410.1. In addition to and as an alternative procedure to the levy and collection of assessments and standby charges, a district may fix and collect acreage assessments in an amount determined by the board for each acre of land and for parcels less than one acre within a district or improvement district. These acreage assessments shall be levied only for the payment of the whole or any part of a metropolitan water district tax. The resolution fixing the acreage assessment shall be adopted by the board only after adoption of a resolution setting forth the schedule of such acreage assessments proposed to be established and after notice and hearing in the form and manner prescribed by the board. The acreage assessment shall be levied, collected and enforced in the same manner as provided in Article 4 (commencing with Section 35470) of this chapter for standby charges.

35410.2. If there is more than one tax code area for the levy of said metropolitan water district tax within a district, an improvement district may be formed in the manner provided in Chapter 4.9 (commencing at Section 36410), of Part 6 of this division for any or all of said tax code areas for the purpose of providing for the payment of the whole or part of the metropolitan water district tax attributable to any tax code area. After the hearing on the resolution of intention as provided in Section 36415, or as said hearing may be continued, the board may by resolution order the improvement district formed. Thereafter in any year the board may elect to pay, from receipts, assessments or standby charges or any combination thereof levied exclusively in said improvement district, the whole or a stated percentage of the metropolitan tax for the next succeeding fiscal year attributable to the area within said improvement district, provided, that it

takes similar action with respect to all other said tax code areas.

35411. A district may disseminate information to the public concerning the rights, properties, and activities of the district.

35413. (a) In order to enforce the provisions of any ordinance of the district, including an ordinance fixing charges for the furnishing of commodities or services, or to enforce any district rule or regulation adopted by the board of directors pursuant to Section 35421 or 35423 pertaining to the sale or distribution of water, the district may correct any violation of an ordinance of the district or of the rule or regulation. The district may also petition the superior court for the issuance of a preliminary or permanent injunction, or both, as may be appropriate, restraining any person from the continued violation of any ordinance, rule, or regulation, of the district or for the issuance of an order stopping or disconnecting a service if the charges for that service are unpaid at the time specified in the ordinance, rule, or regulation.

(b) The district may enter upon the private property of any person within the jurisdiction of the district in order to investigate possible violations of an ordinance of the district or law, rule, or regulation described in subdivision (a). The investigation shall be made with the consent of the owner or tenant of the property or, if consent is refused, with a warrant duly issued pursuant to the procedures set forth in Title 13 (commencing with Section 1822.50) of Part 3 of the Code of Civil Procedure, except that, notwithstanding Section 1822.52 of the Code of Civil Procedure, the warrant shall be issued only upon probable cause.

(c) The district shall notify the county or city building inspector, county health inspector, or other affected county or city employee or office, in writing, within a reasonable time if an actual violation of a district, city, or county ordinance is discovered during the investigation.

- The proponents of the TWD have requested the powers of a California Water District pursuant to Water Code Section 34000.
- Butte LAFCo <u>will determine</u> which powers the proposed TWD have requested will become active powers and all others will become latent powers.

10. Intergovernmental Coordination

California Water Districts (WC35850-35855) also have the power to join with one or more public agencies, including the United States, private corporations or other persons for the purpose of carrying out any of the powers of such district. These provisions will provide great flexibility to the TWD to coordinate and cooperate with other neighboring local, state and federal agencies to protect and enhance the Vina groundwater basin. A number of local agencies have indicated their desire to work cooperatively and collaboratively with the proposed TWD as shown below.

- The TWD application states that the purpose of the TWD is to organize the landowners into a public agency with the overarching purpose of working cooperatively with the County of Butte, Butte County Water Commission, Vina, Butte and Rock Creek Reclamation District Groundwater Sustainability Agencies (GSA's) and other state and local agencies in the development of Groundwater Sustainability Plans (GSP) for the Vina and Butte sub-basins that will ensure adequate water is available to continue the existing agricultural uses of the affected land.
- The <u>Butte County Board of Supervisors</u> comment letter of September 28, 2021 states in part: "Butte County believes the formation of the TWD will help the overall management of water resources in the region by filling a current gap in water resource management in the County....The County will work constructively, cooperatively, and collaboratively with the TWD should they be formed and would be willing to enter into cooperative agreements or studies with the TWD to examine methods of maintaining or enhancing local water supplies."
- The <u>Western Canal Water District</u> comment letter of August 19, 2021 states in part: *"we view the proposed Tuscan WD as a partner in our District's efforts to manage our region's water resources".*
- The <u>Rock Creek Reclamation</u> District comment letter of May 11, 2021 states in part: "The proposed Tuscan WD would play a much-needed role in planning and performing the management actions...after all this is one of the primary purposes for the Tuscan WD's formation: to participate and cooperate with Rock Creek GSA and Vina GSA in their efforts to achieve sustainability in the Vina Subbasin."
- The <u>Paradise Irrigation District</u> comment letter of May 11, 2021 states in part: *"it is imperative that groundwater users within the sub-basin, whose lands are not with an existing water or irrigation district, have the means to manage and protect their groundwater resources for all beneficial uses of water."*

- The <u>Glenn Groundwater Authority</u> comment letter of August 2, 2021 states in part: "It is the Authority's understanding that the proposed TWD plans to support and participate collaboratively with existing Groundwater Sustainability Agencies and other state and local agencies in groundwater management activities, specifically Groundwater Sustainability Plan development in the Vina and Butte Subbasins. Landowner outreach is required by the Sustainable Groundwater Management Act (SGMA) and landowner participation is important to the successful development and implementation of plans affecting groundwater management in our region."
- The Butte County Resource Conservation District comment letter of September 17, 2021 states in part: "BCRCD would have an interest in working with TWD to implement conservation projects as part of the Vina and Butte sub basins GSP that increase water supply, decrease groundwater dependence, reduce groundwater demand, and support habitat improvement."
- The Northern California Water Association (NCWA) comment letter of May 7, 2021, states in part: "the Tuscan Water District will further the collective efforts by other water districts in the region to protect and sustainably manage our precious water supplies for both our economy and the environment in Northern California—both now and for future generations. In this process, we encourage the Tuscan Water District to work closely and collaboratively with other special districts in Butte County.."
- The Central Valley Regional Water Control Board comments of July 1, 2021 responding to the question "would you *agree* or *disagree*, that the proposed formation of the TWD would be a threat to the overall agricultural water supply in Butte County or otherwise compromise the ability of existing local water agencies to protect the current water supply available to the residents and irrigation water users in Butte County?", responded "*Disagree*".

Sustainable Groundwater Management Act

The TWD proposal relates to implementation of the Sustainable Groundwater Management Act (SGMA). SGMA requires groundwater sustainability agencies to manage groundwater at the local level through the development of groundwater sustainability plans (GSP). The State Department of Water Resources divided the state into separate groundwater basins and subbasins based on hydrology and other factors. Western Butte County is located within the large Sacramento Valley Basin, which DWR has broken down into many subbasins. Butte County is located within parts of four subbasins -- Vina, West Butte, East Butte, and Wyandotte Creek. There currently is no locally-controlled, subbasin-wide special district in the Vina (and a portion of the Butte) Subbasin that can evaluate, fund, implement, and oversee projects to implement the GSP.

The Vina and Rock Creek Reclamation District Groundwater Sustainability Agencies (GSA) are in the process of reviewing and adopting the Vina Subbasin GSP (Vina GSP). Petitioners seek to form a new water district principally to work cooperatively with the GSA to evaluate, fund, and implement projects and management actions to achieve groundwater sustainability under the Vina GSP (after the GSA completes and adopts the plan).

The Vina GSP will include a Projects and Management Actions chapter that will list possible implementing projects and management actions (PMAs) that would help move the subbasin

towards its goal of sustainability. The Vina GSA website refers to the PMAs as a "menu of options" for the subbasin to achieve sustainability. The potential PMAs fall under several categories, including recharge projects and water supply augmentation projects. The October 4, 2021, Groundwater Sustainability Plan Public Workshop, identified the following PMA's:

7 Management Actions	4 Planned Projects	11 Potential Projects
 General Plan Updates Domestic Well Mitigation Well Permitting Ordinance Landscape Ordinance Prohibition of Groundwater use for Ski Lakes Expansion of Water Purveyors Groundwater Allocation 	 Agricultural Irrigation Efficiency Residential Conservation Flood MAR Utilize high flow water for direct recharge Community Water Education Initiative 	 Streamflow Augmentation Utilize high flow waters to increase stream flow for use in- lieu of ground water Paradise Irrigation District Intertie Agricultural Surface Water Supplies Extend Orchard Replacement Miocene Canal Recharge Community Monitoring Program Wastewater Recycling Rangeland Management and Water Retention Fuel Management for Watershed Health Removal of invasive Species Surface Supply and Recharge

The varied PMA choices range from water supply projects to recharge projects to water conservation to groundwater regulation. These choices involve a wide array and very different types of potential environmental impacts. At this planning stage, neither the GSA nor the district formation petitioners have identified any particular preferred, intended, or proposed PMA.

After the GSP is adopted, the proposed TWD and its newly elected governing board would evaluate the GSP and its menu of PMA options and it would develop a plan to determine, fund, and implement appropriate PMAs to achieve sustainability in consultation with the area residents, landowners, farmers, and other interested parties. Appropriate PMAs would be approved and implemented over a 20-year horizon. Tuscan Water District would be a local government agency with its own CEQA responsibilities and obligations. Consequently, as the new district identifies any proposed PMA project, it will review the PMA under CEQA before approving the project.

• The principal objective for district formation is to create a local agency with the authority to evaluate, fund, implement, and oversee projects and actions to achieve groundwater sustainability under the GSP to be adopted by the Vina and Rock Creek Reclamation District GSAs. The Proposal would benefit the local residents, landowners, and farmers who depend upon a well-managed groundwater subbasin and who would bear the principal financial obligation for GSP implementation.

11. California Water District Formation Process

Selecting the Desired Special District Type

Formation of a special district essentially begins when a group of citizens or a local government agency determine that there is a particular issue of importance that needs attention, cannot be

met by an existing local government agency and that a specific type of governmental entity can address the issue. These are most often special districts. The citizens or affected local government agency then consider the 29 different categories of special districts available in California or determine that a new "special act" district is necessary and seek a legislative fix.

The proponents of the TWD determined that the formation of a California Water District was the appropriate path forward based on guidance provided by the Butte County Board of Supervisors (BOS) and the Department of Water and Resource Conservation. This early consultation with County representatives determined that: 1) the County was not interested in initiating the formation and 2) the County would support the citizens' initiative to initiate the formation via a petition of landowners directly to Butte LAFCo. The following is an excerpt from the staff report provided to the Butte County Water Commission meeting on August 4, 2021, that offers a more detailed explanation:

"For many years, **Butte County has encouraged agricultural groundwater users to organize**. In contrast to the "white areas" of the county that are groundwater dependent, local water districts provide an organizational structure for surface water irrigated areas. The primary reason to promote groundwater users to organize was to improve drought coordination and groundwater management.

Discussions to organize intensified during the last drought before SGMA was enacted. With the passage of SGMA, the agricultural community began to put a concerted effort towards more formal organization. The two primary drivers of the agricultural community organizing and pursuing the concept of forming a water district were to be part of SGMA governance structures and to be "part of the solution" to achieve groundwater sustainability. Under SGMA, GSAs will need to impose regulatory and non-regulatory actions to achieve groundwater sustainability. Since agriculture has the largest demand on groundwater use, the agricultural community is concerned that without developing options, GSAs would be left with the only option to cut agricultural groundwater pumping.

The agricultural community took the initial step to organize through the formation of the Agricultural Groundwater Users of Butte County (AGUBC) in 2017. The AGUBC is a private, non-profit corporation comprised of agricultural groundwater users. The AGUBC was formed to create an organization to coordinate SGMA activities. Butte County Board of Supervisors adopted the Resolution in Support of the Agricultural Groundwater Users of Butte County Involvement in the Sustainable Groundwater Management Act Process (Resolution 17-170). The resolution is included with the meeting agenda packet materials. The resolution states in part, "If, and when, the AGUBC desire to move forward with creation of a new California Water District or other type or eligible local agency with the dual purpose of: a) SGMA responsibility, and b) exercising powers and duties as a special district as authorized by the Water Code for water purveyance and ancillary activities, Butte County will work constructively, cooperatively and collaboratively with landowners on the formation process of a new eligible local agency for involvement in SGMA issues". The AGUBC continued to work with Butte County staff on SGMA implementation and agricultural landowners explored forming a water district."

- In 2017, with encouragement and support of Butte County, the proposed TWD was initiated locally by landowner petition directly to Butte LAFCo as a California Water District (WC 34000).
- In 2021 both the Butte County Water Commission and the Butte County Board of Supervisors voted to conditionally support the TWD proposal.
- Alternatively, the TWD proponents could have sought special act legislation to form the district as other districts have and bypass local control but elected to be accountable locally to the Butte LAFCo and other affected local agencies.

12. Formation Process Step by Step

Petition/	LAFCO Public	Protest	Vote
Application	Hearing(s)	Process	
Petition based on acreage-holders of title to a majority of the land. Landowners on the petition are checked. Application is submitted to LAFCO for review.	Staff Report is prepared. Analyzes various issues and factors regarding formation. Noticed public hearings are conducted. LAFCO decision to approve, modify or deny.	Allows the property owners to protest LAFCo's approval. Requires protest of more than 50% of acreage in the area to terminate. Otherwise action goes to a vote.	Formation Based on Acreage 1 ac.= 1 vote Funding Vote (218) – Must pass for District to be formed. Vote on Board of Directors based on acreage 1 ac. =1 vote

Government Code 56100 provides LAFCo with the authority to consider the formation of this District using the Principal Act. The Principal Act in this case is found under the Water Code 34000. The Cortese-Knox-Hertzberg Act (GC 56859) allows for the formation of a District as authorized under the principal act of the District (WC 34000 et al.) and government code section 56100. GC 56860 specifies that a proposal for formation of a new District made by petition is done so per the requirements of the principal act. However, if there are procedural conflicts between the two laws, the Cortese-Knox-Hertzberg prevails. (GC 56100(b)) In this case, landowners with a majority of acreage in the area would decide on whether the District should be considered for formation by LAFCO or not. The Petition shall be gathered based the requirements found below:

 WC 34151-34153 – Formation by Petition. The formation process is initiated by petition to the LAFCO in the principal county by holders of title to a majority of land within the proposed District Boundary that is capable of using water beneficially for irrigation, domestic, industrial, or municipal purposes, and that can be serviced from common sources of supply and by the same system of works. WC 34153 states that the petition must include property owners that own a majority of the land in the area. So the petition must include landowners who own more than 50% of land within the proposed boundaries of the District. If the proposed District is 100,000 acres then the landowners signing the petition must own 50,001 acres of land within the proposed boundary.

The Cortese-Knox-Hertzberg Act contains Petition requirements as well. These are listed below:

- GC 56700.4 Notice of Intention. Prior to circulating petitions, the proponent shall file
 with the LAFCO Executive Officer (EO) a Notice of Intention that includes the name and
 mailing address of the proponent(s) and a written statement, not to exceed 500 words in
 length, setting forth the reasons for the proposal. After filing the NOI with the EO, the
 petition may be circulated for signatures of landowners within the District Boundary. Upon
 receiving the NOI, the Executive Officer shall notify affected local agencies and interested
 parties of the intent to form a District.
- **GC 56704 Signatures.** Each person shall affix the date after he or she signs the petition. Since this petition is by property owners each person signing the petition must also include a written description sufficient to identify the location of land owned by each person signing the petition. An address and Assessor Parcel Number would be adequate.
- GC 56706 (a) Certificate of Sufficiency. The petition signatures must be verified by the Executive Officer within 30 days. The EO shall cause the petition to be examined by the County Assessor. Within the same 30 days (excluding Saturdays, Sundays and holidays), the EO is required to prepare a certificate of sufficiency indicating whether the petition is signed by the requisite numbers of validated signers.
- GC 56708 Validation of Signatures This petition would be signed by landowners. To validate the signatures, these shall be compared with the names of the person shown as owners of land on the most resent assessment roll being prepared by the county at the time the notice of intention to circulate a petition with the Executive Officer. The Water Code (34151) indicates that the landowners with the majority of land in the area shall be criteria for determining if the petition is adequate.

The TWD landowner petition received a Certificate of Sufficiency on April 8, 2021.

14. Application Review

The proponents are required to file an application and fees for processing with the formation proposal. If the application is found to be sufficient, LAFCO evaluates the proposal, requests additional information if needed, prepares a staff report, and conducts public hearings with regard to the proposal. The application for formation would be analyzed per factors found in the Cortese-Knox-Hertzberg Act and a staff report with attached studies prepared for the Commission and the Public to consider in their deliberations.

Butte LAFCo Policy – District Formation

The analysis would include a review of consistency with regard to LAFCo's local policies, which are stated below:

5.2 District Formation.

- 5.2.1 <u>Consistency with LAFCO Policies.</u> The formation of a special district must be consistent with the General Policies set forth in these Policies and Procedures, as well as specific policies for formations.
- 5.2.2 <u>Need for New District Required.</u> LAFCO will only approve special district formations in areas that demonstrate a need for the proposed services and where no existing agency can adequately or efficiently provide such services, in an accountable manner as required by Government Code Section 56886.5.
- 5.2.3 <u>Sphere of Influence Plan and Municipal Service Review.</u> LAFCO will adopt a sphere of influence for a newly formed district within two years of the completion of formation proceedings
- 5.2.4 <u>Plan for Services Required.</u> Every proposal for formation of a new special district must include a Plan for Services that addresses the items identified in Government Code Section 56653.
- 5.2.5 <u>Consistency Required.</u> LAFCO will only approve district formation applications that accommodate development that is consistent with the General and Specific Plans of all affected land use authorities.
- 5.2.6 <u>Conflicts Not Allowed.</u> LAFCO will not approve a district formation proposal if the Plan for Services conflicts with the Municipal Service Review of other agencies unless higher quality, more efficient service provision will occur as determined under item 4.2.
- 5.2.7 <u>Public Benefit Considered.</u> LAFCO will consider whether the proposed district formation will benefit the affected public as a whole or only a select group. Absent other circumstances, LAFCO will not approve a formation proposal that amounts to a grant of governmental powers to a special interest group.
- 5.2.8 <u>Fiscal Solvency.</u> LAFCO will prepare, or cause to be prepared, a fiscal analysis for the proposed district which projects services to be provided, costs to service recipients, and revenue and expenses for a period of at least five years. LAFCO will not approve an application for district formation unless the fiscal analysis demonstrates the district can provide the needed services and remain fiscally solvent. If the financing element of the Plan for Services requires voter or landowner approval (for instance, a special tax or benefit assessment), LAFCO's approval of the proposal will require voter approval of the funding mechanism as a condition for completion of the formation. [GC§56653]
- 5.2.9 <u>County Service Areas.</u> LAFCO may reduce or waive these district formation requirements in connection with the formation of routine County Service Areas.

Applicable State LAFCo Law (GC56000)

The analyses must also address the list of factors found in CKH Act under Government Code 56668. The analysis may assess other options, map boundaries, funding plans, and/or conditions of approval that might be appropriate in this situation.

Plan for providing services submitted with application GC 56653.

(a) If a proposal for a change of organization or reorganization is submitted pursuant to this part, the applicant shall submit a plan for providing services within the affected territory.

(b) The plan for providing services shall include all of the following information and any additional information required by the commission or the executive officer:

- (1) An enumeration and description of the services currently provided or to be extended to the affected territory.
- (2) The level and range of those services.
- (3) An indication of when those services can feasibly be extended to the affected territory, if new services are proposed.
- (4) An indication of any improvement or upgrading of structures, roads, sewer or water facilities, or other conditions the local agency would impose or require within the affected territory if the change of organization or reorganization is completed.
- (5) Information with respect to how those services will be financed.

Terms and Conditions GC 56885-56886. This section of the Cortese-Knox-Hertzberg Act authorizes LAFCO to establish conditions of approval regarding a variety of issues that apply to the formation of the District. These conditions may range from the funding for the District to the right of use of water. The Commission may consider conditions of approval that are supported in light of the record presented. A common condition is one that requires approval of funding for the District to be formed.

Requests for Exclusion. The Commission would consider requests for exclusion from the District. Property owners within the proposed area may request that they not be included within the District Boundary. The Commission has discretion in granting or denying this request. The evaluation of each exclusion request shall be based on its location, impact on the District's operations, forming a logical and orderly boundary, and any other factors presented to the Commission. The applicants have indicated that they only want landowners who desire to be within the District.

Hearing and Notice. A hearing is scheduled and noticing is completed pursuant to GC 56150-56160. The Commission may continue the item from time to time not to exceed 70 days from the date specified in the original notice. The area is likely to include over 1,000 landowners, in which case the code allows for a 1/8 page advertisement in the paper of General Distribution rather than direct mailed notice of the landowners. In addition to the required noticing, LAFCO will maintain an email list of interested parties. The email list would be used to notify the interested parties of LAFCO activities and provide access to relevant information.

Reconsideration. If LAFCO approves, modifies, or denies the formation of the District a 30-day reconsideration period follows. This allows for any party to file a written request with the EO that LAFCO reconsider its decision based on new information. The party must request that the resolution approved by LAFCO be amended based on new or different facts that could not have been previously been presented to the Commission. The person or party shall file the written request within 30 days of the adoption of the initial resolution approved by the Commission. The Executive Officer shall place the request on the agenda of the next meeting of the Commission that can be legally noticed pursuant to the CKH Act (in this case at least a 21 day notice). The Executive Officer shall give the same notice as required in the original proposal. At the meeting the Commission shall consider the request and any oral or written testimony. The consideration may be continued, but cannot exceed 35 days from the date specified in the Notice. The person or party that filed the reconsideration may withdraw it at any time. The Commission may approve with or without amendment, wholly, partially or conditionally or disapprove the request. If the Commission disapproves the request the prior resolution is used as it was originally approved. If the Commission approves or modifies the request, a resolution with new determinations shall be adopted. The Commission's reconsideration decision shall be final and conclusive.

Protest Hearing Process. If LAFCO has approved the application and the reconsideration period is over, the LAFCO Executive Officer conducts the Protest Hearing for the formation of the District. As allowed by the Cortese-Knox-Hertzberg Act, the Commission has delegated the completion of the Protest Process to the Executive Officer. The following steps and procedures are followed:

- 1. The Executive Officer sets the proposal for protest hearing within 35 days of the Commission's resolution date and gives notice.
- 2. The date of the hearing shall not be less than 21 days nor more than 60 days after the date the notice is given and shall be:
 - a. Published in a newspaper of general circulation;
 - b. Posted near the hearing room door; and
 - c. Mailed to each affected agency which contains territory or whose sphere of influence contains territory within the proposal, the Executive Officers of other affected LAFCos, chief petitioners if any, persons requesting notice, and landowners within territory to be formed into or annexed to or detached (57001, 57002 and 57025).

3. The Executive Officer hears the proposal at the noticed time and date. The hearing may be continued for up to 60 days. Any written protests must be filed with the Executive Officer or Commission prior to the conclusion of the hearing and must be signed, have the signature date, and address or location of the property. The value of written protests must be determined and action taken by LAFCO resolution to order the change, with or without an election, or terminate proceedings.

4. The Executive Officer shall perform all Conducting Authority Proceedings in accordance with the provisions of the CKH Act. Only written protests with the required information submitted prior to the close of the Protest Hearing shall be considered valid.

5. The Commission delegates to the Executive Officer the authority to act on matters related to the implementation of the Conducting Authority responsibilities as applicable and appropriate. The outcome of the protest hearing process is termination of the proposal if 50% or more of landowners who have 50% of the voting power (own 50% of the acreage in the area) files a valid written protest with the EO. Any number protests below this threshold and the question of formation will be forwarded to a vote of the landowners in the area per the election process.

Election. If the formation of the District makes it through all of the above steps an election would be conducted by the County Clerk with assistance from the Assessor's office. The election would be completed based on the property owners and the acreage they own. Three questions would likely be voted on:

- 1. the formation of the District. The formation of the District would be determined on a 1 vote per acre vote pursuant to water code section 35003.
- 2. the Board Members to be elected based on a 1 acre per vote formula, and
- 3. the funding of the District (prop218). Proposition 218 vote would need to pass for the district to be formed because a funding source is needed to operate the District. LAFCO typically requires this condition as part of its approval.

The election results would determine the formation of the District.

<u>Action Requested:</u> Accept for information, file the staff report and continue the public hearing to January 6, 2022.

Tuscan Water District Application for District Formation (2021)

Prepared For: Butte Local Agency Formation Commission

> Chief Petitioners: Richard McGowan Darren Rice Edward McLaughlin

> > June 9, 2021

TABLE OF CONTENTS

TABLE OF CONTENTS	11
COVER LETTER	1
APPLICATION FOR DISTRICT FORMATION	2
PETITIONS	10
PETITION FOR CHANGE OF ORGANIZATION OR REORGANIZATION (EXHIBIT 1) NOTICE OF INTENT CERTIFICATE OF SUFFICIENCY	13
PROJECT MAPS	18
VICINITY MAP (EXHIBIT 2A) EXTERIOR BOUNDARY MAP (EXHIBIT 2B) PROJECT APPLICANT ACREAGE MAP (EXHIBIT 2C) PROPOSAL JUSTIFICATION	19 20
STATEMENT OF PURPOSE	
STATEMENT OF PURPOSE	23 24 26 26 27 27 27 27 27 28 28
Proximity to Developed and/or Developing Areas Land Use Prime Ag Land Existence of Social and Economic Interest and Interdependence Economic Impact of the Key Crop Production within the proposed TWD: JUSTIFICATION AND REASONS FOR THE CREATION OF THE TUSCAN WATER DISTRICT RATHER THAN PURSUING ANNEXATION TO AN	28 29 29 30
EXISTING AGENCY California Water District Powers Rock Creek Reclamation District Durham Irrigation District (DID) Western Canal Water District (WCWD) Other Agencies that Purvey Water: Durham Mutual Water Company, Dayton Mutual Water Company, Ca Water, Chico, Proposed Tuscan Water District	32 33 34 34 11
CALIFORNIA LOCAL GOVERNMENT STRUCTURE Proposed District Governance Potential for Expansion of Service Area / Sphere of Influence Greater Efficiency in the Delivery of Governmental Services Boundaries and Sphere of Influence Plan for Services / Municipal Service Review. Significant Issues.	36 37 37 37 38

Intergovernmental Coordination	39
Conclusion	39
TUSCAN WATER DISTRICT SIZE AND OTHER FACTS	40
AFFECTED AGENCIES	40
DISTRICT HYPOTHETICAL BUDGET	41
OTHER KEY ISSUES	44
Plan for Domestic Well User Representation	44
Protecting Butte County's Groundwater	46
Protecting the Tuscan Aquifer	48
CALIFORNIA ENVIRONMENTAL QUALITY ACT COMPLIANCE	49
Project Location and Description	49
Public Agency Approving the Project (District Formation)	49
REASONS FOR THE PROPOSAL AND GSP STATUS	50
REASONS FOR THE EXEMPTION	51
Initial Study / Environmental Questionnaire	55
CRITICAL PATH ANALYSIS & HISTORY	58
IMPACT OF AGRICULTURE WITHIN THE TUSCAN WATER DISTRICT ON THE LOCAL ECONOMY	61
FREQUENTLY ASKED QUESTIONS	62
Why is the Tuscan Water District being proposed?	62
What is the process to form the Tuscan Water District?	62
Are there any issues that may be addressed as "Conditions of District Formation?"	
Are there any surface water supplies potentially available to Tuscan Water District?	
Why is formation of the Tuscan Water District important for Butte County?	
What is Tuscan Water District's economic impact to the Butte County economy?	64
What are the key differences between California Water Districts, Irrigation Districts, Reclamation Distric	
Mutual Water Companies, Investor-Owned Utilities, and Groundwater Sustainability Agencies?	
Why should the Tuscan Water District cover the entire "White Area" or un-served area of the Vina and B	<i>3utte</i>
sub-basins including domestic pumper, RCRD, WCWD SOI, Durham and Dayton MWCs, and Cal Water	
acreage?	
Does the overlay of the Tuscan Water District affect the sovereignty, purpose, current service authority, assessment ability of any of these agencies?	
APPENDIX	67
LAFCO Exhibit 1 – Certified copies of the Resolution of Application or Petition for Change of Organization	ı —
submitted separately	67
LAFCO Exhibit 2a - Vicinity Map – see Project Maps above	67
LAFCO Exhibit 2B - Exterior Boundary Map – see Project Maps above	67
LAFCO Exhibit 2c - Project Applicant Acreage Map – see Project Maps above	67
LAFCO Exhibit 3a – Legal Description – submitted separately	67
LAFCO Exhibit 3b – Metes & Bounds Description	
LAFCO Exhibit 4 – Copies of the complete Environmental Documentation – see CEQA Section	
LAFCO Exhibit 5 – Tax Exchange Agreement – not applicable	
LAFCO Exhibit 6 – List of all affected property owners – submitted separately	
LAFCO Exhibit 7 – Public Notice requirements mailing list – submitted separately	
LAFCO Exhibit 8 – Letters of Support – Attached below and at <u>www.tuscanwaterdistrict.com/support</u>	69

COVER LETTER

June 9, 2021

Local Agency Formation Commission of Butte County Steve Lucas, Executive Officer 1453 Downer Street, Suite C Oroville, CA 95965-4950

Dear Mr. Lucas,

We are pleased to submit, on behalf of more than 75 farming families and business organizations within the Vina and Butte sub-basins, a Landowner Petition and Application to initiate proceedings for the formation of the Tuscan Water District ("District"). These Landowners, who support District formation by their signatures on the attached petition, represent 58,120 acres, 57% of acreage with Assessor Parcel (APN) numbers in the 102,327-area proposed District service area.

The Application represents several years of hard work, including, but not limited to, assessing and /or meeting with existing agencies to evaluate their capacity to serve the needs of the entire sub-basin, as well as working with Butte County staff and other stakeholders to analyze advantages and disadvantages of forming a California Water District to serve all groundwater dependent lands within the proposed District service area

We believe formation of the District is the only practical, reasonable, and logical solution to coordinate and manage ground and surface water in such a large, un-served area and to achieve groundwater sustainability as required by the Sustainable Groundwater Management Act. Formation of the District will benefit all landowners, small, medium, and large. It will be critical to long-term preservation and protection of valuable agricultural land and rural lifestyles.

Respectfully submitted,

Chief Petitioners,

Richard McGowan 30 Independence Circle, #300 Chico, CA 95973 Edward McLaughlin PO Box 1 Durham, CA 95938 Darren Rice 5209 Anita Road Chico, CA 97973

APPLICATION FOR DISTRICT FORMATION

SIGNATURE PAGE

Agent Authorization

(not applicable if annexation does not have 100% landowner support)

Authorized Agent: _____ Telephone: _____ Mailing Address: ______ is hereby authorized to process this application on my property identified as Butte County Assessor's Parcel Number(s)

This authorization allows representation for all applications, hearings, appeals, etc. and to sign all documents necessary for said processing, but not including document(s) relating to record title interest. Owner(s) of Record:

Date	Signature	Printed Name	Title
Date	Signature	Printed Name	Title
Date	Signature	Printed Name	Title

Disclosure Requirements

Pursuant to Government Code Sections 56700.1 and 81000 et seq., and Butte Local Agency Formation Commission policies, any person or combination of persons who directly or indirectly contribute \$1000 or more or expend \$1000 or more in support of or in opposition to a change of organization or reorganization that has been submitted to the commission and will require an election must comply with the reporting and disclosure requirements of the Political Reform Act of 1974 and the Butte Local Agency Formation Commission. These disclosure requirements mandate disclosures be made at specified intervals. Additional information may be obtained by contacting the LAFCo office at (530) 538-7784. Disclosure requirements have been read and acknowledged

6-9-2021	Richard Michae	Richard McGowan	Chief Petitioner
Date	Signature / -	Printed Name	Title
6-9-2021	Dannkie	Darren Rice	<u>Petitioner</u>
Date	Signaturen 0.4	Printed Name	Title
6-9-2021	Ed M- Paughtin	Ed McLaughlin	<u>Petitioner</u>
Date	Signature $\sigma^{}$	Printed Name	Title

Certification

Applicants request that proceedings as described in this application be taken in accordance with the provisions of Government Code Section 56000 et seq. and herewith affix their signatures. **Note:** Applications will not be accepted without the signature of one or more of the following: 1) the legal owner(s) or official agents with Power of Attorney or written authorization to sign, 2) Chief Petitioners, and/or 3) Chair of the Legislative Body submitting a Resolution of Application

Date	Signature	Richard McGowan	Chief Petitioner
Date	Signature	Printed Name	Title
Date	Signature	Printed Name	Title

Butte Local Agency Formation Commission • Annexation Application • Revised April 19, 2011 • Page 3 •

Agreement to Pay for Time and Materials

Charges and Deposits

LAFCo charges are based upon actual staff time and other expenses attributable to processing applications, reviewing project proposals and researching matters as requested. Such charges may be incurred prior to or without the filing of an application with LAFCo. Individuals and agencies who request services, research, or review must provide a deposit toward project expenses, as listed on the attached current fee schedule, along with a signed copy of this agreement. All deposits are subject to increase, should the Executive Officer determine that the magnitude of the project justifies the increase.

The amount of staff time necessary to process any individual application cannot be easily predicted in advance. Therefore, applicants should be aware that LAFCo charges may exceed the applicable deposit. (unexpended deposits will be refunded.)

PLEASE UNDERSTAND THAT THE CHARGES MUST BE PAID WHETHER OR NOT THE PROPOSAL IS APPROVED.

Staff Assignments

The Executive Officer shall assign LAFCo staff members to projects as appropriate. Should the scope of a project require that outside consulting or other needed services be obtained, applicants will be responsible for the entire cost of recruitment, source selection, and payment for such outside services. Applicants are responsible for paying actual costs for any services obtained through contract, even if such costs exceed the charge-out rate of a regular staff member providing similar services.

Billing Procedure

LAFCo invoices will detail tasks, hours, staff charge-out rates, staff members responsible for work, and/or costs of contracted services. Invoices will also reflect the remaining balance of the initial deposit. Should the deposit be depleted, all staff work will cease until the deposit on file has been replenished. Projects with delinquent balances will not be scheduled for hearing, and the Commission will consider applicants to have waived any and all statutory deadlines.

This form must be signed by the person responsible for payment or the employee or officer duly authorized to bind the applicant and must be filed with LAFCo along with the applicable deposit when an application is filed or a request for staff services is submitted.

Questions regarding specific billing procedures should be directed to the LAFCo Executive Officer at (530) 538-7784.

Agreement

On behalf of Applicant, I certify and agree to the following: Applicant has reviewed the above information, the attached LAFCo fee schedule, and the attached State Board of Equalization fee schedule all of which are part of this agreement. Applicant agrees to pay Butte LAFCo for all staff services, materials, and other charges attributable to its application or request for services. Applicant understands that services may be required before LAFCo receives a formal application, and agrees to pay for such services whenever incurred and regardless of whether a formal application is submitted to LAFCo. Applicant also understands and agrees that LAFCo's charges are payable regardless of whether the application is withdrawn, denied, or otherwise terminated prior to completion. Applicant understands that if the cost of services exceeds the deposit on file, staff work on the project will cease, and the project will not be scheduled for hearing until additional funds are provided. Applicant agrees to remit the applicable State Board of Equalization filing fee when required. Applicant agrees to pay all charges within 30 days of receipt of invoice or if no invoice has been sent, in any case prior to the filing of the Certificate of Completion for the project.

In the event of failure to pay charges when due, the unpaid balance will be subject to a monthly FINANCE CHARGE of 0.833% of the amount of the unpaid balance with a minimum charge of \$1.00. This is an ANNUAL PERCENTAGE RATE of 10%. Any payments made on the account will be credited first to any accrued interest. Should legal action be necessary to collect the charges due, the prevailing party shall be entitled to collect their attorney's fees, staff time and other expenses incurred in the action, in addition to any other relief.

Butte Local Agency Formation Commission • Annexation Application • Revised April 19, 2011 • Page 4 •

<u>6-9-2021</u>	Red Million	Richard McGowan	Chief Petitioner
Date	Signature	Printed Name	Title
Dete	<u> Olavetura</u>	Defects of Manage	T 241-
Date	Signature	Printed Name	Title
Date	Signature	Printed Name	Title

Indemnity

Applicant agrees to indemnify, save harmless, and reimburse LAFCo for all reasonable expenses and attorney fees in connection with the defense of LAFCo and for any damages, penalties, fines or other costs imposed upon or incurred by LAFCo should LAFCo be named as a party in any litigation or administrative proceeding in connection with his/her/its application. Applicant agrees that LAFCo shall have the right to appoint its own counsel to defend it and conduct its own defense in the manner it deems in its best interest, and that LAFCo's taking such actions shall not limit Applicant's obligations to indemnify and reimburse defense costs or relieve Applicant of such obligations.

Applicant may request modification of the terms of this agreement in writing, with supporting reasons. Such modification can be approved only by the full Commission.

<u>6-9-2021</u> Date	Richal Mature	Richard McGowan Printed Name	<u>Chief Petitioner</u> <i>Title</i>
Date	Signature	Printed Name	Title
Date	Signature	Printed Name	Title
	-		

- Butte Local Agency Formation Commission - Annexation Application - Revised April 19, 2011 - Page 5 -

LAFCO Office Use Only

Application Submitted: Application Incomplete: Application Complete: Certificate of Filing Issued:	
eentineente en hining loodeet.	
	Application Incomplete: Application Complete:

Butte Local Agency Formation Commission Standard Application Form

1. Applicant(s): (LAFCO will send copies of the staff report to a maximum of three applicants.)

Primary Contact of Initiating Agency Name: Application Prepared by John O'Farrell Associates							
	ss: 8233 Winding Way, Fair Oaks, CA 95628						
Phone							
Proponents of Proposal Name: Richard McGowan, 30 Independence Circle, Chico, CA 95973 530-342-4040 Address: Darren Rice, 5209 Anita Road, Chico, CA 95973 530-518-5519 Phone No.: Ed McLaughlin, PO Box I, Durham, CA 95038							
Name: Addres Phone							
2 .	Change of Organization or ot	her Action Requested (Please check all i	applicable actions related to proposal.)				
🗌 Ann	exation to a city	X Formation of a district	City Incorporation				
🗌 Ann	exation to a district	Formation of a County Service Area	City Disincorporation				
Detachment from a city		Consolidation of cities	District Dissolution				
Detachment from a district		Consolidation of districts	District Merger				
Service Agreement		Sphere of Influence Amendment	Establishment of Subsidiary Districts				
3.	Authority to File Application						
	Resolution of Application of Affected Agency. Certified copies of the Resolution of Application shall be included as "LAFCO Exhibit 1"; or						
X	Petition of landowners or registered voters shall be included as "LAFCO Exhibit 1." Complete the Petition for Change of Organization. (Note: A petition is provided as LAFCO Form L-1.)						
4.	Proposal Boundaries						
X	Provide a map of the subject territory meeting the specifications of the State Board of Equalization as listed in the Application Instructions. The boundary map shall be included as "LAFCO Exhibit 2."						
X	A legal description of the boundaries of the subject territory meeting the specifications of the State Board of Equalization. The legal description shall be included as "LAFCO Exhibit 3."						
X	Provide a Boundary Statement describing how the boundaries of this proposal were determined. (Note: One of LAFCO's major responsibilities is to insure that public agencies have logical boundaries. If your proposal would create an "island," peninsula, or other illogical boundary, you may be requested to revise the boundaries.)						
	Butte Local Agency Formation	Commission - Annexation Application - Revi	sed April 19, 2011 - Page 6 -				

DISTRICT FORMATION SUPPLEMENT

A. Justification

- 1. Is the proposed district a registered voter district or a landowner voter district? Yes X No
- 2. Under what principal act will the new district be formed? (*Note: Pursuant to* §56100, proceedings for the formation of a district shall be conducted as authorized by the principal act of the district proposed to be formed, except that the commission shall serve as the conducting authority and the procedural requirements of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 shall apply and shall prevail in the event of a conflict with the procedural requirements of the principal act of the district.) California Water District CA Water Code Section 34000
- 3. Explain why the formation of a new district is being proposed. <u>See: Statement of Purpose, Notice of Intent,</u> Plan for Services and Justification for Proposal.
- 4. List all of the services to be provided by the proposed district and discuss why the services are necessary at this time. <u>Primary service water distribution and delivery, power of attorney described in Water Code</u> Section Part 5 – 35300-35886
- 5. Explain why a new district should be formed instead of annexing territory to an existing district. (Note: Pursuant to \$56886.5, if a proposal includes the formation of a district, the commission shall determine whether existing agencies can feasibly provide the needed service or services in a more efficient and accountable manner. If a new single-purpose local agency is deemed necessary, the commission shall consider reorganization with other single-purpose local agencies that provide related services.) <u>See - Statement of Purpose, Plan for Services</u> and Justification for Proposal.
- 6. Describe how the district's board of directors would be established (elected, appointed by the County Board of Supervisors, or the County Board of Supervisors themselves). <u>See Plan of Services/governing potion</u> statement of Domestic Pumper Representation.
- 7. What is the potential for the proposed district to be expanded in the future or provide similar services to a larger area? <u>It is possible for the proposed district to serve the M&T Ranch, groundwater dependent land ease of Highway 99 and potentially other territory.</u>
- 8. Why or how will the formation provide greater efficiency in the delivery of governmental services? <u>See -</u> <u>Statement of Purpose, Plan of Services and Justification for Proposal. There is no existing agency – California</u> <u>Water District providing service in the area.</u>
- **B. Boundaries and Sphere of Influence Information** (Note: A "sphere of influence" is defined as a plan for the probable physical boundaries and service area of a district, as determined by LAFCO [§56076]).
- 2. Will the district boundaries and sphere of influence boundary, be coterminous? Yes
- 3. If a sphere of influence is proposed to exceed the proposed district boundaries, explain the rationale used to support the larger sphere of influence. Please show the sphere boundaries on the map of the district boundaries. See Justification of Proposal

•Butte Local Agency Formation Commission • District Formation Application • Revised July 2005 •Page 7 •

4. Does the proposed district or its proposed sphere of influence overlap with any other local agency boundaries or sphere of influence boundaries? If yes, please list the affected local agencies. <u>Yes. The Tuscan Water District</u> will overlay the Rock Creek Reclamation District and SOI west of highway 99, Durham & Dayton Mutual Water Companies, Western Canal Water District & SOI and a portion of CalWater, Chicot

C. Plan for Services / Municipal Service Review

Please prepare a Plan for Services and Feasibility Study labeled "**LAFCO Exhibit 8**," that provides the following information that specifically describes how the proposed district will provide the identified services. (*Note: Pursuant to Government Code Section 56653, whenever a local agency submits a resolution of application for a change of organization or reorganization, the local agency shall submit with the resolution of application a plan for providing services within the affected territory. The Plan for Services will provide the baseline of information to LAFCO in order to prepare a Municipal Service Review (MSR) pursuant to Government Code Section 56430 and to establish the sphere of influence for the new district.) See Plan of Services, Hypothetical Budget.*

- 1. Provide a thorough description of the level and range of each service to be provided to the territory within the proposed district. <u>The Tuscan Water Districts primary purpose will be surface water distribution to properties willing to be assessed to import and deliver surface water.</u>
- 2. When can the identified services be feasibly extended to the affected territory? <u>Unknown at this time</u>
- Identify any improvement or upgrading of structures, roads, sewer or water facilities, or other conditions the new district needs to impose upon the affected territory. <u>None required see plan of services</u>
- 4. Provide the estimated cost of extending the service, a description of how the service or required improvements will be financed, anticipated structure of the governing body and a projected five year budget for revenues and expenditures. <u>See Plan of Services, hypothetical budget, district revenue source an annual assessment not to exceed \$10/acre/</u>
- 5. If retail water service is to be provided through the new district, provide a description of the timely availability of water supplies for the projected needs within the new district boundaries based upon the factors found in §65352.5 as required by §56668(k). <u>Retail water not proposed to be provided</u>
- 6. Will the new district share property tax revenue generated within the boundaries of the district? If yes, please provide an approved tax sharing agreement between the affected local government agencies labeled "LAFCO Exhibit 5." (Note: Any new taxes proposed for the new district must be voter approved pursuant to the requirements of Proposition 218.) No
- 7. Please complete the following table of service providers:

Service	Presently Provided By	Proposed Provider
Fire Protection	Butte County/CDF	same
Police Protection	Butte Co Sheriff	same
Domestic Water Service	Private wells	Same
Agricultural Water Service	None	TWD
Sewer Service	Individual Skeptics	Same
Solid Waste	N/A	N/A
Road/Street Maintenance	Butte County	Same

Power		PG&E	Same		
Street Lighting		N/A	N/A		
Planning & Zoning		Butte County	Same		
Schools		CUSD	Same		
D.	Land Use See TWD Fact Shee	t, Justification of Proposal			
1.	How many acres will the proposed district encompass?97,180_				
2.	What is the current General Plar	n <u>Ag</u> and zoning <u>Ag</u>	designations on the affected parcels?		
3.	What is the current General Plar	n <u>Ag</u> and zoning <u>Ag</u>	designations on adjoining parcels?		
4.	Describe the existing land use on the subject parcels. <u>Ag, rural residential</u>				
5.	Describe any significant land use issues that will result from the proposed district formation. <u>None</u>				
6. 7.	Describe the topography of the subject area. See Justification of Proposal Describe any concurrent land use applications. See Justification of Proposal				
Е.	Significant Issues				
1.	Describe any unique issues and/or pre-existing uses or conditions such as flooding, groundwater contamination, animal keeping, agricultural uses, ecological preserves, airport activity, traffic movement, pedestrian uses, etc. that characterize the area proposed for a new district. <u>None</u>				
F.	Intergovernmental Coordination				
1.	Has the proposal been circulated to all affected local agencies? Yes X No				
2.	Attach any responses/comments that have been received from the affected agencies listed. Letter of Support provided with a application				
3.	What functions of identified agencies will be duplicated as a result of the district formation? None at this time				
4.	Are there any conditions requested by affected government agencies that will substantially affect or impact the formation of the new district? Yes NoX (please describe) None at this time				

G. Environmental Determination

1. Indicate what the Lead Agency has done to comply with the requirements of the California Environmental Quality Act (CEQA).

Categorical Exemption Negative Declaration (*with mitigations*) Environmental Impact Report Other, *please specify*

LAFCo is lead agency and has not made a determination.

Copies of the complete environmental documentation prepared by the Lead Agency (including the initial study, any technical reports, and any written comments or recorded public testimony relative to the environmental documents), and a copy of the Notice of Determination/Notice of Exemption, showing the date filed with the County Clerk shall be included as "LAFCO Exhibit 4."

2. Was the environmental documentation (Notice of Intent/Notice of Preparation) circulated to the Butte Local Agency Formation Commission prior to adoption by the Lead Agency? Yes _____ No ____ (*If no, please explain why.*)

N/A

3. Attach comments received from LAFCO, if any.

H. Support or Protest

- 1. How many residents are presently in the proposed district? <u>Approx 6400</u> If the proposal is for a registered voter district, how many registered voters are within the district boundaries? <u>N/A</u>
- 2. If the district formation facilitates development of parcels, how many residents are anticipated to be in the district following formation? <u>No land use changed that could cause urbanization of district lands are anticipated.</u>
- 3. What is the source of your calculations? <u>N/A</u>
- 4. Provide a list or table labeled "**LAFCO Exhibit 6**" of all affected property owners within the proposed district area that includes (*Note: A sample table for both a registered voter district and a landowner voter district is provided as LAFCO Form L-2.*):

If it is a landowner voter district:

- Assessor's Parcel Number (APN);
- Situs Address of parcel;
- Property owner(s) name and mailing address(es);
- Size of property in acres;
- Responses in favor of formation, opposed to formation or no response; and
- Assessed land value as determined by the County Assessor.

If it is a registered voter district:

- Assessor's Parcel Number (APN);
- Situs Address of parcel;
- Property owner(s) name and mailing address(es);
- Size of property in acres;
- Responses in favor of formation, opposed to formation or no response;
- Assessed land value as determined by the County Assessor; and
- Number and names of Registered Voters at each site address.

I. Public Notice Requirements

- Provide a mailing list of all <u>property owners</u> AND/OR registered voters (depending on type of district) located within the area to be formed AND a separate mailing list for those properties located within 300 feet of the exterior boundaries of the area to be formed. These mailing lists must be extracted from the most recent assessment rolls and registered voter rolls prepared by the County at the time the local agency adopts a resolution of application. Mailing lists shall be submitted with the application as "LAFCO Exhibit 7." The mailing list shall also be submitted in electronic format compatible with WordPerfect or Microsoft Word. The mailing list shall include:
 - The property owners and/or registered voters name residing at address;
 - Mailing address and situs address;
 - The Assessor's Parcel Number; and
 - Mailing labels.

The LAFCO Application is intended to provide the Commission with all relevant data in order to make an informed decision. LAFCO staff will review each application for completeness within 30 days of submittal and inform the applicant in writing of any deficiencies or additional information required.

REQUIRED LAFCO EXHIBITS

- LAFCO Exhibit 1: Certified copies of the Resolution of Application or Petition for Change of
- **LAFCO Exhibit 2:** <u>Organization</u>. Boundary map of proposed formation area.
- **LAFCO Exhibit 3:** Legal description of proposed formation area.
- LAFCO Exhibit 4: Copies of the complete environmental documentation.
- LAFCO Exhibit 5: Tax Exchange Agreement. N/A
- LAFCO Exhibit 6: List of all affected property owners and/or registered voters.
- LAFCO Exhibit 7: Public Notice requirements mailing list.
- LAFCO Exhibit 8: Plan for Services Feasibility Study.

ANNEXATION SUPPLEMENT

A. Justification

- 1. What is the purpose of the annexation? See attached.
- 2. Why or how will the proposal provide greater efficiency in the delivery of governmental services? See attached.
- What governmental services, if any, will be enhanced or reduced by the change of organization? See attached.
- 4. What terms or conditions, if any, are proposed for this project? See attached.

B. Land Use

- 1. How many acres are proposed for annexation? <u>102,327</u>
- 2. What is the current General Plan See attached. and zoning ______ designations on the affected parcels?
- 3. What is the current General Plan See attached. __and zoning _____designations on adjoining parcels?
- 4. What are the General Plan designation See attached re-zoning _____, and future use of the affected parcels?
- 5. Describe the existing land use on the subject parcels. <u>Agriculture, Rural Residential.</u>
- 6. What is the estimated population number and density of the proposed annexation area? ~6,463
- 7. Describe any significant land use issues that will result from the annexation area currently or in the future. None.
- Describe the topography of the subject area. See attached.
- 9. Describe any concurrent land use applications. None.
- C. Infrastructure and Public Services
- 1. How is storm water drainage managed on and adjacent to the proposed annexation area? <u>N/A</u>

2. How is public access provided to the proposed annexation area? <u>N/A</u>

- 3. How will the proposal impact regional circulation/transportation plans? N/A
- Discuss how the proposal will assist the receiving entity in achieving its fair share of the regional housing needs as determined in the agency's General Plan Housing Element. N/A

- Butte Local Agency Formation Commission - Annexation Application - Revised April 19, 2011 - Page 7 -

- Provide documentation that indicates adequate domestic water supplies for projected uses of the annexation area are available. <u>N/A</u>
- 6. How will the annexation improve or hinder organized community services? N/A
- 7. How will the annexation result in an improvement in social and economic integration of the annexation area? N/A
- 8. Please complete the following table of service providers:

Service	Presently Provided By	Proposed Provider
Fire Protection		
Police Protection		
Domestic Water Service		
Agricultural Water Service		
Sewer Service	See attached - Plan for Se	rvices / Municipal Review
Solid Waste		
Road/Street Maintenance		
Power		
Street Lighting		
Planning & Zoning		
Schools		

D. Significant Issues

- 1. Describe any unique issues and/or pre-existing uses or conditions such as flooding, groundwater contamination, animal keeping, agricultural uses, ecological preserves, airport activity, traffic movement, pedestrian uses, etc., that characterize the proposed annexation area. <u>None.</u>
- 2. Describe any unique or special communities of interest such as day care providers or neighborhood associations that characterize the proposed annexation area. There is currently no locally controlled, subbasin-wide special district in the Vina and Butte subbasins that can evaluate, determine, fund, implement, and oversee various programs to implement the Groundwater Sustainability Plans (GSPs) and achieve groundwater sustainability.

E. Intergovernmental Coordination

 Identify governmental agencies that overlay the proposed annexation area, such as special districts, County supervisorial districts, county service areas, maintenance districts, others. See attached.

2. Has the proposal been circulated to all affected local agencies? Yes X No

3. Attach any responses/comments that have been received from the affected agencies listed.

- Butte Local Agency Formation Commission - Annexation Application - Revised April 19, 2011 - Page 8 -

- What functions of identified agencies will be duplicated as a result of the annexation? <u>None. See attached.</u>
- 5. Are there any conditions requested by affected government agencies that will substantially affect or impact the annexation area? Yes 🗌 No 🔀 (please describe)
- 6. Are there any existing Contractual Agreements between the landowners and the city or district for the provision of services such as sewer or water service? Yes No X (please describe)

F. Environmental Determination

1. Indicate what the Lead Agency has done to comply with the requirements of the California Environmental Quality Act (CEQA).

X	Categorical Exemption
П	Environmental Impact Reportt

Negative Declaration (with mitigations)
Other, please specify ______

Copies of the complete environmental documentation prepared by the Lead Agency (including the initial study, any technical reports, and any written comments or recorded public testimony relative to the environmental documents), and a copy of the Notice of Determination/Notice of Exemption, showing the date filed with the County Clerk shall be included as **"LAFCO Exhibit 4."**

2. Was the environmental documentation (Notice of Intent/Notice of Preparation) circulated to the Butte Local Agency Formation Commission prior to adoption by the Lead Agency? Yes No (*If no, please explain why.*)

3. Attach comments received from LAFCO, if any.

G. Fiscal Issues

- Does the Resolution of Application from the lead agency include documentation that the agency is in agreement with a standing Master Tax Exchange Agreement, has negotiated a tax exchange agreement, or has made a determination that the proposal is revenue neutral? Yes No (please describe) N/A.
- 2. If this application is by petition, provide documentation of applicants' request that the affected agencies initiate tax exchange agreements, included as "LAFCO Exhibit 5."
- To what extent will residents or landowners within the subject area be liable for any existing indebtedness of the city or district accepting the annexation?
 See attached.
- 4. Upon annexation, will the territory be included within any assessment district and be subject to assessment for the new or extended services? Yes No (please describe)

Butte Local Agency Formation Commission - Annexation Application - Revised April 19, 2011 - Page 9 -

H. Support or Protest

1. Provide a list or table labeled "LAFCO Exhibit 6" of all affected property owners within the proposed annexation area that includes (Note: A sample table is provided as LAFCO Form L-2):

For an uninhabited annexation proposal (less than 12 registered voters):

- Assessor's Parcel Number (APN);
- Situs Address of parcel;
- Property owner(s) name and mailing address(es);
- Size of property in acres;
- Responses in favor of annexation, opposed to annexation or no response; and
- Assessed land value as determined by the County Assessor.

For an inhabited annexation proposal (more than 12 registered voters) also include:

- Assessor's Parcel Number (APN);
- Situs Address of parcel;
- Property owner(s) name and mailing address(es);
- Size of property in acres;
- Responses in favor of annexation, opposed to annexation or no response;
- Assessed land value as determined by the County Assessor; and
- Number and names of Registered Voters at each site address.

I. Public Notice Requirements

- 1. Provide a mailing list of all property owners AND/OR registered voters (depending on type of annexation) located within the area to be annexed AND a separate mailing list for those properties located within 300 feet of the exterior boundaries of the area to be annexed. These mailing lists must be extracted from the most recent assessment rolls and registered voter rolls prepared by the County at the time the local agency adopts a resolution of application. Mailing lists shall be submitted with the application as "LAFCO Exhibit 7." The mailing list shall also be submitted in electronic format compatible with WordPerfect or Microsoft Word. The mailing list shall include:
 - The property owners and/or registered voters name residing at address;
 - Mailing address and situs address;
 - The Assessor's Parcel Number; and
 - Mailing labels.

The LAFCO Application is intended to provide the Commission with all relevant data in order to make an informed decision. LAFCO staff will review each application for completeness within 30 days of submittal and inform the applicant in writing of any deficiencies or additional information required.

REQUIRED LAFCO EXHIBITS

LAFCO Exhibit 1:	Certified copies of the Resolution of Application or Petition for Change of Organization.
LAFCO Exhibit 2:	Boundary map of annexation area.
LAFCO Exhibit 3:	Legal description of proposed annexation area.
LAFCO Exhibit 4:	Copies of the complete environmental documentation.
LAFCO Exhibit 5:	Tax Exchange Agreement.
LAFCO Exhibit 6:	List of all affected property owners and/or registered voters.
LAFCO Exhibit 7:	Public Notice requirements mailing list.

L:\FORMS\Application-Petitions\Annexation Application\Annexation App 03-05.doc

• Butte Local Agency Formation Commission • Annexation Application • Revised April 19, 2011 • Page 10 •

PETITIONS

PETITION FOR CHANGE OF ORGANIZATION OR REORGANIZATION (EXHIBIT 1)

- 1. The specific change of organization is approval of the formation of a California Water District, to be named the Tuscan Water District, and establishment of a sphere of influence coterminous with the District's service area boundary.
- The boundaries, map and legal description of the territory included in the proposal have been transmitted under separate cover due to the length and size of the metes and bounds description. (See Legal Description and Metes and Bounds Description, LAFCO Exhibits 3A and 3B)
- 3. The proposal is not consistent with the proposed new California Water District sphere of influence, as the district does not currently exist and a sphere of influence has not been established; however, upon district formation, the district boundary, service area and sphere of influence will be one and the same.
- 4. The reasons for the proposal are: The Vina sub-basin and a portion of the Butte sub-basin are lacking public infrastructure and a subbasin-wide water district with statutory power, authority, and support of groundwater-dependent landowners to plan, manage, coordinate, develop, enhance, and preserve beneficial use of groundwater and surface water for all landowners in the proposed district for both agricultural and domestic uses. The principal objective is to create a local agency to evaluate, determine, fund, implement, and oversee projects and actions to achieve groundwater sustainability under the Groundwater Sustainability Plan to be adopted by the Vina and Rock Creek Reclamation District Groundwater Sustainability Agencies.

Other objectives of the district include, but are not limited to:

- a. Creation of a new independent special water district with locally elected representation to serve all landowners, including groundwater pumpers, domestic well users and agricultural interests in the district service area.
- b. Cooperate and participate with Butte County, Butte County Groundwater Sustainability Agencies (GSAs) and other stakeholders to plan for and implement the Sustainable Groundwater Management Act (SGMA).
- c. To the extent consistent with, or required by, the applicable Groundwater Sustainability Plan (GSP), acquire, plan, construct, maintain, improve, operate, and keep in repair the works for the production, storage, transmission, and distribution of water, including water recharge.
- d. Preserve and protect groundwater resources in the proposed district for the benefit of all groundwater-dependent users.

- e. Creation of an organization within the water district of all types of groundwater-dependent landowners to collaborate on sustainable groundwater management to preserve and protect agricultural and rural water supplies in Butte County.
- f. Obtain the power and authority of California Water Districts under the Water Code and other applicable state laws.
- 5. The proposed terms and conditions of the change of organization (special district formation) are:
 - a. The name of the new California Water District shall be the Tuscan Water District.
 - b. A map of the boundary, service area and sphere of influence of the territory is included with the Application. A Metes and Bounds Description and mapping per State Board Of Equalization standards has been submitted under separate transmittal.
 - c. The Tuscan Water District is proposed to be an independent, special water district with 7 directors, one of whom will be a "domestic well" user, initially elected at large, and serving staggered terms and selected on the same ballot forming the District. Within a reasonable time, the Tuscan Water District Board of Directors may evaluate the geographic representation of communities of interest and determine the appropriate number of directors, as well as the appropriate organization of the directors, whether by divisions or at-large or a combination of the two, taking into consideration unique communities of interest and diversity of landownership of groundwater-dependent users.
 - d. The Tuscan Water District is requesting to have the power and authority of the California Water Districts (Water Code Section 34000 and following) under the Water Code and other applicable state laws, including, but not limited to, the following:
 - i. Ability to establish zones of benefit based on conditions and needs to provide appropriate levels of service.
 - ii. Notwithstanding the authorizations of the California Water Code, not be authorized to acquire, plan, construct, maintain, improve, operate, or keep in repair the necessary works for the production, storage, transmission, and distribution of water, unless the exercise of such power is consistent with, or required by, the applicable Groundwater Sustainability Plan.
 - iii. Notwithstanding the California Water District law, the Government Code, or California Article XIII (D), by their affirmative vote to form the Tuscan Water District, landowners: (A) consent to board of directors levying assessments on district lands; (B) approve initial assessments not to exceed \$10.00 per acre; and (C) authorize Butte County to collect such assessments along with other taxes to recover district formation costs, costs

for initial staff and administration of the district, and to cover expenses associated with collaborating with Butte County, the Vina GSA and the Rock Creek Reclamation District (RCRD) GSA to implement the GSP applicable to the area covered by the Tuscan Water District.

- iv. It is also acknowledged that the Tuscan Water District will not:
 - Provide reclamation, flood control, or agricultural drainage services in the RCRD service area unless RCRD consents to such service or is unable to do so.
 - Export water out of Butte County unless such export of surface or groundwater, under specified conditions adopted by Butte County, allows other public agencies with water delivery authority to do so, including Butte County. Additionally, the California Water District Law would limit the new district's authority to transfer water out of the district to "surplus water not then necessary for use within the district." (Water Code § 35425.)
- 6. Signers of the petition are landowners.
- 7. Chief petitioners are:

Richard McGowan	Edward McLaughlin	Darren Rice
30 Independence Circle, #300	PO Box 1	5209 Anita Rd
Chico, CA 95973	Durham, CA 95938	Chico, CA 97973

- 8. Do petitioners include all landowners within the proposed Tuscan Water District? No; however, petition signers represent a majority of holders of interest in terms of acreage within the proposed district service area.
- 9. The territory of the proposed district is inhabited, meaning there are more than 12 registered voters.
- 10. (a) The principal act under which the district is proposed to be formed is the California Water Code, Water Code Section 34000 and following.
 - (b) The proposed name of the district is the Tuscan Water District.
 - (c) The boundaries, map and legal description of the proposed district have been transmitted to Butte LAFCO under separate cover due to size and length of metes and bounds description.
- 11. The proposal does not include consolidations of separate districts.

Landowners are initiating district formation by landowner petition and not by pursuing a Resolution of Application by an affected agency.

NOTICE OF INTENT

.6	BUTTE LOCAL AGENCY FORMATION COMMISSION
	1453 Downer Street, Suite C Oroville, California 95965-4950 (530)538-7784 Fax (530)538-2847 www.buttelafco.org
80	September 2, 2020
	Affected Local Agencies: Sent Via Email
	Pine Creek Cemetery DistrictSacramento River Reclamation DistrictDurham Irrigation DistrictRock Creek Reclamation DistrictRichvale Irrigation DistrictButte County Mosquito & Vector Control DistrictWestern Canal Water DistrictButte County Resource Conservation DistrictCity of ChicoDurham Mosquito Abatement DistrictCounty of ButteButte County Resource Conservation District
	Re: Notice of Intent to Circulate Petition - Proposed Tuscan Water District
	Affected Local Agencies:
	The Butte Local Agency Formation Commission (LAFCo) has received a <u>Notice of Intern</u> <u>Circulate Petition</u> (Attachment A) from Chief Petitioner Richard McGowan for the purpose of forr a California Water District that is proposed to be named the Tuscan Water District.
-	The LAFCo Executive Officer is required (Government Code Section 56700.4) to notify all affe local agencies of the receipt of the <u>Notice of Intent to Circulate Petition</u> .
	Following the receipt of the Notice of Intent to Circulate Petition, the proponents can begin circula a petition to affected landowners seeking support for the proposed district formation. For the Pet to be valid, the proponents will need to collect signatures from the holders of title to a majority in of land which is capable of using water beneficially for irrigation, domestic, industrial or munic purposes and which can be serviced from common sources of supply and by the same systel works (Water Code Section 34153).
	Should the petition be valid, the proponents are then permitted to make an application with the E LAFCo for the proposed District formation.
	The purpose of this <u>Notice of Intent to Circulate Petition is simply to inform your agency tha</u> proponents intend to circulate a petition, no action is required at this time.
	Sincerely,
	Steve Lucas
	Stephen Lucas Executive Officer
-	cc: LAFCO

Petition fo	Butte Local Agency For r Proceedings Pursuant to the C Reorganization	ortese-Knox-Her	ision Izberg Local G	Government
	PART 1: Notice of Inte	int to Circulate Petiti	on	
Proponents are requ Agency Formation circulated [GC §5670	ired to file a Notice of Intent to Circu Commission before a petition to in 10.4(a)]	late Petition with the itiate a change of c	Executive Offic organization or	er of the Butte Loca reorganization can be
Date: Jul	y 24, 2020	0.0	as ff	
Proponents Name:	Richard McGowan	Kahar of pro	ponent or represent)
Address:	30 Independence Circle #300	Chico	CA	95973
	(Street)	(City)	(State)	(zip)
Contact Information:	(phone number)		nfrich@hotmail address)	.com
1. Notice is hereby	given to circulate a petition proposing		of Tuscan Wate	
a basin wide local a manage/coordinate	r proposal are: <u>The Vina and Butt</u> igency with the necessary powers a development, enhancement and p al purposes.	and support of grou	undwater deper	ident landowners to
a basin wide local a manage/coordinate water for agricultur Pursuant to Section	agency with the necessary powers a development, enhancement and p al purposes. 56700.4 of the California Government	and support of grou reservation of bene	undwater deper	ndent landowners to ound and surface
a basin wide local a manage/coordinate water for agricultur	igency with the necessary powers a development, enhancement and p al purposes.	Code, this Notice of	undwater deper	adent landowners to bund and surface
a basin wide local a manage/coordinate water for agricultur Pursuant to Section	agency with the necessary powers a development, enhancement and purposes. 56700.4 of the California Government 9-2-2020	Code, this Notice of	Intent to Circula	adent landowners to bund and surface

Written Statement of Reasons for the Proposal - GC Section 56700.4
 NOTICE OF INTENT TO CIRCULATE PETITION-PROPOSED TUSCAN WATER DISTRICT
AFFECTED LOCAL AGENCIES: Pine Creek Cemetery District, Durham Irrigation District, Richvale Water District, Western Canal Water District, Sacramento River Reclamation District, Rock Creek Reclamation District, Butte County Mosquito and Vector Control District, City of Chico, County of Butte.
Notice is hereby given that a petition will be submitted by landowners to initiate proceedings to form the Tuscan Water District (District) and establish a sphere of influence for the District pursuant to California Water District law (Water Code Sections 34000-38501) and Cortese Know Hertzberg Local Government Reorganization Act of 2000 (Government Code Sections 56000).
TITLE AND ACTIONS: Notice of intent to form Tuscan Water District, a California Water District in the Vina and a portion of the Butte Sub-basins of Butte County; and, establish a coterminous sphere of influence with proposed District boundaries pursuant to California Water Code and Cortese Knox Hertzberg Local Reorganization Act of 2000.
REQUIRED DISTRIBUTION: Affected agencies—Pine Creek Cemetery District, Durham Irrigation District, Richvale Water District, Western Canal Water District, Sacramento River Reclamation District, Rock Creek Reclamation District, Butte County Mosquito and Vector Control District, City of Chico, County of Butte
ADDITIONAL DISTRIBUTION: Glenn County, Tehama County, Durham Mutual Water Company, Dayton Mutual Water Company, Cal Water, Chico, CSUS, Chico (the Farm).
AUTHORITY: Pursuant to Government Code Section 56700.4, a landowner-voter petition will be circulated to initiate proceedings for the formation of the Tuscan Water District and establish District sphere of influence coterminous with proposed District boundary.
LOCATION AND SERVICE AREA: 57,116.37 acres . On the north, west of Highway 99, stretching from the Tehama county line south to the northern boundary of the Western Canal Water District service area; the eastern boundary is Highway 99 and the City of Chico corporate boundary, the western boundary generally following the Sacramento river, Big Chico Creek, M and T Ranch, Llano Seco Ranch Water District and Reclamation District 2106. The southern boundary is the northern boundary of the Western Canal Water District. The District is proposed to include approximately 152 square miles in the Vina and a portion of the Butte Sub- basins.
 OBJECTIVES: Form a new independent, special district, with elected representation of groundwater users to serve all landowners, including groundwater pumpers, domestic well users, and agricultural and other interests in the proposed District service area; and, Cooperate and participate in partnership with Butte county, Butte County Groundwater Sustainability Agencies (GSA's) and other stakeholders to plan for and implement the Sustainable (Groundwater Management Act (SGMA); and,

- To the extent consistent with or required by the applicable Groundwater Sustainability Plan (GSP), acquire, plan, construct, maintain, improve, operate and keep in repair the works for production, storage, transmission and distribution of water, including groundwater recharge; and
- Preserve and protect groundwater resources in the proposed District for the benefit of all groundwater dependent users, domestic pumpers, and any commercial enterprises dependent on groundwater.
- 5. Create an organization of all types of groundwater dependent users within the proposed Tuscan Water District to collaborate on sustainable groundwater management and practices to assist in the preservation and protection of agricultural water supplies in Butte County

POWER AND AUTHORITY: Power and authority pursuant to the California Water District statute (Water Code Section 34000 et. seq.), Government Code (CKH Local Government Act of 2000), Public Resource Code (CEQA), Revenue and Taxation, and Election Codes.

ORGANIZATION: Seven directors, elected at-large, serving four- year, staggered terms, to govern and administer the proposed Tuscan Water District.

Plue (M) (0

Signature: Date: July 24, 2020 Richard McGowan, Chief Petitioner. 30 Independence Court, #300 Chico, CA. 95973 1 530 342 4040

CERTIFICATE OF SUFFICIENCY



BUTTE LOCAL AGENCY FORMATION COMMISSION

1453 Downer Street, Suite C
Oroville, California 95965-4950 (530)538-7784 Fax (530)538-2847 www.buttelafco.org

CERTIFICATE OF SUFFICIENCY

Landowner Petition

The undersigned certifies as follows:

The attached petition, entitled: Formation of the Tuscan Water District (a California Water District GC 34000) was received by LAFCO on February 22, 2021.

The petition is signed by landowners and, pursuant to Sections §56706 and §56708 of the Government Code, I have compared the names of the signers of the petition against the names of persons shown as owners of land on the last equalized assessment roll of the County. The results of my examination are as follows:

- 1. All initial signatures on the petition were secured within six months of the date on which the first signature on the petition was affixed. Additional clarifying information for originally submitted petitions was requested and received by the Executive Officer during the petition examination period.
- 2. Pursuant to the California Water Code Section 34153, the minimum signature requirements for a sufficient petition are signatures from holders of title to a majority in area of land (acres) capable of using water beneficially for irrigation, domestic, industrial, or municipal purposes.
- 3. The total land area for the proposed district is 102,237 acres. Acceptable landowner petitions were submitted by landowners owning 57,092 acres of land which represents a majority of the land area proposed.

Based upon this examination, it is hereby determined that the petition to form the Tuscan Water District is sufficient as it was signed by the requisite number of qualified signers.

Steve Lucas

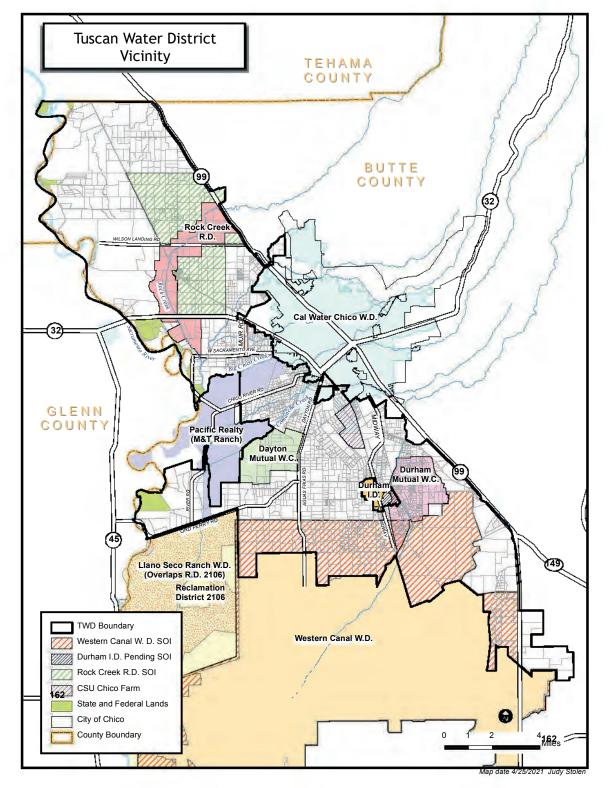
April 8, 2021

Stephen Lucas Executive Officer

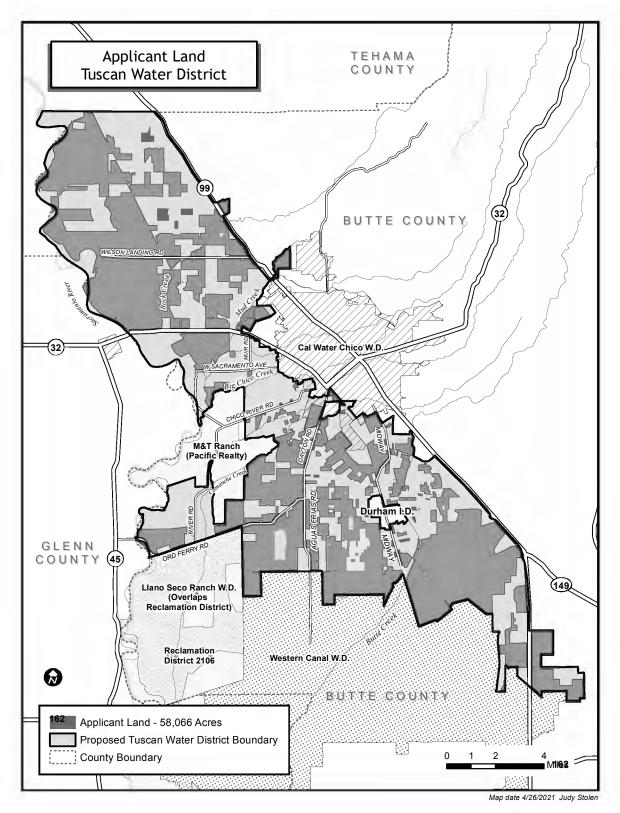
Date

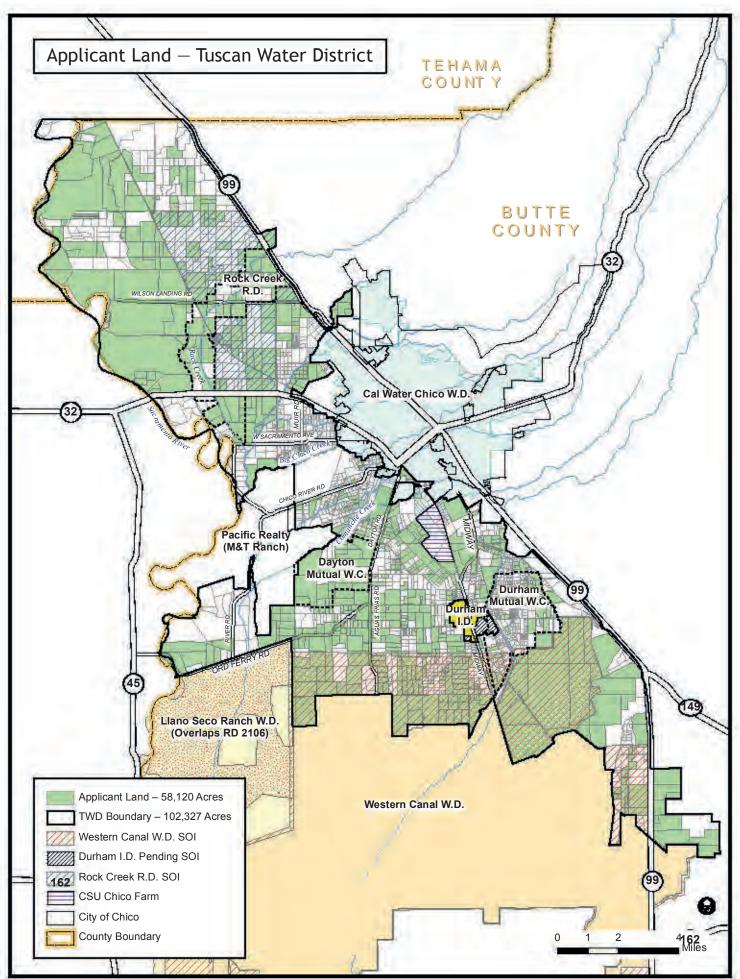
PROJECT MAPS

VICINITY MAP (EXHIBIT 2A)



EXTERIOR BOUNDARY MAP (EXHIBIT 2B)





Map date 5/14/2021 Judy Stolen

PROPOSAL JUSTIFICATION

STATEMENT OF PURPOSE

There is currently no locally controlled, subbasin-wide special district in the Vina and Butte sub-basins that can evaluate, determine, fund, implement, and oversee various programs to implement the Groundwater Sustainability Plans (GSPs) and achieve groundwater sustainability. The primary purpose of the Tuscan Water District (TWD) is to create a local special district to fill this gap. After the Vina Groundwater Sustainability Agency (Vina GSA) adopts the GSP, the Vina GSA will have new powers under the Sustainable Groundwater Management Act (SGMA) to implement the GSP. However, the role of the Vina GSA will be to manage and oversee the GSP and, therefore, it is not necessarily the appropriate agency for GSP implementation because it is not locally elected or controlled and because the County of Butte (which is a major party to the GSA) has indicated it does not have the time, resources, staffing, or priority to implement the GSP.

In the past, Butte County staff and elected officials have indicated the County was not prepared to form a county agency for this purpose. Nor is there any public record at the time of publication of the District Formation Application that this position has changed. On the contrary, with the encouragement and support of Butte County, landowners in the Vina Subbasin formed a 501(c)(6) "Agricultural Association" called the Agricultural Groundwater Users of Butte County for the specific purpose of preserving, protecting, and improving the beneficial use of groundwater for groundwater dependent users in the "white area" of the Vina and Butte Sub-basins.

The Board of Supervisors of Butte County memorialized, in "Resolution of Support of the Agricultural Groundwater Users of Butte County", the important role the AGUBC because of its interest and significant membership in groundwater development, planning and management in the Vina and Butte Sub-basins. Since the Resolution was adopted in 2017, the AGUBC has been continuing to meet with Butte County and to work through issues associated with Agricultural representation in the Vina JPA governance structure and to design the path forward to provide for the creation of a basin-wide agency that will allow for local control.

In 2019, Butte County staff provided additional encouragement to Vina subbasin landowners to start the California Water District formation process, writing,

"...This is a good time to begin the process for district formation since it will take significant time to work out the details of the scope, extent, and objectives of the new Water District and complete the LAFCO Process...Having a Water District formed to inform promising management actions and recharge projects during plan development will be valuable. After the GSP is completed, the Water District would be a valuable local entity to continue to explore and implement strategies for effective groundwater management in its jurisdiction." *Source: January 14, 2019 Letter to Richard McGowan re: Water District Formation Status*

As currently proposed, TWD will contain approximately 102,327 acres, most of which are considered agricultural acreage according to mapping performed by the California Department of Conservation Farmland Mapping and Monitoring Program. In addition, the proposed District contains 71,566 acres of prime agricultural land of which more than 50,316 acres of the proposed District is held under Williamson Act Contract.

These lands have been farmed or ranched by many of the same families for decades. The 2019 Annual Crop Report of Butte County notes the total economic value of agricultural production for FY 2019 with the proposed TWD at \$289,369,469 for all crops, or nearly 50% percent of total county-wide agricultural economy. This area not only contributes to the Butte County tax base, but to the overall economy directly and indirectly as well.

Formation of a new California Water District in the Vina subbasin is essential to the long-term vitality and protection of a large value portion of the agricultural industry in Butte County. TWD provides a landowner supported solution for a largely un-served area to provide for local control and oversight of water management and comprehensively deal with the water issues in the Vina and Butte Sub-basins.

PLAN FOR SERVICES

Government Code Section 56653 states: (a) If a proposal for a change of organization or reorganization is submitted pursuant to this part, the applicant shall submit a plan for providing services within the affected territory. (b) The plan for providing services shall include all of the following information required by the Local Agency Formation Commission or the Executive Officer:

(1) An enumeration and description of the services currently provided or to be extended to the affected territory.

In the subject territory, there is a need for a basin-wide water district that can manage and provide water service, such as the California Water District that is proposed (Tuscan Water District), to serve the 102,327-acre District service area. There are three existing special districts, Durham Irrigation District, Rock Creek Reclamation District and Western Canal Water District, and two private water companies, Durham and Dayton Mutual Water Companies, and a portion of an Investor -Owned Utility, Cal Water, Chico, located within the proposed Tuscan Water District (District) service area. None of these agencies is large enough, has the capacity, or primary authority to serve the entire sub-basin.

For full enumeration of California Water District power and authority, see Water Code Sections 35300-35455.

(2) The level and range of those services.

Once the District has been formed, it will evaluate and determine the appropriate level of service to be provided to district lands. Landowners will receive the appropriate level of service with respect to groundwater monitoring, management, and the protection of groundwater resources. Once the Vina Groundwater Sustainability Agency (GSA) and the Rock Creek Reclamation District GSA have adopted a Groundwater Sustainability Plan (GSP) for the Vina sub-basin, the Tuscan Water District will evaluate the possible GSP implementation actions and projects and prepare a Capital Improvement Plan consistent with projects and management actions identified in the GSP, as well as any necessary elements to comply with the law, such as compliance with Proposition 218 and preparation of an Engineer's Report(s) which will evaluate the timing and cost-benefit analysis of district sustainability needs. At that time, the Board of Directors may designate specific areas as "zones of benefit" for surface water delivery and/or recharge, or both. It is anticipated that the lands within these special zones would be assessed based upon the benefit received to pay for the service.

(3) When can service be feasibly extended?

The basic, uniform level of service for District operation and oversight by staff and directors will occur once the District has been formed and the Board of Directors has taken the "oath of office". With respect to capital projects, consistent with the Vina GSP, as described above, the District will first need to identify projects of immediate concern, comply with

Proposition 218 requirements, and conduct environmental impact studies of the physical effects of the project on the environment as may be needed in compliance with the California Environmental Quality Act. With respect to the environmental assessment, a determination must be made as to the level and extent of the project's physical impact on the environment and subsequent mitigation required after the District has identified the proposed GSP implementation action(s). The formation of a new local special district, in and of itself, does not create a physical effect on the environment. Future projects where the "earth will be disturbed" or plants and animals jeopardized because of water lines, pumping stations, and diversion of water will certainly require a much higher level of review and environmental analysis. Factors such as proximity to a surface water source, cost of service extension, and available funding will be important considerations dictating where, how, and when projects will be undertaken and the degree of environmental review the project(s) is subject to.

- (4) An indication of any improvement or upgrading of structures, roads, sewer or water facilities, or other conditions the local agency would impose or require within the affected territory if the change of organization or reorganization is completed.
 There is no need to upgrade roads or sewer systems; an adequate transportation via the state highways and local surface streets is more than adequate. There will be no required improvement or upgrading of the noted facilities just because of District formation.
- (5) Information with respect to how the services will be financed.

For the most part, new service not currently available will be financed by landowner approved assessments as follows: an initial assessment not to exceed ten dollars per acre (\$10.00/acre) for all District lands. Subsequent assessments will also be required as major projects are identified. Other sources of funding might include state approved water bond monies, bonded debt, and short and long terms loans.

DISTRICT OVERVIEW

The Tuscan Water District (District), a California Water District, will be initiated by landownervoter petition pursuant to Water Code Section 34000 and following and Cortese Knox Hertzberg Local Government Reorganization Act of 2000, Government Code Section 56000 and following. **The District is requesting all the power, authority, and responsibility of a California Water District to work in concert with Butte County and Butte County GSAs to plan for the implementation of the Sustainable Groundwater Management Act (SGMA) within the District boundaries.**

As proposed, the District will cover approximately 160 square miles in the Vina and a portion of the Butte sub-basins. There is currently no basin-wide special district in the Vina subbasin that can oversee various programs to recharge and deliver surface water to groundwater dependent landowners. The primary purpose of the Tuscan Water District (TWD) is to create a local public agency to fill this gap.

The fact that the District service area will overlap the Western Canal Water District (WCWD) sphere of influence should be helpful in that the two water districts may work together to create opportunities to utilize both surface and groundwater to achieve sustainability in the WCWD sphere of influence area. WCWD provides surface water to properties within its boundaries, but not to this area. Also, the purpose of the District will be to manage, monitor and protect groundwater with other stakeholders in the District's service area. The primary goal of each agency is the same, namely, to provide sources of water to landowners that will allow them to continue to farm and ranch, but to also ensure sustainability of the sub-basin.

Other special districts providing services within the Vina sub-basin and a portion of the Butte sub-basin include Rock Creek Reclamation District (RCRD), Durham Irrigation District (DID), Durham and Dayton Mutual Water Companies (MWC) and Cal Water, Chico. RCRD provides flood control and protection and agricultural drainage within the 4,644-acre district service area; RCRD does not provide irrigation or domestic water service to lands within its service area. DID provides domestic water service within its 506- acre service area. Durham and Dayton MWCs supply irrigation water to the agricultural lands in and around Durham and Dayton. Cal Water, Chico, serves the city of Chico, but the franchise area of the Investor-Owned Utility extends into an unincorporated area of Butte County which is proposed for inclusion in the District. This portion of the franchise area is groundwater dependent and includes significant acreage of proponent lands. The District is proposed to overlay the RCRD service area and sphere of influence west of Highway 99. The District is also proposed to overlay the Durham and Dayton MWCs, where a significant number of applicants' acres are located. It will also overlay the WCWD sphere of influence. The District will not overlay any portion of the DID service area or sphere of influence.

Formation of the District will provide landowners within its boundaries with representation through locally elected directors that may, if approved by Butte LAFCO, exercise all powers provided to California Water Districts under California Water law.

The proposed purpose and objectives of the District include, but are not limited to:

- 1. Creating a new, independent California Water District with elected representation to serve the Vina sub-basin and a portion of the Butte sub-basin.
- 2. Cooperating and participating with Butte County and the Butte County GSAs to implement the SGMA within District boundaries.
- 3. To the extent consistent with, and/or required by the applicable GSP(s), acquire, plan construct, maintain, improve, operate and keep in repair the works for the production, storage, transmission and distribution of water, including groundwater recharge.
- 4. Preserve and protect groundwater resources in the proposed District for the benefit of all groundwater users.
- 5. Creation of an organization of all types of groundwater users to collaborate on sustainable groundwater management to preserve and protect agricultural and rural water supplies in Butte County.

Governing Body

As part of the District formation election, a board of directors will be elected at-large by landowner-voters of the District to serve four- year, staggered terms in accordance with the elections-related provisions of the California Water District Law and Elections Code. The number of directors required to be elected for the initial four years is not specified in the Water Code or Cortese Knox Hertzberg Local Government Reorganization Act of 2000. For the initial four-year term, as a condition of District formation, proponents of the District are requesting 7 directors, one of whom will be a domestic pumper. After the District is formed, and prior to the next general election, the Board of Directors of the District may increase or decrease the number of directors and reorganize by "division" (or combination of 'division' and at large representation) following a process set forth in Water Code Sections 34400-34502, 35100-35110

Management & Operations

Following District formation, the Board of Directors will hire key staff positions to assist with the management and operation of the District. These staff positions are anticipated to include: (1) a General Manager, appointed by, and serving at the pleasure of, the Board of Directors, to generally direct and pursue the purposes of the District; and (2) other support services, which may include legal counsel, accounting, office management, auditing and bookkeeping services, and surveying and engineering services, all of which may be provided by permanent or part-time staff or under contract.

Finance & Budget

The District will adopt an annual budget as prescribed by the Water Code on the calendar date specified and submitted to Butte County and appropriate agencies of the State of California. The District will have authority to generate revenue for administrative activities, operations and maintenance, construction of capital projects, and to participate in the Butte County SGMA process from sources cited in the Water Code and assessment law.

The first- year budget will range from \$400,000.00 to a maximum assessment of ten dollars per acre (\$10.00/acre), depending on the level of assessments imposed by the Board of Directors. Initial assessments may be used to reimburse proponents for District formation costs and to cover start-up costs, which may include hiring a General Manager, and other consulting or specialized services.

Notwithstanding California Water District law, Government Code, or California Article XIII (D), landowners, as a condition of formation, (A) consent to a board of directors levying assessments on District lands, (B) approve initial assessments not to exceed \$10.00 per acre, and (C) authorize Butte County to collect such assessments along with other taxes to recover District formation costs, costs for initial staff and administration of the District, and to cover expenses associated with collaborating with Butte County and the Vina GSA and RCRD GSA to implement the basin GSP, applicable to the area covered by the District.

Sustainable Groundwater Management Act Responsibilities

The District may request the Vina and Butte Sub-basin GSAs to enter into a Memorandum of Understanding (MOU) with the District describing mutually agreed upon goals, roles, and responsibilities of the District's participation in the development and implementation of the sub-basin GSP(s). The District may also, at the appropriate time, petition the Vina GSA for a seat on the Vina GSA Board.

Summary

The District Plan for Services will evolve and be a "work in progress" as needs are identified and opportunities arise. The District can act as a strong partner with Butte County and the Vina GSA, and other local stakeholders, contributing significant value acting as a potential future water provider and assisting with the preparation and implementation of the Vina sub-basin GSP and the Butte sub-basin GSP.

PROPOSAL JUSTIFICATION

Name of Proposal / Actions Requested

- 1. Formation of the Tuscan Water District, a Landowner-voter California Water District.
- 2. Establishment of the Tuscan Water District Sphere of Influence Coterminous with proposed District Boundary.

General Information

- Type, designation, and statutory authority for the proposal: Formation of a California Water District (Water Code Section 34000 and following) and Cortese Knox Hertzberg Local Government Act of 2000 (Government Code Section 56000 and following)
- 2. Name and address of Applicant/other contacts: Applicant—Chief Petitioners and landowner-voters of the Vina Sub-basin and a portion of the Butte Sub-basin

Richard McGowan 30 Independence Circle, #300 Chico, CA 95973 Edward McLaughlin PO Box 1 Durham, CA 95938 Darren Rice 5209 Anita Road Chico, CA 97973

Location

Vina Sub-basin and a portion of the Butte Sub-basin of Butte County, stretching from the Tehama County line to the northern boundary of Western Canal Water District. The proposed Tuscan Water District (the "District" or "TWD") will serve approximately 160 square miles, consisting of approximately 102,327 acres. The District service area has been designed to include primarily agricultural land and agricultural properties dependent on groundwater.

Physical Features

- 1. **Topography**: From the east, flat to gently rolling hills with elevation decreasing from 198 feet above sea level to 120 feet above sea level to west at the Sacramento River. There are over 85,000 acres of agricultural and open space lands.
- 2. **Physical and natural features**: Rock Creek, Butte Creek, Big Chico Creek, Pine Creek, Mud Creek, Angel Slough, Hamlin Slough, Kusal Slough, Western Canal and the Sacramento River
- 3. Major highways/railways: Highway 99, Highway 32 and Union Pacific Railroad
- 4. Proposed boundary and service area proximate to adjacent counties, cities, special districts and other agencies:

Tehama county; Glenn county; city of Chico; communities of Durham, Dayton and Nord; Rock Creek Reclamation District; Durham Irrigation District; Western Canal ~Mutual Water Company; Butte Creek Estates (Country Club) Mutual Water Company; and Cal Water Chico

Population & Related Matters

- 1. Estimated Population of District: 6,500
- 2. Population density: 40-45 persons per square mile
- 3. Number of registered voters: to be determined by Butte County
- 4. Number of landowner-voters: to be determined by Butte County
- 5. TWD, land only, assessed valuation approximately \$1.5 billion
- 6. Total County unincorporated area land and improvements, assessed valuation: \$8,768,975,574
- 7. Total unincorporated land only assessed valuation: \$3,873,529,965

Proximity to Developed and/or Developing Areas

The eastern boundary of the District is adjacent to/coterminous to the Chico sphere of influence and city limit. The proposed District includes the communities of Durham, Dayton and Nord.

Land Use

Predominantly agricultural and open space lands consisting of ranches and farms varying in size from small to large, all dependent on groundwater. Key crops include almonds, walnuts, pistachios, prunes, plums, and rice. *Source: 2019 Annual Report of Butte County Agricultural Commissioner on Crop Production*.

- 1. General Plan land use designations: agriculture, agricultural residential, open space
- 2. Total land area of Tuscan Water District: 102,327 acres; applicant acreage,58,120
- 3. Total Agricultural Acreage in the Tuscan Water District Service Area: 88,951 acres (Source: California Department of Conservation Farmland Mapping and Monitoring Program: , <u>https://www.conservation.ca.gov/dlrp/fmmp/Pages/Butte.aspx</u>)
- 4. Amount of federal, state owned land/permanent open space: 2,358 acres
- 5. Gross value of agricultural production estimated at \$289,369,469 (2019 Butte County Crop Report)

DISTINCT ACTEAGE DILEARDON	
0 to 10 acres	5,956 acres (5.82%)
10.01 to 20 acres	5,946 acres (5.81%)
20.01 to 40 acres	10,605 acres (10.36%)
40.01 to 2761.54 acres	77,506 acres (75.74%)
Non-APN acreage	2,313 acres (2.26%)
Totals	102,327 acres

DISTRICT ACREAGE BREAKDOWN

Prime Ag Land

Will the proposal affect prime agricultural land as defined under section 56064 of the Cortese Knox Hertzberg Local Government Reorganization Act of 2000? Yes, the proposed Tuscan Water District will serve agricultural lands and other groundwater dependent properties in the Vina sub-basin and a portion of the Butte sub-basin, with the ability to work with Butte County, the Vina GSA and other GSA's on groundwater sustainability measures. Ultimately, the power to purvey water provides a new independent, special district with the ability to preserve and protect agricultural land and the crops produced. The proposed District will not lead to the conversion of prime agricultural land in either sub-basin. In fact, the converse is true. Creation of the District will help to prevent the conversion of prime agricultural land and open space within the District would require : 1) approval of Butte County, the state of California, the State Water Board, and possibly the federal government (Bureau of Reclamation) to provide municipal and industrial water to District lands; 2) Butte County would also need to amend its General Plan to accommodate urbanization, which is highly unlikely; and 3) the District, if formed, has no intention to provide municipal water essential for urbanization.

Is the proposal consistent with the agricultural, open space and conservation policies of Butte County? Yes.

Existence of Social and Economic Interest and Interdependence

The ranchers, farmers and other groundwater dependent properties in the proposed District all rely on a plentiful aquifer in the sub-basins to provide groundwater for their livelihood. The prudent use, protection and preservation of the sub-basins' groundwater is essential to their ability to farm and ranch family lands and maintain rural lifestyles. The landowners involved in spearheading the formation of the proposed Tuscan Water District, in many cases, are second, third and fourth generation farmers. They rely upon each other in many ways, but the common bond is the water they share from the sub-basins. Many are socially connected as family and friends and economically tied together as they are dependent on managing and monitoring water they need to continue farming and ranching in Butte County.

The loss of the value of agricultural production from the 102,327-acre proposed District would not only destroy the lives and livelihood of the farmers and ranchers but the economy of Butte County as a whole. Water is the most important resource for the preservation and protection of agriculture.

Economic Impact of the Key Crop Production within the proposed TWD:

Walnuts, almonds, pistachios, plums, prunes and rice are the key crops in terms of acreage and value in the proposed TWD service area. The value of these key crops within the District land is estimated at 48% (2019) of the County total. The figure was developed by determining the percentage of crops produced in the TWD against the total for each category from the 2019 Annual Crop report and applying that percentage against the total value for each of the key crops.

The added value or indirect impact of the total Tuscan Water District crop / industry output of agricultural production in terms of impact on local economy (labor force wages and spending, agricultural products, and farming equipment) has not been calculated, but planning firms typically use a multiplier of 2.0 to get a rough back-of-the-benefits associated with agricultural output.

For example, \$10,000,000.00 in tree nut production would have the following impacts to Butte County: total industry output of \$15.4 million and income of approximately \$6.1 million for a total annual output of \$21.5 million including direct, indirect, and induced 135 jobs. (Source: Economic and Planning Systems (EPS), Sacramento California).

JUSTIFICATION AND REASONS FOR THE CREATION OF THE TUSCAN WATER DISTRICT RATHER THAN PURSUING ANNEXATION TO AN EXISTING AGENCY

GOVERNMENT CODE SECTION 56886.5 a): "If the proposal includes the formation of a district, or the incorporation of a city, the Commission (LAFCO) shall determine whether existing agencies can feasibly provide the needed service or services in a more efficient and accountable manner. If a new single purpose local agency is deemed necessary, the commission shall consider reorganization with other single-purpose local agencies that provide related services".

The formation of a California Water District, on the foundation of a landowner-voter base representing 102,327 acres, with elected representation, will have the primary purpose of working with Butte County and other stakeholders to implement the Vina GSA Groundwater Sustainability Plan, which goals would likely include planning for, managing, preserving, protecting, purchasing, and providing agricultural water. To achieve this purpose, it is anticipated that the Tuscan Water District will participate in water exchanges within Butte County. Within the Application Packet are two documents prepared by the Applicants that describe in detail the reasons for the Tuscan Water District formation: "Statement of Purpose" for the formation of the Tuscan Water District, and "Analysis of Potential Agencies in the Vina and Butte sub-basins with the ability to maximize the use of ground and surface water". These two documents form the foundation and justification for the Applicants proceeding with District formation rather than pursuing other changes of organization which would not meet their goals and objectives.

The purpose and objectives of the District are as follows:

- 1. Create a local agency to evaluate, determine, fund, implement, and oversee projects and actions to achieve groundwater sustainability under the Groundwater Sustainability Plan to be adopted by the Vina and Rock Creek Reclamation District Groundwater Sustainability Agencies.
- 2. Creation of a new, independent California Water District with locally elected and accountable representation to serve the Vina sub-basin and a portion of the Butte sub-basin.
- 3. Cooperating with Butte County and other stakeholders to implement the Sustainable Groundwater Management Act (SGMA) within the District service area.
- 4. Preserving and protecting groundwater resources in the District.
- 5. Partnering with Butte County and other stakeholders to advance conjunctive use within the Vina sub-basin and a portion of the Butte sub-basin and to assist in the replenishment of groundwater by the strategic use of groundwater recharge.
- 6. Assisting groundwater dependent landowners with the ability to provide local agency water oversight, monitoring and delivery.

7. Creating a California Water District within which groundwater dependent landowners can cooperate and collaborate on sustainable groundwater management to preserve and protect agricultural and rural water supplies in Butte County.

California Water District Powers

The Tuscan Water District is requesting the Butte LAFCO to grant the District the power and authority of all California Water Districts to provide the following services, including, but not limited to:

- 1. Developing, constructing and operating facilities to purchase, import, move, recharge, and transfer water within the District service area.
- 2. Attaining legal status as a special district to work with Butte County and other agencies within the sub-basins to develop strategies and plans to preserve and protect agricultural and rural water supplies within the District.
- 3. To be able to enter into Joint Powers Agreements, participate in Joint Powers Authorities, and/or be a signatory to a Memorandum of Understanding, to plan for groundwater sustainability. (Example: MOU between Butte County and South Feather River Water and Power Agency related to SGMA).
- 4. To impose assessments on District lands, with approval of landowner-voters, consistent with applicable laws, to operate, and manage District facilities, and finance needed construction projects to purvey, recharge, import and otherwise move water.
- 5. To be able to apply for State and Federal grants and State approved Bond Measures to preserve and protect water quality and supply sources within the District service area and Butte County.
- 6. To advance groundwater management practices and conservation programs to improve groundwater sustainability within the District service area.

None of the underlying agencies, public or private, has the capability or capacity to serve the proposed 102,327 service area of the Tuscan Water District due to size, purpose or for other reasons. The following discussion addresses why Applicants have concluded that Rock Creek Reclamation District, Durham irrigation District, Western Canal Water District, or Durham or Dayton Mutual Water Companies are not the answer or solution to the basin-wide problem, the lack of one agency, specifically a California Water District, to work with Butte County and the Vina GSA to implement SGMA within the Tuscan Water District service area.

In 2018, TWD Applicants commissioned a local government expert and consultant to study and analyze local agencies in the Vina sub-basin and a portion of the Butte sub-basin not only with the power and authority to transport water to maximize the beneficial conjunctive use of ground and surface water, but with the intent and ability to do so. The report found no such agency existed that actually conveyed water on a scale to serve the Tuscan Water District service area. The report considered the political and practical feasibility of the following options:

- 1. Formation of a new, basin-wide landowner-voter special district that has, as its primary purpose, the power and ability to work with other local agencies to purvey, import, transfer and recharge water in the Vina sub-basin and a portion of the Butte sub-basin.
- 2. Alternatively, or in conjunction with the formation of a new special landowner-voter water district, evaluate the issues associated with annexation to Rock Creek Reclamation District and/or Durham Irrigation District to accomplish the same goals.

The original analysis did not address annexation to Western Canal Water District, but in subsequent investigation by Applicants, Western Canal was also evaluated.

Rock Creek Reclamation District

Rock Creek Reclamation District (Rock Creek RD) was formed in 1985 to provide flood control and drainage services in northern Butte County. Currently, the District provides these services to 4,644 acres of agricultural and single-family residential parcels. While the proposed Tuscan WD's boundaries would overlap with Rock Creek RD's boundaries, there would not be any duplication of services. Although Rock Creek RD has the latent power to provide water for irrigation purposes, it does not exercise that power. In fact, Rock Creek RD does not convey, transport, or export irrigation water to agricultural properties or residences within its boundaries. Any water conveyance the Rock Creek RD currently performs is for drainage and flood control.

Additionally, Rock Creek RD serves as the Groundwater Sustainability Agency (GSA) for the area within its boundaries. As one of the two GSAs covering the Vina Subbasin, Rock Creek GSA is tasked with preparing and implementing a groundwater sustainability plan (GSP). Under the Sustainable Groundwater Management Act (SGMA), each GSP must include management actions and projects that the GSA determines will achieve its sustainability goal for its basin. (Cal. Code Regs., tit. 23, § 354.44, subd. (a).)

The proposed Tuscan WD would play a much-needed role in planning and performing the management actions as well as pursuing projects to sustain groundwater sustainability. Tuscan WD would cover over 100,000 acres of land throughout Butte County and the Vina Subbasin. Therefore, the water district would be able to perform wide-scale and coordinated actions in furtherance of the goals of the GSP for the Rock Creek GSA and Vina GSA. After all, this is one of the primary purposes for Tuscan WD's formation: to participate and cooperate with Rock Creek GSA and Vina GSA in their efforts to achieve sustainability in the Vina Subbasin.

RCRD Sphere of Influence (SOI)

Although RCRD has the latent power to purvey water for irrigation purposes, it does not exercise that power. The district fulfills its primary purpose within its service area by transmitting water through streams, canals, and ditches to accommodate agricultural drainage and provide for flood control protection. Furthermore, the process to annex the sphere area would be cumbersome and costly.

Durham Irrigation District (DID)

The Durham irrigation District (DID) was formed in 1948 to provide domestic (municipal) water service to landowners within the district service area. Currently, the district is 506 acres in size, but a recent SOI amendment added 277 acres to the future service area.

The district operates three active wells and contracts for operation and management services from a private contractor. DID is governed by three elected directors each serving four-year, staggered terms. California Water Code, Division 11, Section 20500 establishes power, purpose and authority for irrigation districts including water purveyance, drainage, electricity, flood control, sewer service and recreational facilities. The district is very small, less than one square mile, and provides domestic water service to less than 500 customers. Thus, it does not have the capacity or ability to serve the 102,327 acres of the Tuscan Water District service area.

Western Canal Water District (WCWD)

Western Canal Water District (WCWD) was formed in 1984 by majority vote of landownervoters to provide irrigation water to district properties. The WCWD was formed pursuant to the California Water District Law, which provides for the creation and operation of California Water Districts. It is a multi-county district serving southern Butte County and a portion of eastern Glenn County. When the district was formed, it purchased the Western Canal water system from Pacific Gas and Electric Company. The district contains 59,000 irrigable acres in both Butte and Glenn counties. The WCWD provides surface water to irrigate district lands. The water source is the Feather River. The District does not operate or own any irrigation wells. Some landowners have constructed agricultural production wells to provide the option of conjunctive use during drought years. The cropping pattern in the WCWD is 90 percent rice, and 10 percent miscellaneous uses (orchards, habitat and row crops).

WESTERN CANAL SPHERE OF INFLUENCE

The WCWD sphere of influence was established at the time of district formation or shortly thereafter. The last annexation of any new territory occurred in 1998, over twenty years ago. The northern two portions of the WCWD sphere of influence contain 17,923 acres, of which Applicant membership acres total 13,494, or 75 percent. The entire 17,923 acres is groundwater dependent with no surface water available, and the primary water source of the WCWD service area is surface water. Over the last twenty years WCWD could have annexed this sphere of influence area but has not.

Other Agencies that Purvey Water: Durham Mutual Water Company, Dayton Mutual Water Company, Cal Water, Chico, Proposed Tuscan Water District

MUTUAL WATER COMPANIES

Typically, mutual water companies provide domestic and agricultural water in rural areas that at the time of creation had no alternative water source. They continue to exist today in urban and rural pockets where the conversion to the public system is neither practical nor expensive. Mutual water companies are private, not-for-profit entities organized under Corporations Code 14300 and regulated under US EPA Safe Drinking Water Act, and California Water and Safety Codes. If Mutual Water Company By -Laws include operating a public water system, they are also regulated by the California Department of Public Health. They must report to Local Agency Formation Commissions, but their structure, organization and service area changes are not subject to LAFCO review and approval.

DURHAM MUTUAL WATER COMPANY

The Durham MWC provides surface water from Butte Creek to agricultural properties west of the community of Durham. The water company's service area is just less than 3,600 acres, of which over 30 per cent are AGUBC member properties.

DAYTON MUTUAL WATER COMPANY

The Dayton MWC also provides surface water indirectly from Butte Creek to agricultural properties in the Dayton area. The water company service area is 2,281 acres, of which 80 per cent of the land is Applicant owned.

Mutual water companies have very little public accountability, that is, there are no publicly elected directors, and no local agency oversight or control. They are essentially private corporations with landowner stockholders, and water rights either tied to the land, or held by the water company.

Each of these water companies was created decades ago and does not have capacity, power or financing tools to accomplish the objectives of the Applicants for the formation of the Tuscan Water District.

CAL WATER CHICO-HAMILTON CITY DISTRICT

Cal Water Chico-Hamilton City District (Cal Water) is part of a larger investor-owned public utility, the California Water Service Company, which supplies water to nearly 2 million people through 24 separate systems and 63 communities from Chico to southern California. Investorowned utilities are regulated by the Public Utility Commission. Within Cal Water, separate rates are set for each system depending on a variety of factors—source and cost of water, treatment needs development and maintenance of the water system, number of customers, etc. Rates, service charges, and service area are all regulated by the California Public Utilities Commission.

PROPOSED TUSCAN WATER DISTRICT

Annexations to RCRD, DID or WCWD are not viable alternatives to the formation of the Tuscan Water District. The Tuscan Water District is proposed to overlay groundwater dependent lands in the Vina Sub-basin and a portion of the Butte Sub-basin. It contains 58,120 acres of Applicant lands, and other agricultural properties that rely on groundwater for both domestic and irrigation uses.

The Tuscan Water District is proposed to overlay the RCRD service area and sphere of influence west of Highway 99, and act only as a water purveyor and not provide any flood control

protection of agricultural drainage services. Applicant lands dependent on groundwater within the RCRD service area and sphere of influence total 8,760 acres or roughly 68 percent of the approximate 12,800 service area/SOI acre total.

The Tuscan Water District is also proposed to overlay all of the Dayton Mutual Water Company service area and the Durham Mutual Water Company service area. Applicant lands in Durham MWC represent over 918 acres of the 3,598- acre water company total and in the Dayton MWC, represent over 2,281 acres of the 2,844 Dayton MWC land. Finally, the Tuscan Water District will include the 17,923 acres of the Western Canal Water District sphere of influence along its northern border. There are 13,494 Applicant acres in this area.

CALIFORNIA LOCAL GOVERNMENT STRUCTURE

The overlay of local governments in California is not out of the ordinary, it is the norm when those agencies are formed for different purposes. Cities overlay portions of special districts; special districts lie on top of cities. Large special districts may overlay entire counties or multiple counties. In rural and urban areas, special districts are stacked one on top of the other. In urban areas, it is not uncommon for fire, park, water, sewer, and street lighting districts to share some or all of the same service area. In rural areas, one might find volunteer fire districts, possibly a park district, resource conservation, cemetery, reclamation and soil conservation districts sharing territory. The point of this discussion is to recognize that the proposed Tuscan Water District over-laying RCRD, DID, Durham MWC and Dayton MWC is not irregular, but very common.

Proposed District Governance

California Water Districts are autonomous, landowner-voter, special districts, created and managed by landowner-voters. The number of directors may range from five to eleven. (Ca Water Code Section 34708) Applicants are requesting 7 directors initially, with one director seat dedicated to a domestic well pumper.

The first Board of Directors will run "at large", each director elected district-wide for one of the 7 director seats. All 7 Directors are selected during the district formation election. In future elections, the directors may follow a process established in the Water Code to set up "divisions" within the district, and if divisions are ultimately created, each director would run within a specific division (WCS 35025-35031).

Alternatively, directors may set up a number of divisions and also provide for one or two directors to run at large, or district wide. The number of directors may be increased or decreased following provisions in the Water Code. Finally, the directors may be converted from a landowner-voter district to registered voter district (WCS 34050) should circumstance drastically change within the Tuscan Water District following procedure set forth in the law.

Because of the size of the Tuscan Water District, approximately 160 square miles containing well over 100,000 acres, the Tuscan Water District Board of Directors may consider establishing a reasonable number of directors and divisions to recognize the geographic expanse of the district, communities represented, and diversity of ownership pattern for future elections

Potential for Expansion of Service Area / Sphere of Influence

Once the District is formed and fully operational and begins to work with various stakeholders on water management, planning and delivery, it may expand the service area, if adjacent properties use, need and desire services and if LAFCO approves of the annexation.

Greater Efficiency in the Delivery of Governmental Services

Currently, the area proposed for the formation of the Tuscan Water District does not have a local agency capable of providing the level and range of services across the entire Vina Subbasin and a portion of the Butte Sub-basin. Further, Applicants for the Tuscan Water District formation have evaluated the alternatives to the formation of a new California Water District and do not believe any of the agencies evaluated is capable of meeting their needs and objectives.

Readers of this document should continually recognize during the review and analysis of the district formation request that Applicant acreage represents over 58,120 acres or 58% of the proposed service area of the Tuscan Water District. They have spent considerable time, money, and study to arrive at this conclusion and desire to move forward with the Tuscan Water District formation.

Boundaries and Sphere of Influence

1. Rationale and methods to establish the boundaries of the proposed district:

The exterior boundaries of the District have been drawn to follow natural and physical boundaries to the extent possible, such as the southern Tehama county line, Highway 99, eastern boundary of Glenn county and the Sacramento River; the city of Chico's sphere of influence and corporate boundary, northern boundary of the Western Canal Water District; the western boundaries of the M and T Chico Ranch and Llano Seco Water District. The proposed Tuscan Water District boundary has been drafted to capture predominantly groundwater-dependent parcels. The DID service area and sphere of influence have been omitted from the Tuscan Water District as well. The Tuscan Water District also includes 1,286 acres of Cal Water, Chico franchise area, and the CSUS "Farm" (631 acres)

- 2. Will the district boundary and sphere of influence be coterminous? Initially, yes, but the sphere of influence and service area may change in the future dependent on land use needs of adjacent properties.
- 3. Does the proposed district boundary or its sphere of influence overlap with other local agency boundaries or sphere of influence boundaries? Yes, the District boundary (and its

sphere of influence, which would be the same) would overlap with following local agency areas:

- RCRD service area and portion of sphere of influence
- Western Canal Water District sphere of influence
- Durham and Dayton Mutual Water Companies service areas
- A portion of the Cal Water, Chico western franchise area

Plan for Services / Municipal Service Review

- 1. Description of range and level of services to be provided: The Tuscan Water District is requesting the Butte Local Agency formation Commission be authorized to provide all services afforded to California Water Districts pursuant to Water Code Section 34000 and following. Generally, services will be provided uniformly across all Tuscan Water District lands; however, as projects are determined, specific areas of benefit may be created based upon needs within these areas. Within these benefitting areas, landowners will pay assessments to finance projects undertaken.
- 2. When can services feasibly be extended within the District? As soon as the Tuscan Water District has been formed, the Board of Directors will begin meeting to prepare an operating budget and develop a long-range work plan. Services such as the conveyance of water to lands within the Tuscan Water District will be described in that work plan with a long-range plan for implementation.
- 3. Are there needed improvements to structures, roads and sewer or water facilities? No
- 4. Estimated cost of extending the service, a description of how the service will be financed and a projected five- year budget for revenue and expenditures. A Water Master Plan will be developed for the district which will identify needs by geographic area and financing options to implement the various projects. The financing options will be described in the Facilities Finance Plan which may include district-wide or special area assessment, State Department of Water Resource grants, available State Bond funding. A hypothetical firstyear and three to five -year budget is attached based upon both start-up and on-going expenses. The projected revenue stream to support Tuscan Water District operations will be derived from per acre assessments on irrigated lands and on domestic pumpers.
- 5. Is retail water service to be provided? No.
- 6. Will the new district share existing property tax revenue collected within district boundaries? No
- 7. List of service providers:
 - a. Fire: Cal Fire
 - b. Law enforcement: Butte County Sheriff and California Highway Patrol
 - c. Domestic water service: domestic wells
 - d. Sewer and sanitation: none, septic tanks
 - e. Solid waste: Waste management and Ecology
 - f. Road/street maintenance: Butte County
 - g. Power: Pacific Gas and Electric Company
 - h. Planning and Zoning: Butte County

- i. Schools: Chico Unified School District; Durham Unified School District
- j. Miscellaneous: Durham Mosquito Abatement District, Durham Recreation and Park District, Pine Creek Cemetery District.

Significant Issues

The absence of a special district with the primary mission of water conveyance that covers almost the entire Vina and a portion of the Butte sub-basins will inhibit the County's ability to effectively work with groundwater dependent agricultural groundwater users within the service area of the Tuscan Water District. Creation of the Tuscan Water District over the proposed service area will provide a basin-wide local agency, with elected leadership, that can unite all groundwater users to work with other stakeholders and Butte County to provide a better local approach to evaluate and implement GSP implementation actions and projects to alleviate groundwater depletion—all goals and objectives of the Sustainable Groundwater Management Act (SGMA).

Intergovernmental Coordination

A Notice of Intent has been circulated to all affected agencies in Butte County notifying each of the proposal, time, place and date of public hearing to adopt the Resolution of Application. Additionally, formal letters, other methods of communication or personal contact have been used as outreach to contact all public and private agencies in the proposed Tuscan Water District service area.

Conclusion

The formation of the Tuscan Water District is the only practical, reasonable and logical solution to coordinate and manage water in such a large, un-served area. The critical mass of Applicants' lands assembled – 58,120 Applicant acres, over 58% of the land area – is evidence that the Tuscan Water District is wanted, needed, and should be created. If the district formation is approved by the Butte LAFCO, landowner-voters must then ratify the formation at a district-wide election. A majority of those voting, in terms of acreage supporting formation, will determine the fate of the Tuscan Water District. Applicants are confident that the Tuscan Water District will be formed if approved by Butte LAFCO, and Applicants also believe that individuals selected as Directors will be good stewards of land and water with the goal of positive and progressive policies to manage groundwater resources to help to achieve groundwater sustainability for generations to come.

TUSCAN WATER DISTRICT SIZE AND OTHER FACTS

- GIS Surveyed Boundary Acreage: 102,327 acres
- Applicant Total Acreage: 58,120 acres
- Non-Applicant Total Acreage: 41,894 acres
- Acreage without an APN: 2,313 acres
- Approximate size of District: 160 square miles
- Total Agricultural Acreage in District: 88,951 acres (Based on CA Dept. of Conservation Farmland Mapping and Monitoring Program, <u>https://www.conservation.ca.gov/dlrp/fmmp/Pages/Butte.aspx</u>)
- Prime Agricultural Land in District: 71,566 acres (Same as above)
- Williamson Contract Land in District: 50,316a (Williamson Enrollee data from Butte County)
- Domestic well acreage, i.e., parcels with a size of 10.0 acres or less and with a domestic well only: 5,956 acres (5.8% of the proposed District)
- Estimated population of District: 6,463
- Total number of Assessor Parcels in the District: ~3,136
- Butte County Unincorporated Assessed Value: \$8,768,975,574
- District Assessed Value: \$1,459,397,597
- Estimated value of TWD Agricultural Production: \$289,369,469 (2019 B.C. Crop Report)

AFFECTED AGENCIES

- Rock Creek Reclamation District (RCRD)
 - RCRD Service Area: 4,644 acres; TWD Applicant acreage within Service Area: 3,602 acres (78%)
 - RCRD Sphere of Influence west of Hwy 99: 8,232 acres; TWD Applicant acreage within W SOI: 4,106 acres
 - RCRD Sphere of Influence east of Hwy 99; 10,970 acres; TWD Applicant acreage within E SOI: 275 acres
- Durham Irrigation District (DID)
 - DID Service Area: 506 acres; TWD Applicant acreage within DID Service Area: 0
 - DID Sphere of Influence: 277 acres; TWD Applicant acreage within DID SOI: 0
- Western Canal Water District (WCWD)
 - WCWD Sphere of Influence: 17,923 acres; TWD Applicant acreage within WCWD SOI: 14,157 acres
- Durham Mutual Water Company (DMWC)
 - DMWC Service Area: 3,643 acres; TWD Applicant acreage within DMWC Service Area: 951 acres

- Dayton Mutual Water Company (Dayton)
 - Dayton Service Area: 2,844 acres; TWD Applicant acreage within Dayton Service Area: 2,360 acres
- Cal Water, Chico (CWC)
 - Cal Water Chico Service Area Overlap: 1,286 acres
- CSUC Farm and Foundation Property (CSUC Farm)
 - CSUC Farm Acreage Overlap: 800 acres

Estimates based upon the best available data at the time of submission of the application.

DISTRICT HYPOTHETICAL BUDGET

Once formed, the Tuscan Water District ("District"), as prescribed by the Water Code on the date specified, will develop, and adopt a calendar-year budget with estimated expenditures and anticipated revenue for District administration and operation. The District will have the authority to derive necessary funding from various sources. Those sources include: (1) the Sustainable Groundwater Management Act (SGMA); (2) California Water District statutes; (3) Revenue and Taxation codes; (4) assessment law; (5) grants and loans; and (6) bond measures approved by California statewide electorate for water quality, conservation, and programs for new surface and groundwater development for domestic and agricultural uses.

Formation of the District is contingent upon a successful formation election by a majority of holders of interest and, among other things, approval of a revenue proposal capable of funding activities for the District. The action shall also establish a provisional appropriations limit for the first year of operation. Applicants for District formation have agreed to, and are proposing, with approval of District formation, that landowners of the proposed District agree and stipulate to, notwithstanding any other provisions of law (California Water Code, Proposition 218, California Article XIII D/Proposition 13), their consent to the initial Board of Directors levying assessments on all District lands and to authorize Butte County to collect such assessments along with county taxes as follows: Initial assessments will not exceed ten dollars per acre (\$10.00/acre) for all District lands.

Proposed District Revenue Structure

Once formed, the District Board of Directors will adopt an annual budget as described above. They will determine first year priorities for the District including staffing, level of participation in SGMA, and initial projects to be undertaken. The first year is anticipated to be dedicated to development of operating procedures, bylaws, Board organization and other start up activities.

The proposed initial per acre assessment the District Board of Directors may impose on District lands will not exceed ten dollars per acre (\$10.00/acre).

The land use of the parcels within the District includes irrigated farmland, domestic well user residential, range land for cattle and other livestock, and permanent open space in the form of state and federal preserve and habitat. The District Board of Directors will need to weigh the benefit each of these parcels will receive from District services and assess appropriately.

Funding from the initial assessment may also be used to reimburse District proponents for costs of District formation and start-up activities of the District, including involvement in the planning and implementation of the SGMA.

Total year one operating revenue, approximately \$400,000.00 to a maximum of ten dollars per acre (\$10.00/acre) depending on the level of assessment imposed by the District Board of Directors.

Gap financing (operating revenue needed between assessment collection and distribution, and District formation). Potential sources of revenue include, but are not limited to, bank loans; grants; and state water bond money.

Full Calendar Year, Year 1 Projected Expenditures

Staffing:		
General Manager/District Engineer (salary and benefits)		\$120,000.00
Legal Counsel (under contract/hourly)		\$ 50,000.00
Office Manager (salary and benefits (full-time)		\$ 60,000.00
Contract administrative, computer, tech support		\$ 25,000.00
Rent/office space		\$ 18,000.00
Office furniture (desks, chairs, tables, file cabinets,		
computers phone lines, and other support material)		<u>\$ 15,000.00</u>
Sub-total		\$288,000.00
Reimbursement for District formation expenses	(TBD)	
Contingency (20%)		\$ 57,600.00
General Reserve		<u>\$100,000.00</u>
Total Operating, Contingency and Reserve		\$445,600.00*

*Total for Year 1 projected expenditures may increase to account for reimbursement for District formation costs, but will not exceed a maximum of ten dollars per acre (\$10.00/acre).

Long-term Funding Strategies, 2-5 years

On an ongoing basis, annual assessments, future Proposition 218 property-based assessments, and charges for surface water delivery will be the backbone revenue stream for financing District administration and operations. The initial years after District formation will be dedicated to dealing with SGMA issues and working with Butte County and the Butte County GSAs on sustainability planning and implementation, including project identification and financing for both the importation of surface water and strategic recharge in the most impacted areas of declining groundwater in the District.

A ten dollar per acre (\$10.00/acre) assessment on all groundwater dependent District lands could potentially generate more than \$800,000.00 annually.

The District Board of Directors will develop a short and long-term capital improvement plan for the District service area, as well as financing options and strategies moving forward. Strategies should be consistent with measures and recommendations contained in the Vina sub-basin Groundwater Sustainability Plan (GSP) and/or the Butte sub-basin GSP. Recommended measures may include assessments higher than ten dollars per acre (\$10.00/acre) to purchase and distribute surface water to District lands. Should those measures be considered, all of the studies and processes consistent with Proposition 218 will be followed.

Future budgets for the District will depend on a variety of factors not entirely predictable, such as changes in the local, national, and international markets, demand for certain agricultural products, environmental factors, unpredictable weather (both droughts and excessive rainfall), availability of labor, and so on. The main objective of the District will be to achieve groundwater sustainability within the District boundaries and the Vina sub-basin.

OTHER KEY ISSUES

Applicants for the formation of the Tuscan Water District are generational farmers and ranchers. As such, they have a deep respect and appreciation for the importance and value of groundwater to their life and livelihood and to all landowners in the Vina and Butte subbasins. Groundwater in the Vina and Butte sub-basins has been declining very slowly for many years. It is one of the most valuable resources of Butte County, and its importance is not to be taken for granted. It must be managed wisely and used judiciously.

There are wet years and dry years, drought years and years when the Sacramento River, Butte Creek and other waterways run over their banks. When there is abundant rainfall, the underlying aquifers are naturally replenished and recharged. During drought years there is drawdown of the aquifer. If there is an alternative water source—surface water to be employed for agricultural and domestic uses—the aquifer may remain stable or may even grow in volume.

One of the many important objectives of proponents for Tuscan Water District formation, in addition to creating a basin-wide California Water District with locally elected representation, is the formation of a local agency to evaluate GSP implementation actions and projects.

Plan for Domestic Well User Representation

When the Tuscan Water District is formed, proponents believe it is essential for all landowners (small and large, domestic well users and agricultural production well users) to be afforded the opportunity for representation on the Tuscan Water District board of directors. The interest of each of these groups is linked and intertwined----to preserve and protect groundwater, and to find and import surface water resources to supplement the use of groundwater, to create a balanced and sustainable yield for the Vina and a portion of the Butte sub-basins.

To that end, applicants of the Tuscan Water District formation are proposing the Butte Local Agency Formation Commission, as a condition of District formation, designate one director seat to be a domestic well pumper seat on the board of directors. For purposes of this plan, domestic well users or pumpers would be defined as landowners on parcels of 10 acres or less where the parcel only has a domestic well. Applicants for the proposed District formation believe one domestic pumper seat is reasonable and appropriate as domestic pumpers represent 5.82% of the acreage of the proposed District service area.

In order to implement the plan for domestic well user representation on the District Board, petitioners request that LAFCO approve the District formation subject to the following condition: "In establishing the 7-member Board of Directors, one director seat shall be reserved for and filled by a qualified director who represents the interests of domestic well users. In order to be qualified to serve in that seat, (1) the candidate must meet the regular director qualifications in Water Code section 34700, (2) the candidate must be the holder of title (as

defined at Water Code section 34026) or be the legal representative (as defined at Water Code section 34030) of the holder of title to a parcel in the District of 10 acres or less, and (3) the parcel must contain a domestic well that serves the buildings, structures, and uses on the parcel. For purposes of Board elections, the domestic well user at-large seat shall be considered a separate office distinct from the other six at-large seats.

The impetus for the formation of the Tuscan Water District has been to create a basin-wide local agency to preserve and protect groundwater for agricultural and domestic use regardless of size of parcel or land use, not only for the current generation of farmers, ranchers and individuals enjoying rural life- styles, but others to follow. Butte County General Plan Land Use policy 1.1 sets forth the county's interest to preserve and protect agriculture, including crop and grazing land. The creation of the District will provide the needed local agency to manage and develop water for both agricultural and rural life-style needs.

If approved, the Tuscan Water District will contain approximately 160 square miles and 102,327 acres. Nearly 90 percent of the land (88,951 acres) in the District is dedicated to agriculture according to the State Department of Conservation Farmland Mapping and Monitoring Program. The District stretches from the Tehama County line to the northern boundary of the Western Canal Water District.

Cortese Knox-Hertzberg, the Local Agency Formation Commission law, Government Code Section 56886 (n), states the Commission has the following conditioning power where proceedings are for the consolidation, or reorganization providing for consolidation, or formation of a new district, to establish (1) the method of selection of members of a legislative body of a district, or (2) the number of those members, or (3), both the method of selection and number of directors.

Acreage from 20 to 160 acres is classified as agricultural with dwelling unit density allowed per Butte County General Plan guidelines. Generally, parcels of the smallest sizes have one domestic well and are classified as "domestic pumpers or well users" by the California Department of Water Resources.

It is difficult to pinpoint the exact number of domestic pumpers in the proposed District as both local and state data bases do not have a precise number for the Tuscan Water District service area. In addition, the District includes land in both the Vina and Butte sub-basins, complicating the domestic well count even more.

There are roughly 3,121 wells in the Vina sub-basin. The smaller parcels in the Tuscan Water District, those 10 acres or less, are concentrated in the Durham, Dayton, and Nord communities, and along the western boundary of the city of Chico. Many of these parcels in the above-recognized communities are very low density ranging from one to three dwelling units per acre, one dwelling unit per 5-10 acres (rural residential), and one dwelling unit per 10-20 acres (larger ranchettes).

If approved, the Tuscan Water District will have seven board of director seats, with one of the seven designated for a domestic pumper. All landowners would vote on all board of director seats in the district formation election as all directors must run "at-large", district -wide in the initial formation election.

If a district wishes to reorganize the manner in which elections are conducted (i.e. by director division or otherwise) after it has been formed, then the Water Code provides that it can do so as long as such change is made within 140 days of the next general election (Water Code Section 34708). A California Water District board of directors may apply to the board of supervisors of the principal county "to reorganize by division" to establish voting divisions of generally equally size in land area. Options for reorganization of elections for board of directors for the Tuscan Water District could be elections by divisions (i.e. divisions equal to the number of board seats), maintaining elections at-large (as directed by LAFCO), or elections reflecting a combination of divisions and at-large seats (i.e. 4 divisions and 3 at-large seats, or some other combination). Where elections are done by divisions, only landowners within each division would vote on respective nominees for that division's board seat.

A domestic pumper division could be constructed in such a fashion as to capture a majority of domestic well users around communities of interest, similar in land size and use. The remaining board seats (six if there are a total of seven board seats) could be shaped to either (1) capture the balance of the District land area by division (generally agricultural production well lands) or (2) divide the balance of the District land area into three or four divisions with the remaining three or two board seats selected by at-large voting with all landowners voting.

This proposal will not only provide for initial representation of domestic pumpers on the Tuscan Water District board of directors, but also, after formation, provide for a guaranteed domestic pumper seat as the District moves forward to manage and plan for water development in the District service area.

Protecting Butte County's Groundwater

There are some who may question the Tuscan Water District's "true" intent with respect to importing surface water into the District. Here are the facts:

 In this Application, TWD proponents have voluntarily proposed to limit the authority of the District as follows: "Notwithstanding the authorization of the California Water Code, [TWD will] not be authorized to acquire, plan, construct, maintain, improve, operate, or keep in repair the necessary works for the production, storage, transmission and distribution of water, unless the exercise of such power is consistent with, or required by, the applicable GSP."

- 2. The objective of forming the District is not to supplant groundwater use within the District using imported surface water in order to enable transferring excess groundwater for sale outside of Butte County.
- 3. If pursued, future projects to implement the GSP would be subject to environmental evaluation under the California Environmental Quality Act (CEQA), along with state and local permitting requirements.
- 4. Local Groundwater Sustainability Agencies (GSAs), including the Vina GSA and Rock Creek GSA, have considerable authority under the Sustainable Groundwater Management Act to impose any regulation, ordinance, or rule that they deem necessary to implement their respective Groundwater Sustainability Plans.
- 5. Applicants have stated time and again and memorialized their position in all Formation Application documents that they want to preserve and protect groundwater for the use of all landowners in the sub-basin. Any water imported into the District will remain in the District.
- 6. Long-standing, recognized water law has litigated the concept of "overlying water rights" and provides: "Any landowner whose land overlies a groundwater basin may extract and use that groundwater, but the use must be reasonable and beneficial. Among overlying users, it does not matter who first developed the groundwater; each has a right in the common supply," regardless of whether the landowner is a farmer, rancher or domestic pumper. The Applicants view the Tuscan aquifer as a community resource with each landowner sharing in that resource based upon historical use.
- 7. The courts have established that the regulation of groundwater is within a county's police power. Butte County Conservation Ordinance, Chapter 33, General Appendix D—Protection of Groundwater Resources prohibits extraction of groundwater for use outside of Butte County without a permit. A permit is also required for groundwater pumping for use on land within the county, in lieu of surface water, if surface water which would otherwise have been used on land is proposed to be transferred outside of the county.
- 8. The California Water District Law would limit the new District's authority to transfer water out of the District to "surplus water not then necessary for use within the district." (Water Code § 35425.) Consequently, the District could transfer water outside the area only if it determined that the water was surplus to the needs of those within the District.

The Tuscan Water District board of directors, as proposed, will have broad representation containing both agricultural and domestic pumpers. The board and management will be excellent stewards of the groundwater underlying the District. The board will, both as a measure of conscientiousness and in compliance with Butte County regulation, adhere to all adopted policies and ordinances pertaining to the export of both ground and surface water in Butte County.

Protecting the Tuscan Aquifer

Concerns have been raised that the Tuscan Water District, once formed, may attempt to "privatize the aquifer" by recharging and replenishing the aquifer with surface water, and in essence, establish a "private water bank" for its exclusive use during dry years. This is not true. Tuscan Water District will be a public agency with publicly elected directors and public oversight. The District will adhere to all of the transparency laws (e.g., Brown Act and Public Records Act) applicable to all public agencies. It will not be a private entity.

Proponents of District formation respect the rights and water needs of all landowners within the sub-basin. One of the objectives of the proponents of District formation as a public agency is to preserve and protect short-term and long-term groundwater needs and availability of for all landowners. Groundwater banking of imported surface water, if done properly, is a benefit to the subbasin and does not take anything away from the landowners who rely on groundwater from the aquifer. The public oversight required of public agencies will ensure that the District will not be run for the benefit of a select few.

The concept of who owns, or the privatization of, the aquifer is being addressed by an ad hoc task force of the Vina Groundwater Sustainability Agency (Vina GSA). Once it has completed its task, it will report findings and recommendations to the Vina GSA for consideration. The concept of privatization of the aquifer is not unique to Butte County, or the state of California. It is a very important issue that is being addressed throughout the state.

The Sustainable Groundwater Management Act of 2014 is, to a large degree, the impetus for the formation of the Tuscan Water District. It establishes regulatory goals and long-term compliance deadlines with enforcement powers delegated to both local government and the state. It reinforces the protection of existing water rights and local control of groundwater supplies, such as the Butte County groundwater ordinance. Proponents of the Tuscan Water District formation support equitable regulation of groundwater within the Vina and Butte subbasins for the benefit of all landowners. The Tuscan Water District will subscribe to policies and regulations adopted by the Vina GSA and Butte County with respect to groundwater banking and recharge and use of the aquifer.

CALIFORNIA ENVIRONMENTAL QUALITY ACT COMPLIANCE

The California Environmental Quality Act (CEQA) requires public agencies to identify significant impacts of their actions on the environment and to avoid, or mitigate them, if feasible. Pursuant to CEQA, an activity that may cause either a direct, or a reasonably foreseeable or indirect physical change in the environment, is generally considered a project. Agencies must comply with CEQA before they approve a project. For activities that do not constitute a project within the meaning of CEQA or for projects determined to be exempt under CEQA, agencies may prepare a Notice of Exemption.

The lead agency, or approving agency, for the Tuscan Water District (District) formation is the Local Agency Formation Commission (LAFCO) of Butte County. The Butte LAFCO will need to make a determination if the formation of the Tuscan Water District, and terms of district formation as approved by LAFCO (which after LAFCO approval will still require majority landowner vote of those landowners voting to ratify the Tuscan Water District formation), will cause a direct or reasonably foreseeable indirect physical change in the environment. As explained below, petitioners have determined that TWD formation is not a project subject to CEQA review, that TWD formation at this time is exempt from CEQA, that detailed CEQA review at this stage would be premature and speculative and would not produce meaningful information, and that CEQA review would be conducted later in the GSP implementation process as and when the newly formed district evaluates and identifies appropriate GSP implementation actions.

PROJECT LOCATION AND DESCRIPTION

The proposed District is located entirely in the Vina sub-basin and a portion of the Butte subbasin of the unincorporated area of Butte County. The proposed District consists of 102,327 acres bounded on the north by Tehama County, on the west by Glenn County, the Sacramento River, Big Chico Creek, the M and T Ranch, and Reclamation District 2106, on the south by the Western Canal Water District, and on the east by Highway 99 and the city of Chico corporate boundary and sphere of influence.

The total proposed service area of the District is approximately 160 square miles of agricultural, open space, preserve, agricultural-residential and other residential lands, most of which are dependent on groundwater.

PUBLIC AGENCY APPROVING THE PROJECT (DISTRICT FORMATION)

The Butte LAFCO is the "lead agency" for the project as it is the local agency with the statutory authority and responsibility for reviewing and approving changes of organization and reorganization. The Butte LAFCO has distributed a Notice of Intent of District formation to "affected agencies", other stakeholders, and published, posted and provided mailed (e-mail, USPS) notice of hearing on the project.

REASONS FOR THE PROPOSAL AND GSP STATUS

The proposed District will fill a service void—there is no subbasin-wide local agency or water district in the proposed District service area with the power and authority to plan for and implement programs and projects to implement the GSP to be adopted by the Vina and Rock Creek Reclamation District GSAs and achieve groundwater sustainability in the subbasin. The GSAs are in the process of preparing the GSP. The principal objective in forming TWD is to establish a local agency that will evaluate, determine, fund, implement, and oversee projects and actions to achieve groundwater sustainability under the GSP.

The GSP will include a Projects and Management Actions chapter that will list possible implementing projects and management actions (PMAs) that would help move the subbasin towards its goal of sustainability. The Vina GSA website refers to the PMAs as a "menu of options" for the subbasin to achieve sustainability. (From VINA Subbasin GSP Project and Management Action Submittal Form, available at

https://www.vinagsa.org/files/218cdc7ec/PMA+Submittal+Form+for+Vina+Subbasin+considera tion_v04-23-2021.pdf.) The potential PMAs fall under several categories, including recharge projects; supply augmentation projects; water conservation projects; projects to reduce nonbeneficial consumptive use; and, monitoring programs (inter-basin flows, stream-aquifer interactions, groundwater pumping, water levels). A Vina GSA PowerPoint presentation on the subject (available at https://www.vinagsa.org/groundwater-sustainability-plan-gsp) includes four slides of PMA examples with over a dozen projects listed.¹ Vina GSA also currently is gathering ideas for potential additional PMAs that could be included in the GSP. Consequently, the final GSP is expected to include a menu of many different PMAs that could be implemented to achieve sustainability.

The varied PMA choices range from water supply projects to recharge projects to water conservation to groundwater regulation. These choices involve a wide array and very different

¹ The PMA examples are: recharge projects (FloodMAR; recharge basins; field flooding; stormwater recharge (land application); waste water recycling (land application); in-lieu recharge (import surface water supply); injection wells; upper watershed management); demand management projects (incentive based groundwater pumping reduction; agricultural conservation; urban conservation; groundwater pumping allocation (requires metering); groundwater pumping fees above allocation amount; water trading (cap and trade)); demand management projects (well moratorium; land use/zoning ordinances (low impact development; gray water; impervious surfaces; domestic well depths); voluntary land fallowing; non-native vegetation removal); projects to augment stream flows (e.g., environmental water purchase); domestic well mitigation (deepen wells; connect to an existing water purveyor).

types of potential environmental impacts. At this planning stage, neither the GSA nor the TWD petitioners have identified any particular preferred, intended, or proposed PMA.

After the GSP is adopted, and if TWD is formed, the new water district and its governing board would evaluate the GSP and its menu of PMA options and it would proceed to determine, fund, and implement appropriate PMAs to achieve sustainability in consultation with the area residents, landowners, farmers, and other interested parties. Appropriate PMAs would be implemented over a 20-year horizon. TWD would be a local government agency with its own CEQA responsibilities and obligations. Consequently, as TWD identifies any proposed PMA project, it would review the PMA under CEQA before approving the project.

REASONS FOR THE EXEMPTION

When considering approval of an activity that may result in a change in the environment, LAFCO must undertake a preliminary review to first determine whether the activity is a project subject to CEQA. An activity is not subject to CEQA review if it (1) does not involve the exercise of discretionary powers by a government agency, (2) will not result in a direct or reasonably foreseeable indirect physical change in the environment, or (3) is not a project. (CEQA Guidelines § 15060.) A "project" for purposes of CEQA is an activity (1) that has a potential for resulting in either a direct or reasonably foreseeable indirect physical change in the environment, and (2) that (a) is directly undertaken by LAFCO, (b) is undertaken by a private person but supported in whole or in part through government grant or loan funding, or (c) involves LAFCO issuance of a lease, permit, license, or other entitlement for use. (CEQA Guidelines § 15378.) If LAFCO's preliminary review concludes that the activity is a project subject to CEQA, LAFCO next should review whether the project is exempt from CEQA. (CEQA Guidelines § 15061.) If LAFCO determines that the activity is a project and is not exempt, then it must prepare an initial study of the project and its potential impacts and, depending upon the results of the initial study, either a negative declaration or mitigated negative declaration or EIR.

A proposal to form a new special district is an activity that triggers a preliminary review under CEQA. *Fullerton Joint Union High School Dist. v. State Bd. of Education* (1982) 32 Cal.3d 779 and *Bozung v. Local Agency Formation Com.* (1975) 13 Cal.3d 263 are California Supreme Court cases holding that some LAFCO actions are subject to CEQA review. However, the facts in these cases are very different from the facts involving TWD formation. In *Fullerton*, the court concluded that the formation of a new school district required CEQA review because the facts indicated that school district formation was a first step toward the construction of a new high school and the movement of students from one school district to another, which were potential environmental effects that the school district needed to evaluate. In *Bozung*, the court ruled that LAFCO approval of an annexation of territory to a city required CEQA review because the annexation was a necessary first step in the planned development of the territory. In reaching this conclusion, the court observed: "[T]he impetus for the Bell Ranch annexation is Kaiser's desire to subdivide 677 acres of agricultural land, a project apparently destined to go nowhere

in the near future as long as the ranch remains under county jurisdiction. The city's and Kaiser's application to LAFCO shows that this agricultural land is proposed to be used for 'residential, commercial and recreational' purposes. Planning was completed, preliminary conferences with city agencies had progressed 'sufficiently' and development in the near future was anticipated." (13 Cal.3d at 281.)

Unlike the situation in *Fullerton* and *Bozung*, formation of a water district at this stage in the GSP process is not a project subject to CEQA because it is uncertain whether, when, where, and what GSP implementation actions will later be undertaken by TWD (following its formation and consideration and evaluation of the GSP menu of possible implementation actions and projects). Rather, LAFCO approval of TWD formation leaves open the issue of whether, when, where, or what actual physical change affecting the environment may ultimately take place later in the SGMA/GSP process. It therefore would be premature to conduct an environmental analysis at this stage.

A related CEQA consideration involves the proper timing of CEQA review and the need to avoid unhelpful early speculation. "Choosing the precise time for CEQA compliance involves a balancing of competing factors. EIRs and negative declarations should be prepared as early as feasible in the planning process to enable environmental considerations to influence project program and design and yet late enough to provide meaningful information for environmental assessment." (CEQA Guidelines § 15004(b).)

For example, in *Pala Band of Mission Indians v. County of San Diego* (1998) 68 Cal.App.4th 556, the county adopted a countywide waste management plan that included a siting element evaluating 10 proposed landfill sites. In finding that an EIR would be premature and its analysis speculative at the planning stage, the court reasoned, "Because the proposed potential landfill sites identified in the siting element are only 'tentatively reserved,' there is nothing in the administrative record to establish it is reasonably foreseeable at the current planning stage that any of the sites will actually be developed. ... In our view, preparation of an EIR ... at the current planning stage would be premature in that any analysis of potential environmental impacts would be wholly speculative." (*Id.* at 575-576.)

TWD formation is occurring early in the GSP planning process when the potential GSP implementation actions and projects are varied and uncertain. The draft GSP and Vina GSA materials indicate that the plan will include a menu of a wide array of options involving very different project attributes and potential environmental impacts. Preparation of an EIR at this planning stage therefore would be speculative and would not produce meaningful information that would aid LAFCO in deciding whether to form the district. Instead, detailed environmental review should be deferred until later when the GSP has been finished and adopted and GSP implementation projects and actions have been evaluated, identified, and matured into specific proposals.

TWD formation therefore should not be considered as a project subject to CEQA review. The mere formation of a water district under these facts and at this time is not a CEQA project

because the GSP is still in the planning stage, the appropriate GSP actions and projects to be implemented have not yet been identified, evaluated, or determined, and approval of district formation will not result in any reasonably foreseeable change to the environment.

Additionally, there are a few related CEQA exemptions that apply to this situation:

1. Common sense exemption. CEQA does not apply "where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment." (CEQA Guidelines § 15061(b)(3).) At the time of TWD formation, there will not be any identifiable environmental changes that are reasonably foreseeable because GSP implementation actions will be evaluated, determined, and implemented at a later stage in the SGMA/GSP process.

2. Organizational activity exemption. Similarly, CEQA defines "project" to exclude "organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment." (CEQA Guidelines § 15378(b)(5).) At this stage and as part of the planning work toward implementing groundwater regulation, LAFCO's organizational action to create a new water district is exempt because that action at this time will not result in any physical change in the environment.

3. Funding mechanism creation exemption. A principal objective for TWD formation is to create a local agency with the authority to generate local revenue through fees or assessments and fund GSP implementation projects. The creation of a government funding mechanism is not a project. (CEQA Guidelines § 15378(b)(4).)

4. Natural resource protection exemption. LAFCO approval of TWD formation is an action intended to facilitate GSP implementation and achieve groundwater sustainability, which is an action to maintain and restore the groundwater, a natural resource and a matter involving environmental protection. The activity therefore is exempt under CEQA Guidelines sections 15307 and 15308.

5. Planning study exemption. "A project involving only feasibility or planning studies for possible future actions which the agency, board, or commission has not approved, adopted, or funded does not require the preparation of an EIR or negative declaration." (CEQA Guidelines § 15262.) TWD formation is exempt under this provision because it is a GSP planning-related action that will facilitate future GSP implementation actions that LAFCO, GSA, and TWD have not yet approved, adopted, or funded.

6. SGMA exemption. SGMA contains a special CEQA exemption: "[CEQA] does not apply to the preparation and adoption of plans pursuant to this chapter. Nothing in this part shall be interpreted as exempting from [CEQA] a project that would implement actions taken pursuant to a plan adopted pursuant to this chapter." (Wat. Code § 10728.6.) This exemption distinguishes between GSP preparation and adoption (exempt) and later GSP implementing projects (not exempt). Petitioners are pursuing TWD formation concurrent with GSA

preparation of the GSP in order for the district to implement the GSP after it is adopted. Petitioners view TWD formation as an organizational activity that is part of GSP preparation and adoption. At this stage, the SGMA/GSP process is in the planning (exempt) phase and TWD formation at this stage similarly should be considered exempt. Conversely, if LAFCO were to treat TWD formation as a CEQA project and undertake detailed environmental review of potential GSP implementation actions, then the environmental analysis essentially would become an analysis of the GSP, which would be inconsistent with the SGMA exemption for GSP adoption.

TWD petitioners therefore recommend that LAFCO determine that district formation is not a project and is exempt from CEQA review at this time and under the present circumstances (which should be memorialized in the LAFCO resolution approving formation) and prepare and file a detailed CEQA notice of exemption explaining and confirming that TWD formation is not a project subject to CEQA review, that the formation is exempt from CEQA, that detailed CEQA review at this planning stage would be premature and speculative and would not provide meaningful information, and that CEQA review would be conducted later in the GSP implementation process as and when TWD identifies appropriate PMAs to be implemented.

INITIAL STUDY / ENVIRONMENTAL QUESTIONNAIRE

- 1. Applicant Name: Applicants for the formation of the Tuscan Water District; Chief petitioners--Richard McGowan, Darren Rice, Ed McLaughlin
- 2. Applicant Address: 30 Independence Circle, #300, Chico, Ca. 95973
- 3. Project Title: Formation of the Tuscan Water District. Establishment of the Tuscan Water District Sphere of Influence coterminous with District boundary
- 4. Project Location: Unincorporated area of Butte County within the Vina sub-basin and a portion of the Butte subbasin
- 5. Name, Address, Telephone Number of Contact Persons Concerning this Project: Richard McGowan, Landowner, 30 independence Court, #300, Chico, Ca. 95973
- 6. Required Agency Approvals: Butte Local Agency Formation Commission (Butte LAFCO)
- Project Description: Formation of a California Water District (Water Code Section 34000-38501) to exercise the powers of a California Water District within the proposed district boundaries in the Vina Sub-Basin and a portion of the Butte Sub-Basin
- 8. Description of Project Area:
 - a. Acreage, Williamson Act Contract Land, Prime Farmland: The Tuscan Water District ("District") will encompass 102,327 acres in the Vina sub-basin and a portion of the Butte sub-basin. Approximately 6% (six per cent) of the total acreage of the district are parcels less than 10 acres in size. There are agricultural groundwater production wells, municipal wells, and domestic well pumpers within the proposed district. The vast majority of the land area contains agricultural groundwater-irrigated and open space acreage Crops include almonds, walnuts, pistachios, prunes, plums, some row crops and rice. The balance of the land area consists of fallow land, seasonally irrigated pasture, and domestic well users on residential and semi- residential parcels. Domestic well parcels range in size of "a small city-type" residential lot in the Durham, Dayton and Nord communities to 5-to-10-acre rural farms and ranches scattered among District lands. The gross value of agricultural production is \$289,369,469 (2019).
 - b. Topography: Flat to gently rolling hills, elevation decreasing from the eastern District boundary at 198 feet above sea level to the western District boundary at 120 feet above sea level. The project area contains numerous water features: Rock Creek; Butte Creek; Big Chico Creek; Pine Creek; Mud Creek; Angel Slough; Hamlin Slough; Kieffer Slough; Western Canal; and the Sacramento River.
 - c. Major Highways/Railways: Highway 99 and Highway 32; Union Pacific Railroad.

- d. Preserves, Flora and Fauna: Within the project area there are both Federal and State Habitat Preserves. Plants and animals are those typical of orchards, pasture and grasslands, row crops, and amphibians and fish associated with local waterways.
- e. Proximity to urban clusters or centers: The eastern boundary is coterminous with the Chico corporate boundary and sphere of influence. Within this area, there are many rural residential parcels. The community of Durham, located inside of the Durham Irrigation District, has a significant number of residences and rural residential parcels. Communities of Dayton Nord also have residences and rural residential properties.
- f. Cultural and Historic Resources: There are no cultural or historic resources that project applicants are aware of, other than historic farms and communities.
- g. Existing Structures and Uses of Structures: Residences scattered throughout the project area as well as barns, sheds, and equipment storage areas for farming and ranching machinery and equipment.
- 9. Describe Surrounding Properties: The project area consists of approximately 102,327 acres which equate to nearly 160 square miles ranging from the Tehama County line on the north, to the Glenn County line on the west, to the city of Chico's western boundary on the east, to Western Canal Water District's northern boundary on the south. Much of the adjacent Glenn County area is agricultural, predominantly rice. Tehama County to the north contains orchards, rice, and pasture lands. The surrounding areas are both similar and different to the project area. There are orchards, pasture lands and open space, seasonally flooded fields for rice, and urban development within the City of Chico.
- 10. Change in Existing Features of Any Waterway, Hills, Or Substantial Alteration of Ground Contours: No, not as a result of District formation.
- 11. Change in Scenic Views or Vistas from Existing Residential Areas or Public Lands or Roads: No, not as a result of District formation.
- 12. Change in Pattern, Scale or Character of General Area of The Project Area: No, not as a result of District formation.
- 13. Generation of Significant Amounts of Litter, Waste: No, not as a result of District formation.
- 14. Change in Dust, Ash or Smoke, Fumes, or Odors in the Vicinity: No, not as a result of District formation.
- 15. Change in Lake, Stream, Groundwater Quality or Quantity, or Alteration of Existing Drainage Patterns. No, not a result of District formation.

- 16. Substantial Change in Noise or Vibration Levels in The Vicinity: No, not as a result of District formation
- 17. Site of Filled Land or Slope Of 10 percent Or More: No
- 18. Use or Disposal of Potentially Hazardous Materials, Toxic Substances, Flammable Materials or Explosives: No
- 19. Substantial Change in Demand for Municipal Services: No, no new municipal services are required.
- 20. Substantial Increase in Fossil Fuel Consumption: No, not as a result of District formation.
- 21. Relationship to A Larger Project or Projects: No, not as a result of District formation. Any future projects undertaken by the District alone or in partnership with others will be subject to further environmental review under CEQA.
- 22. Potential to Have A Growth-inducing Impact on Population or Economic Growth: No, not as result of District formation.
- 23. Reduction in Acreage of Any Agricultural Crop: No, not as a result of District formation. Farming and ranching practices may change over time due to market conditions, drought, or other factors.
- 24. Loss of Open Space Resources or Potential Impact on Adjacent Resources: No, not as a result of District formation.

CRITICAL PATH ANALYSIS & HISTORY

2014-15: Sustainable Groundwater Management Act (SGMA) passed by the California State Legislature and Implementing legislation incorporated into the Public Resources Code regarding Groundwater Sustainability Agencies (GSAs) and Groundwater Sustainability Plans (GSPs)

2015-16: Butte County, potential agencies that can elect to become GSA's along with farmers, ranchers and domestic pumpers begin to meet to address the requirements of SGMA. Groundwater dependent farmers and ranchers (groundwater pumpers) in the Vina and a portion of the Butte sub-basin, in what SGMA defines as "white areas", those areas un-served by a local agency that can elect to become a GSA, begin meeting with Butte County staff to determine the best path forward to plan for reaching a sustainable yield of groundwater by the following State mandated deadlines:

- June 30, 2017 Local groundwater sustainability agencies (GSAs) must be formed
- January 22, 2020, GSPs must be completed in all other high- and medium priority basins not currently in overdraft
- January 31, 2020, Groundwater sustainability plans (GSPs) must be completed for basins in a critical condition of overdraft
- Twenty years after the adoption of the GSP (2040 or 2042)—all high and medium priority basins must achieve sustainability

2017-18: Formal organization to achieve the path forward, include:

- Step 1: Formal organization of the Agricultural Groundwater Users of Butte County (AGUBC) as a 501C (6), non-profit Agricultural Association to have formal standing and a voice in the SGMA discussion
- Step 2: Formal recognition of the AGUBC by the Butte County Board of Supervisors in a Memorandum of Understanding pledging mutual cooperation and assistance to achieve common goals
- Step 3: Groundwater pumpers request and receive representation in the governance structure on the Vina sub-basin JPA board with the appointment of one of their membership to the agricultural stakeholder seat
- Step 4: Voluntary funding is solicited from AGUBC membership as "seed money" to hire Counsel and Consultants to investigate and analyze if any existing public agency in the sub-basin can meet groundwater pumper needs on a basin-wide basis. They would also work with Butte County and the Butte County GSA's to plan for and have the power to import and deliver surface water within the Vina sub-basin to achieve sustainability by the target goals
- Step 5: Consultants and Counsel are retained to analyze existing Vina sub-basin local agencies with the ability to deliver surface water to determine if any, or a combination of agencies, can provide the level, range and basin-wide services and representation to meet groundwater pumper needs and work collaboratively with Butte County. The conclusion, no such agency exists and the best option for moving forward, is the

formation of a California Water District, which is a landowner-based special district to serve as much of the Vina sub-basin (and parts of the Butte basin) as possible

- Step 6: Meetings continue to occur with Butte County, and County staff agrees the formation of a California Water District, on a broad land base, could provide the necessary local agency, that would not only provide representation for groundwater pumpers, but could have the power to import surface water to the proposed district service area. This will help to achieve a sustainable yield of groundwater in the subbasin
- Step 7: The Board of Supervisors considers the recommendation to take the lead in the formation of the Tuscan Water District
- Mid 2019: Landowners decide to move forward with the Tuscan Water District with landowner petition, rather than the County initiating the process. This avenue allows applicants to better control the application by proposing terms, conditions, boundaries, revenue strategies, etc. consistent with their need and plans for future district management and operation
- December 2019: Petition drive is initiated with landowners in the proposed District service area, and within 90 days, 75 landowners, representing 56,429.89 acres have signed petitions requesting formation of the Tuscan Water District
- May 2020: Petition #1 initially deemed to be sufficient by LAFCO Executive Officer
- July 2020: Petition challenged on the grounds that signatures do not reflect status of owners
- July 2020: Applicants voluntarily agree to withdraw petition and recirculate
- February 2021: Applicants recirculate petition and submit Petition #2 for certification
- April 2021: Butte County LAFCO Executive Officer certifies petition #2 as sufficient
- June 2021: District Formation Application is submitted

LAFCO Actions following submittal of completed formal Application and tentative timeline:

- June September 2021:
 - LAFCO Executive Officer review of formal Application and deems completed or incomplete. Executive Officer may require additional clarification and/or additional information.
 - Executive Officer prepares Analysis of the proposal with recommendation to approve with or without condition or modification, the proposed formation of the new district.
 - Initial notice of public hearing before the Local Agency Formation Commission.
- Tentative hearing dates may occur between October and December 2021.
- If approved by Butte LAFCO, the Executive Officer will forward to the Butte County Board of Supervisors, January-March 2022, a resolution approving formation of the Tuscan Water District, including terms and conditions of the formation, and request the Board of Supervisors to direct the Butte County Clerk to set a date for landowner election on the formation of the Tuscan Water District

- Election Process (mail ballot/mail ballot in-person election) and timing determined by Butte County in accordance with California Government, Water and Elections Codes.
- If district formation is approved by landowner voters, the District Board will be sworn in and the District will become fully operational once all of the required notifications and filings are made with required local agencies.

IMPACT OF AGRICULTURE WITHIN THE TUSCAN WATER DISTRICT ON THE LOCAL ECONOMY

The Vina and Butte subbasins, because of the location of the Tuscan Water District service area which includes most of the subbasin, contributes significantly to the local economy of Butte County, certainly the cities of Chico, Gridley and Oroville. Within the proposed 160 square mile California Water District lies the heart of the agricultural economy of Butte County. Based upon 2019 data from the "Butte County 2019 Crop Report" prepared by the Butte County Department of Agriculture and Weights and Measures, important crops within the proposed District contributing to the local economy include:

Commodity 2019	County Acres	TWD Acres	% Acres in TWD	Petitioner Acres	Petitioners % of TWD	Countywide \$ Value 2019	TWD \$ Share	TWD % Value
Almond	38,940.76	33,612.28	86%	20,468.77	61%	140,698,904	121,446,293	86%
Field Crop	4,417.91	2,525.95	57%	1,421.73	56%	7,650,345	4,374,102	57%
Grape	143.38	2.98	2%	0.00	0%	0	0	#DIV/01
Organic	7,853.52	833.94	11%	200.33	24%	30,145,653	3,201,070	11%
Other*	32,160.16	3,717.02	12%	1,438.99	39%	1,950,000	225,378	12%
Peach	1,512.27	8.98	1%	0.00	0%	10,995,831	65,294	1%
Pecan**	201.81	139.48	69%	113.79	82%	5,513,640	3,810,725	69%
Pistachio	911.96	727.22	80%	602.08	83%	3,096,600	2,469,307	80%
Prune	8,414.51	3,817.26	45%	2,575.96	67%	24,850,000	11,273,254	45%
Rice	99,719.72	8,624.70	9%	6,772.52	79%	166,060,830	14,362,504	9%
Row Crop***	2,077.68	379.24	18%	109.73	29%	1,723,471	314,586	18%
Walnut	53,859.53	32,132.30	60%	18,782.85	58%	214,261,031	127,826,955	60%
TOTAL	250,213.21	86,521.35	35%	52,486.75	61%	606,946,305	289,369,469	48%

*I used "Pasture, Other" category \$ value, crop report p10 for this, since crop permit shapefile said uncultivated land, etc

**I used fruit and nut crops miscellaneous \$ Value for Pecens p 9 of Crop report

*** I used the "Vegetable" \$ Value for row crops p.11 of crop report

Pink areas in dollar value are the products explicitly valued in the Crop report that correlated with the GIS shapefile. Value totals don't match the crop report because the GIS shapefile does not have specifics about other crops, including rangeland and many miscellaneous crops.

The multiplier effect of the value of the crops noted above is roughly 2.0 times the direct value of crops produced through indirect and induced impacts. The indirect and induced effect of the crops includes: wages for farm workers and domestic help, money to pay for doctors, dentists, attorneys, accountants, bookkeepers, and other professionals and non-professionals; dollars spent within the local communities for food and clothing, automobiles and trucks and farm equipment and products.

Butte County also benefits from property taxes generated, sales taxes generated on local spending, gasoline taxes for road maintenance and repair.

FREQUENTLY ASKED QUESTIONS

Why is the Tuscan Water District being proposed?

There is no basin-wide water district in the Vina and a portion of the Butte sub-basins providing a range of water services, including acting as a water purveyor with the power of recharge, the ability to plan for and implement projects to help the sub-basin achieve sustainability, or working in concert with Butte County and Butte County Groundwater Sustainability Agencies (GSAs) to develop a Groundwater Sustainability Plan (GSP) for the "white" or un-served areas of these two subbasins.

There are also no other local agencies providing basin-wide surface water delivery and recharge, and local basin-wide representation, or planning for and implementing water projects on a basin-wide basis.

The proposed Tuscan Water District would fill these voids.

What is the process to form the Tuscan Water District?

The process to form any special district in California is a long, complicated and expensive process. Landowner voter districts are particularly difficult to form as a majority of holders of interest (50 percent plus one acre) need to both initiate the process by landowner petition, if no affected agency is willing to do so by resolution, and, if approved by the local LAFCO, vote to approve the formation of the district by majority of holders of interest voting on district formation.

The steps to form the Tuscan Water District generally require:

- (1) Initiation by landowner-voter petition or resolution of application.
- (2) Preparation of a metes and bounds legal description and accompanying map.
- (3) Submitting a completed Application Packet, which, in addition to the above noted initiating document, includes a map and legal description approved by the State Board of Equalization, a Plan of Services, hypothetical first and three to five year revenue and expenditure data based upon the Plan of Services, Proposal Justification, and appropriate environmental analysis.
- (4) Acceptance of the required documents by the local LAFCO Executive Officer, triggering a timeline for his/her review and preparation of a report and recommendation on the need, advisability, and financial feasibility of the proposed district.
- (5) LAFCO may then, by majority vote, approve with or without conditions or modifications the formation of the district subject to both protest hearing and landowner-voter election, or disapproval of the proposal.
- (6) This entire LAFCO review, hearing and election process can potentially take 12-18 months to complete, with this time adding on to the "front end" of the process

Are there any issues that may be addressed as "Conditions of District Formation?"

Yes. The following issues can be addressed by LAFCO imposing conditions to Tuscan Water District's formation:

- **Representation**: number of directors; organization by division (creating divisions of nearly equal size) and/or at-large board seats following provisions in the California Water District law prior to a general election of directors.
- Landowner vote: a successful vote of affected landowners pursuant to the California Water Code and simultaneous approval of a revenue proposal capable of funding initial activities of the district. The action may also establish a provisional appropriations limit based upon anticipated revenue of the district.
- Surface water delivery: at the time the Vina Groundwater Sustainability Agency (GSA) establishes a Groundwater Sustainability Plan (GSP), Tuscan Water District will act in a manner consistent with the GSP and its goals in reaching sustainability, including importing and making available surface water to agricultural and rural residential properties to recharge the aquifer and supplement groundwater use in the Vina and a portion of the Butte sub-basins.
- Assessment of district lands: in voting for district formation and selecting directors, landowners will also be asked to approve a district-wide assessment not to exceed \$10 per acre for initial district setup, including administration and operation, possibly recouping district formation expenses, and initial participation in the Vina GSA to begin to achieve sustainability within district boundaries. After district formation, future assessments will be subject to Proposition 218 requirements, as applicable, including Engineer's Report, Capital Improvement Needs Assessment, Facilities Financing Plan, and appropriate environmental review and approval of landowners.

Are there any surface water supplies potentially available to Tuscan Water District?

Yes. These include: Table A Settlement Contract Water (terms of use), Paradise Irrigation District (Camp Fire excess water), Sacramento River and Butte Creek water, Excess Water from other Local Purveyors.

Why is formation of the Tuscan Water District important for Butte County?

The Vina and a portion of the Butte sub-basins have experienced overdraft. The County began monitoring the overdraft over 20 years ago. The proposed Tuscan Water District service area is not served by a basin-wide water purveyor capable of working with Butte County and the local GSAs to plan for and achieve sustainable water use. If the district is not formed, the problem becomes the County's and the GSAs' to solve.

What is Tuscan Water District's economic impact to the Butte County economy?

Many proponents of the Tuscan Water District formation contribute significantly to the local economy not only in terms of value of crops produced, but in terms of property and sales tax generated by the value of their lands as well as their spending in the community. The 2017 value of 5 key crops produced in the proposed Tuscan Water District service area was estimated to be approximately \$290,000,000. The economic impact of those crops is not a single factor.

In addition to direct impacts, there are indirect and induced impacts as well. For example, every \$10,000,000 of tree nut production results in the following impacts to Butte County:

- Total industry output (excluding income) of approximately \$15.4 million, and
- Income of \$6.1 million (employee compensation and proprietor's income).

These total an annual output of \$21.5 million and 132 total jobs generated.

The 2018 assessed value of Tuscan Water District lands has been estimated to be \$1.4 billion, which translates into significant revenue to support Butte County government and other local services.

What are the key differences between California Water Districts, Irrigation Districts, Reclamation Districts, Mutual Water Companies, Investor-Owned Utilities, and Groundwater Sustainability Agencies?

Currently, there are over 300 California Water Districts in the state. Typically, water districts have been formed in agricultural areas needing irrigation water for several reasons: they can develop and import surface water for irrigation; they are landowner-voter districts meaning landowner-voters, not registered voters, form, manage and operate the districts; and the landowner-voters have the ability to assess district lands with landowner approval. Water districts may have 5 to 11 directors, elected "at large" and/or by "division." Water districts have experienced a resurgence in interest since 2014 when SGMA was enacted because of their organization, powers, purpose, and authority. California Water Districts are formed and operated pursuant to Water Code Section 34000 and following, codified in 1951.

Irrigation Districts are also independent, special districts and are formed under Water Code Section 20500. Their primary purpose is also water purveyance, but they also have other powers as well.

Mutual Water Companies are formed by landowners but are not "public" agencies. They are private, not for profit companies organized under Corporations Code Section 14300. They have the power to provide water for both domestic and agricultural uses. Historically, they have been formed in areas without public water systems in place. The Board of Directors are locally selected landowners; however, there is no political accountability or local public (County, City or LAFCO) oversight. The Department of Corporations and Division of Drinking Water of the

State of California have the only significant role in Mutual Water Company oversight and regulation.

Investor owned Utilities in California are for-profit corporations regulated by the California Public Utility Commission (PUC). Typically, they provide municipal and industrial water service and natural gas in franchise areas approved by the California PUC. The two Investor Owned Utilities providing service in Butte County are California Water Service Company (Cal Water, Chico) and Pacific Gas and Electric Company (PGE). Rate setting, utility charges, and service area expansion are not subject to local oversight. Cal Water, Chico has come under criticism in the past in the Oroville and Chico areas; likewise, PGE is under scrutiny and currently involved in lawsuits and facing possible insolvency because of wildland fires in California.

Reclamation Districts are normally formed by landowners in territory subject to seasonal or regular inundation of water due to creek and river flooding and/or to provide agricultural drainage services both in agricultural and urban areas. The primary purpose of a reclamation district is to reclaim and protect property by managing the watershed with the construction of levees, dams and other facilities to protect property. They are formed and regulated under Water Code Section 50000. Authorized powers include local control and drainage, building levees, canals and dams, and water purveyance.

Groundwater Sustainability Agencies (GSAs) are public agencies required as part of SGMA. Any local public agency that has water supply, water management, or land use responsibilities, and overlies a groundwater basin may become a GSA (Water Code Sections 10721(n) and 10723(a).) This includes cities, counties and some special districts which may elect to become a GSA. The authority of a GSA is focused on providing a framework to develop a Groundwater Sustainability Plan (GSP) which will help to attain sustainability in the basin or sub-basin which it applies to, not necessarily purvey water.

Why should the Tuscan Water District cover the entire "White Area" or un-served area of the Vina and Butte sub-basins including domestic pumper, RCRD, WCWD SOI, Durham and Dayton MWCs, and Cal Water acreage?

If areas are removed from the proposed Tuscan Water District service area, those areas will be unable to participate in the benefits the district will bring to district lands such as local public agency control and oversight, surface water availability and strategic recharge in needed areas, as well as a formal voice in SGMA discussions. Those responsibilities will fall to the County, except in Rock Creek.

However, there is one other important reason why Tuscan Water District should cover Rock Creek -- it does not provide water service and would need to petition the Butte LAFCO for the power, provide a plan of services and figure out adequate financing to deliver water to district lands. More importantly, a majority of landowners in the Rock Creek service area (81%), and sphere of influence for Rock Creek west of highway 99 (50%), have signed the petitions in support of the Tuscan Water District formation and want the benefit of local representation and the services that could be offered. With respect to the Western Canal sphere of influence, a majority of landowners (79%) within that sphere of influence have signed petitions to be in the Tuscan Water District service area. In addition, as of the date of filing the application for the Tuscan Water District formation, Western Canal has chosen not to annex these lands to provide opportunities to bring surface water to this area as it has for other territories within the Western Canal Water District.

Does the overlay of the Tuscan Water District affect the sovereignty, purpose, current service authority, or assessment ability of any of these agencies?

No. Rock Creek and Western Canal will continue to carry on as they have since the day they were approved for formation.

Rock Creek directors will continue to set flood control and reclamation policy, assess district lands and function as a GSA within the district service area. Moreover, the overlay of the Tuscan Water District of the Rock Creek sphere of influence will not prevent Rock Creek from annexing the area for reclamation purposes.

Western Canal will continue to exercise all power and authority within its service area. With respect to the sphere of influence, it has no power to provide service in this area unless the area is annexed to the district. A sphere of influence is simply a future possible service area based upon landowner or resident desire, need and capability of the local agency to provide such service. Mutual Water Companies are not public agencies and the overlay of the Tuscan Water District will not affect their ability to provide water to their shareholders. They must maintain their corporate status and be in good standing with the Secretary of State with appropriate annual filings and current with the IRS and FTB to stay in business. With respect to the overlay of the Tuscan Water District and the portion of the Cal Water, Chico, no water service is provided by Cal Water, Chico in this area as the land is groundwater dependent. The overlay of local government is not out of the ordinary. In fact, it is the norm when those agencies are formed for and provide different services. Cities overlay portions of special districts, and special districts overlay cities. Large special districts may overlay counties or multiple counties. In rural and urban areas, special districts are stacked one upon the other. In rural areas, one might find volunteer fire districts, a park district, cemetery district, reclamation district, and resource conservation district sharing all or part of the same service area.

APPENDIX

LAFCO Exhibit 1 – Certified copies of the Resolution of Application or Petition for Change of Organization – submitted separately LAFCO Exhibit 2a - Vicinity Map – see Project Maps above LAFCO Exhibit 2B - Exterior Boundary Map – see Project Maps above LAFCO Exhibit 2c - Project Applicant Acreage Map – see Project Maps above

LAFCO Exhibit 3a – Legal Description – submitted separately

LAFCO Exhibit 3b – Metes & Bounds Description

Methods and Reasoning Statement for the Proponents of the Proposed Tuscan Water District Boundary Legal Description and Boundary Map Exhibit

Prepared 04/28/2021 by Lester E. Carter Jr., PLS No. 6148 Cell: 805-503-3632 Email: lester.carter@psomas.com

Due to the unique nature of the subject metes and bounds description that I have prepared to comply with the State Board of Equalization requirements, the following narrative is provided to serve as the "Methods and Reasoning Statement" for the procedures applied in the development of the Legal Description and Boundary Map Exhibit for the Proponents of the Proposed Tuscan Water District Boundary:

The basis of bearings for the legal description is: "The geo-referenced cadastral landbase as registered to record 'ties and calls' to the Public Land Survey System (PLSS), Caltrans Right-of-Way (ROW), existing adjacent district boundaries, Record Maps, Grant Deeds and existing improvements and lines of occupation where no other record information was available to plot the subject boundary". The referencing ties and callouts made therein to the PLSS, Caltrans ROW, Record Maps and Deed Corners are clearly noted in the full metes and bounds description.

The record geometry for the Proposed Tuscan Water District Boundary ("Bearing, Distances and curve data where applicable") was based on the PLSS Survey, Caltrans ROW, Record Maps and Deeds was constrained to the PLSS Township line on the North, the westerly Caltrans Highway 99 ROW on the East and the northerly boundary of the Canal Water Districts existing boundary on the south. The geometry of the interior boundaries was also created from similar record information and geo-referenced to existing improvements and lines of occupation such as existing roadways, streets, water boundaries and historical fence lines.

The legal description and the attached Exhibit B Drawing are based primarily on the available land records and ground evidence observed from available aerial ortho imagery. No field surveying was performed. The legal description and attached Exhibit A do not represent a Record of Survey as defined in Section 8762 of the California Business and Professions Code ("Land Surveyors Act"). All distances described in the subject legal description are ground distances in U.S. Survey Feet and decimals thereof. The Caltrans Right of Way Maps, other Record Maps and Deeds referenced herein using other measurement units, such as the Caltrans ROW Maps in metric units and deed descriptions described in "chains", were converted to U.S. Survey Feet.

End - "Methods and Reasoning" Statement

Lester E. Carter Jr., CA. LS No 6148

4/28/2021 Date



LAFCO Exhibit 4 – Copies of the complete Environmental Documentation – see CEQA Section

LAFCO Exhibit 5 – Tax Exchange Agreement – not applicable

LAFCO Exhibit 6 – List of all affected property owners – submitted separately

LAFCO Exhibit 7 – Public Notice requirements mailing list – submitted separately

LAFCO Exhibit 8 – Letters of Support – Attached below and at

www.tuscanwaterdistrict.com/support



SUPPORT FOR TUSCAN WATER DISTRICT

More than 75 local family farms have supported formation of the Tuscan Water District through a financial contribution and by signing the initial LAFCO landowner petition. In addition, the following organizations and individuals have provided letters of support.

California Farm Bureau Federation Butte County Farm Bureau Congressman Doug LaMalfa Assemblyman James Gallagher Rock Creek Reclamation District Durham Irrigation District Western Canal Water District Richvale Irrigation District Paradise Irrigation District Monroeville Water District Northern California Water Association Family Water Alliance

> **M&T Ranch** C.F. Koehnen & Sons, Inc **Sanders Family Trust Dog Creek Cellars Carrier Farms Ginochio Associates** A&G Orchards Hengst Orchards, Inc **Almont Orchards, Inc** Willadsen Orchards, Inc **Parsly Farms C&C** Ranches **Merlo Farms Slightom Orchards** 2DSD LLC **S&S** Enterprises **Meline Orchards** Fortier & Sons, Inc **Sohnrey and Son Family Farms Amator Orchards Rice & Sons, Inc** Lyle Livingston

> > (Partial List)



4/06/2020

To Whom It May Concern:

The California Farm Bureau Federation (CFBF) works to protect family farms and ranches on behalf of nearly 34,000 members statewide and as part of a nationwide network of nearly 5.6 million Farm Bureau members. I am writing this letter on behalf of the members we represent in Butte County. CFBF strongly supports their efforts in the formation of the Tuscan Water District. The formation of the Tuscan Water District would strengthen and better allow groundwater pumpers in Butte County a more organized pathway to groundwater sustainability and management.

In 2014, the Sustainable Groundwater Management Act (SGMA) was signed into law, with a framework for the management and use of groundwater without causing undesirable results on groundwater basins. To accomplish this, SGMA outlined a path by which local jurisdictions would create Sustainable Groundwater Management Plans, that would be approved by the State, and implemented and managed through means including development of local infrastructure.

The Tuscan Water District, a California Water District when approved, would be comprised of 95,000 acres from the Tehama County line south to the northern border of the Western Canal Water District in the Durham area.

Upon signing SGMA into law, Governor Brown stated that "groundwater management in California is best accomplished locally." Unfortunately, unlike the many surface water districts who already have well run local governance, agricultural and domestic groundwater users in many outlying areas were not in a legal position to represent themselves as an organized body to achieve SGMA compliance. As a result, many California groundwater users were left to be represented by the SGMA-defined catchall, the County. Many county governments, however, themselves lack, not only financial resources and institutional structures to effectively managed groundwater, but also the direct interest and motivation of affected pumpers and private landowners to devise tailored solutions to the needs of a targeted portion of a basin. The formation of the Tuscan Water District will ensure that groundwater users are at the table and part of the discussion and decision-making process for Butte County's groundwater future, and that they are also able to act nimbly and efficiently in pursuing the best possible management options for their own uniquely local challenges.

The Tuscan Water District would be governed by a Board of Directors, all of whom will be landowners and/or landowner representatives from within the district's boundary. All landowners will have an opportunity to participate in the governance process – small and large landowners, domestic and agricultural pumpers. Moreover, as SGMA requires, the District would coordinate closely with all other portions of the larger basin of which they are a part, to comply with the law and achieve the basin's longterm sustainability goals.

The new district would directly serve users and residents of the area, to whom it would be directly accountable. The district would remain engaged with the County of Butte and undergo the county's local

LAFCO process as part of its formation. As a GSA, the new district would enjoy the legal powers and privileges of other districts, including the ability to acquire water, to contract, to apply for and obtain water rights, to issue regulations, to assess fees, to require reporting and monitoring, to operate systems, and to finance and incur debt in connection with the local infrastructure needs of the area—all necessary tools in the toolkit of any local area to effectively meet the challenge of long-term, sustainable management under SGMA.

For all these reasons, consistent with SGMA's strong affirmation of responsible local management, the California Farm Bureau Federation extends its full support in favor the proposed Tuscan Water District formation.

Sincerely,

amie Blumme

JAMIE JOHANSSON President



March 31, 2020

RE: Support for the formation of the Tuscan Water District

To whom it may concern:

The Butte County Farm Bureau recommends, without reservation, the formation of the Tuscan Water District to allow groundwater pumpers in Butte County an organized pathway to groundwater sustainability and management.

In 2014, the Sustainable Groundwater Management Act (SGMA) was signed into law, with a framework for the management and use of groundwater without causing undesirable results on groundwater basins. To accomplish this, SGMA outlined a path by which local jurisdictions would create Sustainable Groundwater Management Plans, that would be approved by the State, and implemented and managed by local infrastructure.

The Tuscan Water District, a California Water District when approved, would be comprised of 95,000 acres from the Tehama County line south to the northern border of the Western Canal Water District in the Durham area.

Why do we need the Tuscan Water District? There is currently no water district in the Vina basin that can manage the area it covers in its entirety. A district is necessary to oversee and maintain groundwater resources, provide representation of the landowners and coordinate water services such as future infrastructure projects to move surface water into the basin.

Opponents would argue that Butte County is better suited to fulfill the basin oversight role. The County has already noted that they are not interested in water delivery to the basin area to support recharge. While a plan for sustainability has not been finalized, allowing Butte County to oversee the basin management will almost certainly limit opportunities for recharge which is a priority solution option in seeking basin sustainability.

The Tuscan Water District would be governed by a Board of Directors, all of whom will be landowners and/or landowner representatives from within the district's boundary. All landowners will have an opportunity to participate in the governance process – small and large landowners, domestic and agricultural pumpers. Governor Brown boasted when he signed SGMA into law that "groundwater management in California is best accomplished locally." Unfortunately for a county like Butte, our agricultural and domestic groundwater users, whom would be most impacted by SGMA, were not in a legal position to represent themselves as an organized body, like the many surface water districts who already have well run local governance. The groundwater users were left to represented by the SGMA defined catchall, the County. The Tuscan Water District will ensure that groundwater users are at the table and part of the discussion and decision-making process for Butte County's groundwater future.

We have heard from Butte County's groundwater users, many of whom are our Butte County Farm Bureau members, and the overwhelming message from these landowners is they want the Tuscan Water District to be their representative. That is why the Butte County Farm Bureau offers this letter of endorsement, with unanimous support from the Board of Directors of our 103-year-old organization.

The agricultural economy is the backbone of Butte County's economy. As we have done for well over 200 years, and quite successfully, agriculture looks forward to the continued conscientious use of our natural resources, the ability to protect our local landscape, ensure jobs for North State residents and continue to raise generations of our families in Butte County. The Tuscan Water District will meet the need for local oversight and ensure that the users of the groundwater resource have the ability to be part of the solution making process.

Respectfully,

Lee Heringer President

DOUG LAMALFA

1st District, Cauponna committee on addiculture

COMMITTEE ON TRANSPORTATION AND REPRASTRUCTURE

Congress of the United States

House of Representatives Washington, DC 20515-0501

May 5, 2021

Steven Lucas, Executive Officer Local Agency Formation Commission 1453 Downer St., Ste. C Oroville, CA 95966

Re: Tuscan Water District

Dear Mr. Lucas:

California is facing huge problems due to the past and current drought conditions. Lack of water is having major impacts, including an earlier fire season, but also real shortages for agricultural operations. Our North State farms provide food to the world, employment for thousands of families and habitat for countless animals. The lack of water will have devastating impacts on our way of life and economy. Now, more than ever, it is so important we effectively manage our surface and groundwater resources. It is vitally necessary we manage this precious resource by building more water storage, providing conveyance methods from these storage facilities and managing our surface and groundwater while taking into consideration the entire region.

Water districts are an effective means to properly manage these resources by providing representation and the resources required to effectivley manage the surface and groundwater in their perspective district. The inter-coordination with other adjacent water districts is also key to a successful and sustainable plan. The Tuscan Water District, a California Water District when approved, would act as an effective tool to provide the necessary representation for currently over 57,000 acres of agriculture land as well as many domestic water users contained within the proposed district's 112,000 acres.

The proposed Tuscan Water District would provide representation for landowners in the Vina basin. A district is necessary to oversee and maintain groundwater resources, provide representation and coordinate water services such as future infrastructure projects to move surface water into the basin.

The proposed Tuscan Water District has briefed me on their goals for the new district and how it will be operated. Based on said briefing I understand it would be governed by a Board of Directors, all of whom would be landowners and/or landowner representatives from within the district's boundary. All landowners will have an opportunity to participate in the governance process including small and large landowners, domestic and agricultural groundwater pumpers.

When the Sustainable Groudwater Management Act (SGMA) was signed into law, State lawmakers advertised groundwater management in California is best accomplished locally. That is exactly what the Tuscan Water District will accomplish, local representation. As a strong

PRINTED ON RECYLLED PAPER

чазнялон остост 322 Самон Ноле Сетск Видоча Washington, DC 20515 Тя.: (202) 225-0076 Fax: (202) 226-0852

> CHEOD DISTNCT OFFICE: 120 INCLEMENTER CIRCLE State B CHEOD, CA 95973 Tra: (530) 343-1000 FAX: (530) 343-0240

РЕССИВ DISTRET OFFICE: 2885 CHURS CREEK ROAD SUITE C PRECEND, CA 95002 Tex: (530) 223-5898 Fax: (530) 223-5897

AU60/W EISTRICT OFFICE: 2399 Rickemacker War Augune CA, 95002 Tel: (530) 878-5035 Fax: (530) 878-5037

htp themalia house gov

advocate for local governance, I am confident the Tuscan Water District will ensure groundwater users are at the table and part of the discussion and decision-making process for Butte County's groundwater future.

It is my pleasure to have this opportunity to share this information with the Local Agency Formation Commission and provide my support for the formation of the Tuscan Water District. Please feel free to direct any questions to my staff, Laura Page, Senior Advisor, at <u>laura.page@mail.house.gov</u> or 530-343-1000.

Sincerely,

La Mafe

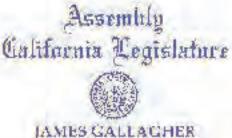
Doug LaMalfa Member of Congress

67475 GAPITTUL Dir F(18) 872945 590-4718 ALO CA 82245-005 (814) 179-845 (814) 179-845 (814) 199-65 3 9-6100

th Mail Associative vertice is a larger of a source by baryou

April 27, 2020

To Wisen It May Concern:



ASSENAR YMETAREP THURF, DISTRICT

DISTRICT OFFICES SNOV & CENTER ROLL RVARD SHI CH I YUUN O' K CA 95904 1530, 671 (202 Fax (5.9/15/1-5.50)

2093 TH RETT THIVE, SUITE 1 UFICO CA 3008 (550) 50%9/10 TAK (0.0] 850/4819

I support the formation of the Tuscan Water District. The proposed Tuscan Water District, becoming a California Water District when approved, will be comprised of 95,000 acres from the Teleanta County fine to the northern border of the Western Canal Water District in Durham. Formation of this district will better allow groundwater pumpers in Butte County to support the sustainability and management of our groundwater resources.

In 2014, the Sustairable Groundwater Management Act (SGMA) was signed into law, providing a framework. for the local management of groundwater to provide for the overall sustainability of groundwater basins. To accompt shiths, SGMA outlined a path by which local jurisdictions would create Sustainable Groundwater Management Plans, approved by the State, and implemented and managed locally.

The Tuscan Water District will be a valuable part of groundwater management because currently there is no water district in the Vinn basin that can manage the step it covers in its entirely. A district is necessary to oversee and maintain groundwater resources, provide representation of the landowners, and coordinate water projects and usage throughout the basin. A Board of Directors made up of landowners and/or landowner representatives from within the district's houndary will govern the District. All groundwater-using landowners – small and large, doueshie and agricultural – with have representation in this governance process.

Butte County is not best suited to provide the necessary oversight and stokeholder representation. The County has already noted it is not interested in undertaking this endeavor. Even though a nian for sustainability has per been finalized, a lowing Butte County to oversee the basin management will likely hum opportunities for infrastructure improvements necessary to provide sustainability and cilute the overall representation of the stakeholders can elect their own representation would seem to be the best form of gavernance.

When SGMA was signed into law, Governor Brown boasted that "groundwater management in California is bust accomplished locally." The Tuscan Water District will ensure that groundwater users in the Vina basin are able to dujust that hy providing an organized, representative body that can effectively manage their precions groundwater resource and participate in the decision-making process for Butte County's groundwater finare.

Our region, which is largely agricultural in nature, has long been a responsible steward of our land, water and natural resources. The Tuscan Water District will continue this legacy and holp must the management meets of our local groundwater resources. I would respectfully ask that you give their application the atmost consideration.

Sincercly,

bill.

Jaines Gallagher Assemblymember, Third District

Histopian Residica Paper



Accordingly, the Rock Creek RD offers its support for the formation of the Tuscan WD subject to the following understandings and principles:

- Tuscan WD will not perform any service currently performed by Rock Creek RD.
- Rock Creek GSA will retain its autonomy to develop, adopt, and implement its GSP within its boundaries. Tuscan may, however, participate in the development and implementation of Rock Creek GSA's GSP.
- Tuscan WD will, subject to an agreement with Rock Creek WD, cooperate with the Rock Creek GSA in the pursuit of management actions and projects identified in Rock Creek GSA's GSP.

Please feel free to contact me if you have any questions or wish to discuss this matter.

Very truly yours,

Hal Crain, Chairman

Chairman



VIA FIRST CLASS MAIL

111 8 H /

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

Re: Formation of Tuscan Water District

Dear Mr. Lucas:

At the March 17, 2020 meeting of the Board of Directors of Durham Irrigation District, representatives of the Agricultural Groundwater Users of Butte County, including Rich McGowan, Darren Rice, and Ed McLaughlin, discussed the intended formation of the Tuscan Water District and the reasons therefor and the benefits thereof. Their presentation was well organized and persuasive. They requested the District's support of their efforts.

On behalf of the Board, I wish to inform you of our conceptual support for the formation of the Tuscan Water District. As we well know, under the Sustainable Groundwater Management Act (SGMA) it is imperative that groundwater users within the sub-basin whose lands are not within existing water or irrigation districts have the means to manage and protect their groundwater resources and through the district provide water services to themselves and their neighbors.

Durham Irrigation District does this for its landowners and residents. It is a member of the Vina Subbasin Joint Powers Agency and in such capacity, is working closely with the County of Butte and the City of Chico, the other parties to the JPA, in developing a Groundwater Sustainability Plan for these purposes.

We therefore support localized control over sustainability efforts and see the formation of the Tuscan Water District as an effort to protect the groundwater resources upon which landowners and residents within the proposed District are dependent. Our support, however, is conceptual at this time, as the particulars of the proposed District remain incomplete. We will follow carefully proceedings before Butte LAFCo for the formation of the District and trust as they are fleshed out publicly, we may be able to fully support such.

We look forward to participating in the LAFCo process concerning formation of the Tuscan-Water District.

Thank > Matt Dovle, Chair

ce: Richard McGowan

DIRECTORS

GREG JOHNSON ERIC LARRABEE BRYCE LUNDBERG DANIEL ROBINSON JOSH SHEPPARD



OFFICERS TED TRIMBLE GENERAL MANAGER & SECRETARY

ATTORNEY DUSTIN COOPER MINIASIAN LAW FIRM

April 6, 2020

To Whom It May Concern:

The Western Canal Water District (WCWD) supports the concept of the formation of the Tuscan Water District. WCWD applauds the foresight of landowners wishing to take a more active role in managing their water resources. Indeed, WCWD formed back in 1984 for similar purposes when it acquired the water rights and conveyance system from Pacific Gas & Electric Co.

We look forward to reviewing the application for formation through the Butte County Local Agency Formation Commission.

Sincerely,

Ted Trimble, General Manager



Paradise Irrigation District

6332 Clark Rd, Paradise, CA 95969 · 530-877-4971 · Fax: 530-876-0483 · www.pidwater.com

August 20, 2020

Mr. Steve Lucas Butte County Local Agency Formation Commission 1453 Downer Street, Suite C Oroville, California 95965

Dear Mr. Lucas:

At the August 19, 2020 meeting of the Board of Directors of Paradise Irrigation District, representatives of the Agriculture Groundwater Users of Butte County, including Rich McGowan, Nicole Johansson, and Tovey Giezentanner, discussed the proposed formation of the Tuscan Water District and requested a letter of support of their efforts.

On behalf of the Board, please accept our support for the concept of forming the proposed Tuscan Water District. Under the Sustainable Groundwater Management Act (SGMA) it is imperative that groundwater users within the sub-basin, whose lands are not with an existing water or irrigation district, have the means to manage and protect their groundwater resources for all beneficial uses of water.

Paradise Irrigation District (PID) was formed for this community's control over water resources in 1916. PID's founding landowners were able to raise funds to build water storage and conveyance facilities to allow farming and home and business development to occur and flourish. PID supports efforts to enhance local control over public resources, such as groundwater.

PID thus supports the concept of the proposed Tuscan Water District. PID will review the eventual formation application for Tuscan Water District and plans on following the proceedings before Butte LAFCo. PID looks forward to participating in the LAFCo process and offering further comments concerning the proposed formation once an application is made public and the hearing process commences.

Respectfully,

1, Oil larca

Marc Sulik President of the Board

Our water. Our future.

Monroeville Water District

109 N Marshall Ave Willows, CA 95988

April 6, 2020

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

Dear Mr. Lucas,

On behalf of the Monroeville Water District, we offer our strong support for formation of the Tuscan Water District.

The Monroeville Water District is a recently formed water district in Glenn County, which has sustainable groundwater management as its principal purpose.

Like the Monroeville Water District, the Tuscan Water District is an effort by local groundwater dependent landowners to actively participate in sustainable groundwater management, which is precisely the sort of active involvement it will take from all of us, in order for us to successfully manage and preserve groundwater in our region for future generations.

As fellow farmers, ranchers, and residents in the Northern Sacramento Valley, we support the Tuscan Water District's goals of managing and coordinating the beneficial use of ground and surface water.

As neighbors to our east, the Tuscan Water District aims to fill a gap in ground and surface water management in the region, and in doing so, will work to preserve the life and livelihood of future generations in the Sacramento Valley.

We strongly support its formation. Please do not hesitate to contact us if you have any questions, or if we can be of any assistance in the formation of this proposed district.

Thank you for your time and attention to this matter.

Sincerely,

Julia iolich

Director

Richard Whyler Director



To advance the economic, social and environmental sustainability of Northern California by enhancing and preserving the water rights, supplies and water quality.

May 7, 2021

Mr. Stephen Lucas Executive Officer Butte County Local Agency Formation Commission 1453 Downer Street, Suite C Oroville, California 95965

Dear Mr. Lucas:

On behalf of the Northern California Water Association (NCWA), we support the formation of the proposed Tuscan Water District in the Vina Sub-Basin in Butte County.

NCWA represents the water suppliers and local governments throughout the Sacramento Valley as shown on the attached map. We fully respect the ability for landowners to organize special districts and pool their collective resources to more effectively manage both surface and groundwater resources. For more than one-hundred years, landowners in the Sacramento Valley have formed various water districts and companies throughout the region. These local districts and companies now ensure water is available for the area of origin, including reliable and affordable supplies for cities and rural communities, farms and ranches, refuges and wildlife management areas, fisheries and recreation. Importantly, without these local districts and companies and their ability to effectively manage and use water within the region for these multiple benefits, the water in Butte County and the Sacramento Valley flows south and leaves the region.

With the passage of the Sustainable Groundwater Management Act (SGMA) and the efforts to sustainably manage groundwater resources throughout the region, there is also value for groundwater users whose lands are not within existing water districts to have the means to manage and protect their groundwater resources, as well as provide water services to themselves and their neighbors. The Tuscan Water District would be a helpful step to achieving groundwater sustainability in the Vina Sub-basin.

In sum, the formation of the Tuscan Water District will further the collective efforts by other water districts in the region to protect and sustainably manage our precious water supplies for both our economy and the environment in Northern California—both now and for future generations. In this process, we encourage the Tuscan Water District to work closely and collaboratively with other special districts in Butte County and avoid overlapping jurisdictions with respect to water resources.

Please let us know if you have any questions or we can provide further details on the value of water districts in Northern California.

Sincerely yours,

David J. Guy President



Family Water Alliance

(530) 438-2026 Fax: (530) 438-2940 E-mail; fwa⊜frontiernet.net

'Every Day is Earth Day on the Farm' July 30, 2020

P. O. Box 365, Maxwell, California 95955

Mr. Steve Lucas Butte County Local Agency Formation Commission 1453 Downer Street, Suite C Oroville, California 95965

Dear Mr. Lucas:

Family Water Alliance, Inc.(FWA), is writing to extend their full support of the formation of the proposed Tuscan Water District in the Vina Sub-Basin of Butte County.

FWA is a non profit 501c3, that works to educate people about the importance of family farms, to protect private property and water rights. For three decades FWA has been at the forefront of the protection of family farms.

The proposed Tuscan Water District will fill a void – there is no basin-wide water district in the Vina and a portion of the Butte sub-basins with the ability to plan for and implement programs to help the sub-basin achieve sustainability. Butte County has historically stated that it will not form any type of County agency with the power to deliver and recharge water within the proposed Tuscan Water District service area. Furthermore, the other basin-wide agency, the Vina Groundwater Sustainability Agency, has as its primary purpose the development and adoption of a Groundwater Sustainability Plan by 2022 to comply with the Sustainability Groundwater Management Act.

When SGMA was signed into law, Governor Brown stated that "groundwater management in California is best accomplished locally." The Tuscan Water District will ensure that we are able to do just that by providing an organized, representative body that can effectively manage our precious groundwater resource and participate in the decision-making process for Butte County's groundwater future.

The formation of the Tuscan Water District will preserve and protect our water and ensure that rural lifestyles and generations of the local farmers will continue.

We appreciate your consideration and would respectfully request that you process this application as quickly as possible.

Sincerely,

Johannes Lauwerijssen President, Family Water Alliance

M & T GHICO BANCH + 3964 CHICO RIVER BOAD + CHICO + CALIFORNIA 95928 + (530) 342-2954 + FAX (530) 342-4138



Richard McGowan Butte Groundwater Users Association 75 Declaration Drive #11 Chico, CA 85926 March 18, 2020

Dear Richard.

This is being written to express the M&T Ranch's support for the formation of the Tuscan Water District in Butte County. The new water district will be M&T's neighbor on both our east side as well as our north side and we feel its formation will benefit not only this ranch but formers from all over Butte County as well.

Thank you for all your and your Board's time and effort in accomplishing this task. It will prove very beneficial to farmers and ranchers and Butte County in the future. We note (AFCO is able to process your application as quickly as is possible.

Yours truly,

Les Heringer Manager, M&T Ranch





June 22, 2020

Mr. Steve Lucas Butte County Local Agency Formation Commission 1453 Downer Street, Suite C Oroville, California 95965

Dear Mr. Lucas:

On behalf of C.F. Koehnen & Sons, Inc., representing 670 acres within the boundaries of the conceptualized Tuscan Water District, I am writing to extend my full support of the formation of the proposed Tuscan Water District in the Vina Sub-Basin of Butte County.

Our farm is located North and South Butte County and has been an integral part of the agricultural economy in Butte County for four generations.

The proposed Tuscan Water District will fill a void – there is no basin-wide water district in the Vina and a portion of the Butte sub-basins with the ability to plan for and implement programs to help the subbasin achieve sustainability. Butte County has historically stated that it will not form any type of County agency with the power to deliver and recharge water within the proposed Tuscan Water District service area. Furthermore, the other basin-wide agency, the Vina Groundwater Sustainability Agency, has as its primary purpose the development and adoption of a Groundwater Sustainability Plan by 2022 to comply with the Sustainability Groundwater Management Act.

When SGMA was signed into law, Governor Brown boasted that "groundwater management in California is best accomplished locally." The Tuscan Water District will ensure that we are able to do just that by providing an organized, representative body that can effectively manage our precious groundwater resource and participate in the decision-making process for Butte County's groundwater future.

The formation of the Tuscan Water District will preserve and protect our water and ensure that rural lifestyles and generations of the local farmers will continue.

We appreciate your consideration and would respectfully request that you process this application as quickly as possible.

Respectfully,

humly Kalam

Michael Koehnen President

July 22, 2020

Mr. Steve Lucas Butte County Local Agency Formation Commission 1453 Downer Street, Suite C Oroville, California 95965

Dear Mr. Lucas:

On behalf of the Sanders Family Trust, representing 90.01 acres within the boundaries of the conceptualized Tuscan Water District, I am writing to extend my full support of the formation of the proposed Tuscan Water District in the Vina Sub-Basin of Butte County.

Our farm is located at O Cana Pine Creek Road and has been an integral part of the agricultural economy in Butte County for at least 100 years.

The proposed Tuscan Water District will fill a void - there is no basin-wide water district in the Vina and a portion of the Butte sub-basins with the ability to plan for and implement programs to help the sub-basin achieve sustainability. Butte County has historically stated that it will not form any type of County agency with the power to deliver and recharge water within the proposed Tuscan Water District service area. Furthermore, the other basin-wide agency, the Vina Groundwater Sustainability Agency, has as its primary purpose the development and adoption of a Groundwater Sustainability Plan by 2022 to comply with the Sustainability Groundwater Management Act.

When SGMA was signed into law, Governor Brown boasted that "groundwater management in California is best accomplished locally." The Tuscan Water District will ensure that we are able to do just that by providing an organized, representative body that can effectively manage our precious groundwater resource and participate in the decision-making process for Butte County's groundwater future.

The formation of the Tuscan Water District will preserve and protect our water and ensure that rural lifestyles and generations of the local farmers will continue.

We appreciate your consideration and would respectfully request that you process this application as quickly as possible.

Saudes

Howard Sanders.

Eilene Sanders, TTE

Date: 7/15/2020

Mr. Steve Lucas Butte County Local Agency Formation Commission 1453 Downer Street, Suite C Oroville, California 95965

Dear Mr. Lucas:

On behalf of Cline Organics DBA Dog Creek Cellars representing 5 acres within the boundaries of the conceptualized Tuscan Water District, I am writing to extend my full support of the formation of the proposed Tuscan Water District in the Vina Sub-Basin of Butte County.

Our farm is located in Durham and has been an integral part of the agricultural economy in Butte County for since 1988

The proposed Tuscan Water District will fill a void – there is no basin-wide water district in the Vina and a portion of the Butte sub-basins with the ability to plan for and implement programs to help the sub-basin achieve sustainability. Butte County has historically stated that it will not form any type of County agency with the power to deliver and recharge water within the proposed Tuscan Water District service area. Furthermore, the other basin-wide agency, the Vina Groundwater Sustainability Agency, has as its primary purpose the development and adoption of a Groundwater Sustainability Plan by 2022 to comply with the Sustainability Groundwater Management Act.

When SGMA was signed into law, Governor Brown boasted that "groundwater management in California is best accomplished locally." The Tuscan Water District will ensure that we are able to do just that by providing an organized, representative body that can effectively manage our precious groundwater resource and participate in the decision-making process for Butte County's groundwater future.

The formation of the Tuscan Water District will preserve and protect our water and ensure that rural lifestyles and generations of the local farmers will continue.

We appreciate your consideration and would respectfully request that you process this application as quickly as possible.

Respectfully,

Neal Cline, Owner RN, BSN, JD, CFRN, certified Enologist, Vinecultualist

Dear Mr. Lucas:

On behalf of <u>CARCERE FARME</u>, representing <u>C7D</u> acres within the boundaries of the conceptualized Tuscan Water District, I am writing to extend my full support of the formation of the proposed Tuscan Water District in the Vina Sub-Basin of Butte County.

Our farm is located TMILE HAVE & GRAINIAN Ko and has been an integral part of the agricultural economy in Butte County for ______ generations.

The proposed Tuscan Water District will fill a void – there is no basin-wide water district in the Vina and a portion of the Butte sub-basins with the ability to plan for and implement programs to help the sub-basin achieve sustainability. Butte County has historically stated that it will not form any type of County agency with the power to deliver and recharge water within the proposed Tuscan Water District service area. Furthermore, the other basin-wide agency, the Vina Groundwater Sustainability Agency, has as its primary purpose the development and adoption of a Groundwater Sustainability Plan by 2022 to comply with the Sustainability Groundwater Management Act.

When SGMA was signed into law, Governor Brown boasted that "groundwater management in California is best accomplished locally." The Tuscan Water District will ensure that we are able to do just that by providing an organized, representative body that can effectively manage our precious groundwater resource and participate in the decision-making process for Butte County's groundwater future.

The formation of the Tuscan Water District will preserve and protect our water and ensure that rural lifestyles and generations of the local farmers will continue. We appreciate your consideration and would respectfully request that you process this application as quickly as possible.

Respectfully,

U ENDS PARTNER.

Name/Title

July, 16, 2020

Mr. Steve Lucas Butte County Local Agency Formation Commission 1453 Downer Street, Suite C Oroville, California 95965

Dear Mr. Lucas:

On behalf of Ronald and Sally Ginochio/Ginochio Associates, representing approximately 180 acres within the boundaries of the conceptualized Tuscan Water District, I am writing to extend my full support of the formation of the proposed Tuscan Water District in the Vina Sub-Basin of Butte County.

Our orchards are located in Butte County (Cana Hwy, Bennett Rd, and, Hamilton Nord Cana Hwy) and have been an integral part of the agricultural economy in Butte County for 20+ years.

The proposed Tuscan Water District will fill a void – there is no basin-wide water district in the Vina and a portion of the Butte sub-basins with the ability to plan for and implement programs to help the sub-basin achieve sustainability. Butte County has historically stated that it will not form any type of County agency with the power to deliver and recharge water within the proposed Tuscan Water District service area. Furthermore, the other basin-wide agency, the Vina Groundwater Sustainability Agency, has as its primary purpose the development and adoption of a Groundwater Sustainability Plan by 2022 to comply with the Sustainability Groundwater Management Act.

When SGMA was signed into law, Governor Brown boasted that "groundwater management in California is best accomplished locally." The Tuscan Water District will ensure that we are able to do just that by providing an organized, representative body that can effectively manage our precious groundwater resource and participate in the decision-making process for Butte County's groundwater future.

The formation of the Tuscan Water District will preserve and protect our water and ensure that rural lifestyles and generations of the local farmers will continue.

We appreciate your consideration and would respectfully request that you process this application as quickly as possible.

Respectfully,

Ronald Ginochio, 6401 Cana Hwy, Chico, CA 95973 Grower/Owner



July 16, 2020

Mr. Steve Lucas Butte County Local Agency Formation Commission 1453 Downer Street, Suite C Oroville, California 95965

Dear Mr. Lucas:

On behalf of A&G Orchards LLC, representing 725 acres within the boundaries of the conceptualized Tuscan Water District, I am writing to extend my full support of the formation of the proposed Tuscan Water District in the Vina Sub-Basin of Butte County.

Our farm is located Durham, California and has been an integral part of the agricultural economy in Butte County for 50+ years.

The proposed Tuscan Water District will fill a void – there is no basin-wide water district in the Vina and a portion of the Butte sub-basins with the ability to plan for and implement programs to help the sub-basin achieve sustainability. Butte County has historically stated that it will not form any type of County agency with the power to deliver and recharge water within the proposed Tuscan Water District service area. Furthermore, the other basin-wide agency, the Vina Groundwater Sustainability Agency, has as its primary purpose the development and adoption of a Groundwater Sustainability Plan by 2022 to comply with the Sustainability Groundwater Management Act.

When SGMA was signed into law, Governor Brown boasted that !groundwater management in California is best accomplished locally." The Tuscan Water District will ensure that we are able to do just that by providing an organized, representative body that can effectively manage our precious groundwater resource and participate in the decision-making process for Butte County's groundwater future.

The formation of the Tuscan Water District will preserve and protect our water and ensure that rural lifestyles and generations of the local farmers will continue.

We appreciate your consideration and would respectfully request that you process this application as quickly as possible.

Respectfully,

aber

Patrick Andersen, Owner

!"'!#\$%&'()*\$+',-.\$/0&1,2.\$3,*45'&64,\$!7!89\$

Dear Mr. Lucas:

On behalf of <u>Hengst</u> Orcho.ds Free <u>500</u> acres within the boundaries of the conceptualized Tuscan Water District, I am writing to extend my full support of the formation of the proposed Tuscan Water District in the Vina Sub-Basin of Butte County.

Our farm is located <u>E. Child</u> and has been an integral part of the agricultural economy in Butte County for <u>Y</u> generations.

The proposed Tuscan Water District will fill a void – there is no basin-wide water district in the Vina and a portion of the Butte sub-basins with the ability to plan for and implement programs to help the sub-basin achieve sustainability. Butte County has historically stated that it will not form any type of County agency with the power to deliver and recharge water within the proposed Tuscan Water District service area. Furthermore, the other basin-wide agency, the Vina Groundwater Sustainability Agency, has as its primary purpose the development and adoption of a Groundwater Sustainability Plan by 2022 to comply with the Sustainability Groundwater Management Act.

When SGMA was signed into law, Governor Brown boasted that "groundwater management in California is best accomplished locally." The Tuscan Water District will ensure that we are able to do just that by providing an organized, representative body that can effectively manage our precious groundwater resource and participate in the decision-making process for Butte County's groundwater future.

The formation of the Tuscan Water District will preserve and protect our water and ensure that rural lifestyles and generations of the local farmers will continue. We appreciate your consideration and would respectfully request that you process this application as quickly as possible.

Respectfully,

Tack Hengst - Pris

Name/Title

Dear Mr. Lucas:

On behalf of ALMONT ORCHARDS, JAK, representing 1200 acres within the boundaries of the conceptualized Tuscan Water District, I am writing to extend my full support of the formation of the proposed Tuscan Water District in the Vina Sub-Basin of Butte County.

Our farm is located IN LURHAM and has been an integral part of the agricultural economy in Butte County for _____ generations

The proposed Tuscan Water District will fill a void - there is no basin-wide water district in the Vina and a portion of the Butte sub-basins with the ability to plan for and implement programs to help the sub-basin achieve sustainability. Butte County has historically stated that it will not form any type of County agency with the power to deliver and recharge water within the proposed Tuscan Water District service area. Furthermore, the other basia-wide agency, the Vina Groundwater Sustainability Agency, has as its primary purpose the development and adoption of a Groundwater Sustainability Plan by 2022 to comply with the Sustainability Groundwater Management Act.

When SGMA was signed into law, Governor Brown boasted that "groundwater management in California is best accomplished locally." The Tuscan Water District will ensure that we are able to do just that by providing an organized, representative body that can effectively manage our precious groundwater resource and participate in the decision-making process for Butte County's groundwater future.

The formation of the Tuscan Water District will preserve and protect our water and ensure that rural lifestyles and generations of the local farmers will continue. We appreciate your consideration and would respectfully request that you process this application as quickly as possible.

Respectfully.

RESIDEN

MONTGOMER

Dear Mr. Lucas:

On behalf of Willad sen Orchards Ingepresenting 890 acres within the boundaries of the conceptualized Tuscan Water District, I am writing to extend my full support of the formation of the proposed Tuscan Water District in the Vina Sub-Basin of Butte County.

Our farm is located <u>East of Durham</u> and has been an integral part of the agricultural economy in Butte County for <u>23</u> generations.

The proposed Tuscan Water District will fill a void - there is no basin-wide water district m the Vina and a portion of the Butte sub-basins with the ability to plan for and implement programs to help the sub-basin achieve sustainability. Butte County has historically stated that it will not form any type of County agency with the power to deliver and recharge water within the proposed Tuscan Water District service area. Furthermore, the other basin-wide agency, the Vina Groundwater Sustainability Agency, has as its primary purpose the development and adoption of a Groundwater Sustainability Plan by 2022 to comply with the Sustainability Groundwater Management Act.

When SGMA was signed into law, Governor Brown boasted that "groundwater management in California is best accomplished locally." The Tuscan Water District will ensure that we are able to do just that by providing an organized, representative body that can effectively manage our precious groundwater resource and participate in the decision-making process for Butte County's groundwater future.

The formation of the Tuscan Water District will preserve and protect our water and ensure that rural lifestyles and generations of the local farmers will continue. We appreciate your consideration and would respectfully request that you process this application as quickly as possible.

Respectfully.

Larry Willedson \$ 105.

Dear Mr. Lucas:

On behalf of <u>Havs Have</u>, representing <u>352.75</u> acres within the boundaries of the conceptualized Tuscan Water District, I am writing to extend my full support of the formation of the proposed Tuscan Water District in the Vina Sub-Basin of Butte County.

Our farm is located <u>628 Bennett</u> and has been an integral part of the agricultural economy in Butte County for <u>generations</u>.

The proposed Tuscan Water District will fill a void – there is no basin-wide water district in the Vina and a portion of the Butte sub-basins with the ability to plan for and implement programs to help the sub-basin achieve sustainability. Butte County has historically stated that it will not form any type of County agency with the power to deliver and recharge water within the proposed Tuscan Water District service area. Furthermore, the other basin-wide agency, the Vina Groundwater Sustainability Agency, has as its primary purpose the development and adoption of a Groundwater Sustainability Plan by 2022 to comply with the Sustainability Groundwater Management Act.

When SGMA was signed into law, Governor Brown boasted that "groundwater management in California is best accomplished locally." The Tuscan Water District will ensure that we are able to do just that by providing an organized, representative body that can effectively manage our precious groundwater resource and participate in the decision-making process for Butte County's groundwater future.

The formation of the Tuscan Water District will preserve and protect our water and ensure that rural lifestyles and generations of the local farmers will continue. We appreciate your consideration and would respectfully request that you process this application as quickly as possible.

Respectfully,

Name/Title

Dear Mr. Lucas:

On behalf of <u>CECEAACHES</u>, representing <u>49</u> acres within the boundaries of the conceptualized Tuscan Water District, I am writing to extend my full support of the formation of the proposed Tuscan Water District in the Vina Sub-Basin of Butte County.

Our farm is located <u>HEGAN LANE</u> CIVILO and has been an integral part of the agricultural economy in Butte County for <u>2</u> generations.

The proposed Tuscan Water District will fill a void – there is no basin-wide water district in the Vina and a portion of the Butte sub-basins with the ability to plan for and implement programs to help the sub-basin achieve sustainability. Butte County has historically stated that it will not form any type of County agency with the power to deliver and recharge water within the proposed Tuscan Water District service area. Furthermore, the other basin-wide agency, the Vina Groundwater Sustainability Agency, has as its primary purpose the development and adoption of a Groundwater Sustainability Plan by 2022 to comply with the Sustainability Groundwater Management Act.

When SGMA was signed into law, Governor Brown boasted that "groundwater management in California is best accomplished locally." The Tuscan Water District will ensure that we are able to do just that by providing an organized, representative body that can effectively manage our precious groundwater resource and participate in the decision-making process for Butte County's groundwater future.

The formation of the Tuscan Water District will preserve and protect our water and ensure that rural lifestyles and generations of the local farmers will continue. We appreciate your consideration and would respectfully request that you process this application as quickly as possible.

Respectfully.

OWNER

Dear Mr. Lucas:

On behalf of $\underline{Regist} W \underline{RR}/\underline{0}$, representing $\underline{S000}$ acres within the boundaries of the conceptualized Tuscan Water District, I am writing to extend my full support of the formation of the proposed Tuscan Water District in the Vina Sub-Basin of Butte County.

Our farm is located B. He 6lan To han and has been an integral part of the agricultural economy in Butte County for 3 generations.

The proposed Tuscan Water District will fill a void – there is no basin-wide water district in the Vina and a portion of the Butte sub-basins with the ability to plan for and implement programs to help the sub-basin achieve sustainability. Butte County has historically stated that it will not form any type of County agency with the power to deliver and recharge water within the proposed Tuscan Water District service area. Furthermore, the other basin-wide agency, the Vina Groundwater Sustainability Agency, has as its primary purpose the development and adoption of a Groundwater Sustainability Plan by 2022 to comply with the Sustainability Groundwater Management Act.

When SGMA was signed into law, Governor Brown boasted that "groundwater management in California is best accomplished locally." The Tuscan Water District will ensure that we are able to do just that by providing an organized, representative body that can effectively manage our precious groundwater resource and participate in the decision-making process for Butte County's groundwater future.

The formation of the Tuscan Water District will preserve and protect our water and ensure that rural lifestyles and generations of the local farmers will continue. We appreciate your consideration and would respectfully request that you process this application as quickly as possible.

Respectfully,

Rocy Werks

Name/Title

Dear Mr. Lucas:

On behalf of Dasc Sight representing 550 acres within the boundaries of the conceptualized Tuscan Water District, I am writing to extend my full support of the formation of the proposed Tuscan Water District in the Vina Sub-Basin of Butte County.

Our farm is located ______ and has been an integral part of the agricultural economy in Butte County for ______ generations.

The proposed Tuscan Water District will fill a void – there is no basin-wide water district in the Vina and a portion of the Butte sub-basins with the ability to plan for and implement programs to help the sub-basin achieve sustainability. Butte County has historically stated that it will not form any type of County agency with the power to deliver and recharge water within the proposed Tuscan Water District service area. Furthermore, the other basin-wide agency, the Vina Groundwater Sustainability Agency, has as its primary purpose the development and adoption of a Groundwater Sustainability Plan by 2022 to comply with the Sustainability Groundwater Management Act.

When SGMA was signed into law, Governor Brown boasted that "groundwater management in California is best accomplished locally." The Tuscan Water District will ensure that we are able to do just that by providing an organized, representative body that can effectively manage our precious groundwater resource and participate in the decision-making process for Butte County's groundwater future.

The formation of the Tuscan Water District will preserve and protect our water and ensure that rural lifestyles and generations of the local farmers will continue. We appreciate your consideration and would respectfully request that you process this application as quickly as possible.

Respectfully,

Ounder

Name/Title

Dear Mr. Lucas:

On behalf of 2DSDLLC, representing 400 acres within the boundaries of the conceptualized Tuscan Water District, I am writing to extend my full support of the formation of the proposed Tuscan Water District in the Vina Sub-Basin of Butte County.

Our farm is located Broyles Rd and has been an integral part of the agricultural economy in Butte County for 3 generations.

The proposed Tuscan Water District will fill a void – there is no basin-wide water district in the Vina and a portion of the Butte sub-basins with the ability to plan for and implement programs to help the sub-basin achieve sustainability. Butte County has historically stated that it will not form any type of County agency with the power to deliver and recharge water within the proposed Tuscan Water District service area. Furthermore, the other basin-wide agency, the Vina Groundwater Sustainability Agency, has as its primary purpose the development and adoption of a Groundwater Sustainability Plan by 2022 to comply with the Sustainability Groundwater Management Act.

When SGMA was signed into law, Governor Brown boasted that "groundwater management in California is best accomplished locally." The Tuscan Water District will ensure that we are able to do just that by providing an organized, representative body that can effectively manage our precious groundwater resource and participate in the decision-making process for Butte County's groundwater future.

The formation of the Tuscan Water District will preserve and protect our water and ensure that rural lifestyles and generations of the local farmers will continue. We appreciate your consideration and would respectfully request that you process this application as quickly as possible.

Respectfully,

p- Marks

Dear Mr. Lucas:

On behalf of <u>SiS Enforprises</u>, representing <u>374</u> acres within the boundaries of the conceptualized Tuscan Water District, I am writing to extend my full support of the formation of the proposed Tuscan Water District in the Vina Sub-Basin of Butte County.

Our farm is located ______ and has been an integral part of the agricultural economy in Butte County for _____ generations.

The proposed Tuscan Water District will fill a void – there is no basin-wide water district in the Vina and a portion of the Butte sub-basins with the ability to plan for and implement programs to help the sub-basin achieve sustainability. Butte County has historically stated that it will not form any type of County agency with the power to deliver and recharge water within the proposed Tuscan Water District service area. Furthermore, the other basin-wide agency, the Vina Groundwater Sustainability Agency, has as its primary purpose the development and adoption of a Groundwater Sustainability Plan by 2022 to comply with the Sustainability Groundwater Management Act.

When SGMA was signed into law, Governor Brown boasted that "groundwater management in California is best accomplished locally." The Tuscan Water District will ensure that we are able to do just that by providing an organized, representative body that can effectively manage our precious groundwater resource and participate in the decision-making process for Butte County's groundwater future.

The formation of the Tuscan Water District will preserve and protect our water and ensure that rural lifestyles and generations of the local farmers will continue. We appreciate your consideration and would respectfully request that you process this application as quickly as possible.

Respectfully, ALTER 1

July 24, 2020

Mr. Steve Lucas Butte County Local Agency Formation Commission 1453 Downer Street, Suite C Oroville, California 95965

Dear Mr. Lucas:

On behalf of R. C. Meline Orchards Inc., representing 285 within the boundaries of the conceptualized Tuscan Water District, I am writing to extend my full support of the formation of the proposed Tuscan Water District in the Vina Sub-Basin of Butte County.

Our farm is located one to two miles north-west of Durham and has been an integral part of the agricultural economy in Butte County for 4 generations.

The proposed Tuscan Water District will fill a void – there is no basin-wide water district in the Vina and a portion of the Butte sub-basins with the ability to plan for and implement programs to help the sub-basin achieve sustainability. Butte County has historically stated that it will not form any type of County agency with the power to deliver and recharge water within the proposed Tuscan Water District service area. Furthermore, the other basin-wide agency, the Vina Groundwater Sustainability Agency, has as its primary purpose the development and adoption of a Groundwater Sustainability Plan by 2022 to comply with the Sustainability Groundwater Management Act.

When SGMA was signed into law, Governor Brown boasted that "groundwater management in California is best accomplished locally." The Tuscan Water District will ensure that we are able to do just that by providing an organized, representative body that can effectively manage our precious groundwater resource and participate in the decision-making process for Butte County's groundwater future.

The formation of the Tuscan Water District will preserve and protect our water and ensure that rural lifestyles and generations of the local farmers will continue.

We appreciate your consideration and would respectfully request that you process this application as quickly as possible.

Respectfully,

Rondall C. Juline

Randall C. Meline, President

Dear Mr. Lucas:

On behalf of <u>Fochier and Sons</u>, <u>Inc</u>, representing <u>11007</u>, acres within the boundaries of the conceptualized Tuscan Water District, I am writing to extend my full support of the formation of the proposed Tuscan Water District in the Vina Sub-Basin of Butte County.

Our farm is located <u>9160 Aques Fries</u> Rd. and has been an integral part of the agricultural economy in Butte County for <u>4</u> generations.

The proposed Tuscan Water District will fill a void – there is no basin-wide water district in the Vina and a portion of the Butte sub-basins with the ability to plan for and implement programs to help the sub-basin achieve sustainability. Butte County has historically stated that it will not form any type of County agency with the power to deliver and recharge water within the proposed Tuscan Water District service area. Furthermore, the other basin-wide agency, the Vina Groundwater Sustainability Agency, has as its primary purpose the development and adoption of a Groundwater Sustainability Plan by 2022 to comply with the Sustainability Groundwater Management Act.

When SGMA was signed into law, Governor Brown boasted that "groundwater management in California is best accomplished locally." The Tuscan Water District will ensure that we are able to do just that by providing an organized, representative body that can effectively manage our precious groundwater resource and participate in the decision-making process for Butte County's groundwater future.

The formation of the Tuscan Water District will preserve and protect our water and ensure that rural lifestyles and generations of the local farmers will continue. We appreciate your consideration and would respectfully request that you process this application as quickly as possible.

Respectfully,

Richard Friter, VP

Name/Title

Dear Mr. Lucas:

On behalf of $\frac{56hnreftendd 50nferendd 50nferendd 500}{1500}$ acres within the boundaries of the conceptualized Tuscan Water District, I am writing to extend my full support of the formation of the proposed Tuscan Water District in the Vina Sub-Basin of Butte County.

Our farm is located <u>all over Butke Con Al</u> and has been an integral part of the agricultural economy in Butte County for <u>4</u> generations.

The proposed Tuscan Water District will fill a void – there is no basin-wide water district in the Vina and a portion of the Butte sub-basins with the ability to plan for and implement programs to help the sub-basin achieve sustainability. Butte County has historically stated that it will not form any type of County agency with the power to deliver and recharge water within the proposed Tuscan Water District service area. Furthermore, the other basin-wide agency, the Vina Groundwater Sustainability Agency, has as its primary purpose the development and adoption of a Groundwater Sustainability Plan by 2022 to comply with the Sustainability Groundwater Management Act.

When SGMA was signed into law, Governor Brown boasted that "groundwater management in California is best accomplished locally." The Tuscan Water District will ensure that we are able to do just that by providing an organized, representative body that can effectively manage our precious groundwater resource and participate in the decision-making process for Butte County's groundwater future.

The formation of the Tuscan Water District will preserve and protect our water and ensure that rural lifestyles and generations of the local farmers will continue. We appreciate your consideration and would respectfully request that you process this application as quickly as possible.

Respectfully,

ireg Schnery e workel

Name/Titlé

Dear Mr. Lucas:

On behalf of <u>Stand Amator</u> <u>Bechned</u> representing <u>File 15</u> acres within the boundaries of the conceptualized Tuscan Water District, I am writing to extend my full support of the formation of the proposed Tuscan Water District in the Vina Sub-Basin of Butte County.

Our farm is located ______ and has been an integral part of the agricultural economy in Butte County for ______ generations.

The proposed Tuscan Water District will fill a void – there is no basin-wide water district in the Vina and a portion of the Butte sub-basins with the ability to plan for and implement programs to help the sub-basin achieve sustainability. Butte County has historically stated that it will not form any type of County agency with the power to deliver and recharge water within the proposed Tuscan Water District service area. Furthermore, the other basin-wide agency, the Vina Groundwater Sustainability Agency, has as its primary purpose the development and adoption of a Groundwater Sustainability Plan by 2022 to comply with the Sustainability Groundwater Management Act.

When SGMA was signed into law, Governor Brown boasted that "groundwater management in California is best accomplished locally." The Tuscan Water District will ensure that we are able to do just that by providing an organized, representative body that can effectively manage our precious groundwater resource and participate in the decision-making process for Butte County's groundwater future.

The formation of the Tuscan Water District will preserve and protect our water and ensure that rural lifestyles and generations of the local farmers will continue. We appreciate your consideration and would respectfully request that you process this application as quickly as possible.

Respectfully

Dear Mr. Lucas:

On behalf of Rice and Son Inc, representing 195 acres within the boundaries of the conceptualized Tuscan Water District, I am writing to extend my full support of the formation of the proposed Tuscan Water District in the Vina Sub-Basia of Butte County.

Our farm is located on Anita Rot Day Tow Area and has been an integral part of the agricultural economy in Butte County for <u>Y</u> generations.

The proposed Tuscan Water District will fill a void - there is no basin-wide water district in the Vina and a portion of the Butte sub-basins with the ability to plan for and implement programs to help the sub-basin achieve sustainability. Butte County has historically stated that it will not form any type of County agency with the power to deliver and recharge water within the proposed Tuscan Water District service area. Furthermore, the other basin-wide agency, the Vina Groundwater Sustainability Agency, has as its primary purpose the development and adoption of a Groundwater Sustainability Plan by 2022 to comply with the Sustainability Groundwater Management Act.

When SGMA was signed into law, Governor Brown boasted that "groundwater management in California is best accomplished locally." The Tuscan Water District will ensure that we are able to do just that by providing an organized, representative body that can effectively manage our precious groundwater resource and participate in the decision-making process for Butte County's groundwater future.

The formation of the Tuscan Water District will preserve and protect our water and ensure that rural lifestyles and generations of the local farmers will continue. We appreciate your consideration and would respectfully request that you process this application as quickly as possible.

Respectfully,

ma Rice President

Name/Title

Dear Mr. Lucas:

On behalf of <u>Lyke Kinnesston</u>, representing <u>10</u> acres within the boundaries of the conceptualized Tuscan Water District, I am writing to extend my full support of the formation of the proposed Tuscan Water District in the Vina Sub-Basin of Butte County.

Our farm is located 14061 Ham, Han - Nord - Cana Huy and has been an integral part of the agricultural economy in Butte County for _____ generations.

The proposed Tuscan Water District will fill a void – there is no basin-wide water district in the Vina and a portion of the Butte sub-basins with the ability to plan for and implement programs to help the sub-basin achieve sustainability. Butte County has historically stated that it will not form any type of County agency with the power to deliver and recharge water within the proposed Tuscan Water District service area. Furthermore, the other basin-wide agency, the Vina Groundwater Sustainability Agency, has as its primary purpose the development and adoption of a Groundwater Sustainability Plan by 2022 to comply with the Sustainability Groundwater Management Act.

When SGMA was signed into law, Governor Brown boasted that "groundwater management in California is best accomplished locally." The Tuscan Water District will ensure that we are able to do just that by providing an organized, representative body that can effectively manage our precious groundwater resource and participate in the decision-making process for Butte County's groundwater future.

The formation of the Tuscan Water District will preserve and protect our water and ensure that rural lifestyles and generations of the local farmers will continue. We appreciate your consideration and would respectfully request that you process this application as quickly as possible.

Respectfully, umer

Name/Tide

Comments from:

Local Agencies Farm Groups Public Agency Interest Groups

Butte Local Agency Formation Commission Request for Comments Form

Departmental Report

BUTTE COUNTY ELECTIONS – Attn: Keaton Denlay Date: June 30, 2021 LAFCo File: 21-06 - Tuscan Water District Formation

APN(s): Various

Return by: July 15, 2021

IF NO COMMENTS OR COMMUNICATIONS ARE RECEIVED BY THE RETURN DATE, THE ASSUMPTION WILL BE MADE THAT YOUR AGENCY HAS NO COMMENTS

The Butte Local Agency Formation Commission has received an application for a district formation for the project listed above. See attached application and map(s).

Please write your comments below:

- 1. Number or registered voters in the area: rough estimate: 8,000
- 2. Number or Valid signatures on petition (if attached): N/A
- 3. Will this proposal affect precinct boundaries or the conduct of elections? Yes: O No: O If yes, please explain:

The Butte County Clerk-Recorder does not conduct elections for landowner districts.

4. Recommendations to LAFCO: None.

Prepared by: Keaton Denlay

Date: June 30, 2021



Butte County Board of Supervisors

25 County Center Drive, Suite 200 Oroville, California 95965

T: 530.552.3300 F: 530.538.7120

www.buttecounty.net/administration

Members of the Board Bill Connelly | Debra Lucero | Tami Ritter | Tod Kimmelshue | Doug Teeter

September 28, 2021

Mr. Stephen Lucas, Executive Officer Butte Local Agency Formation Commission 1453 Downer Street, Suite C Oroville, CA 95969

Dear Mr. Lucas,

The Butte County Board of Supervisors is responding to the Butte Local Agency Formation Commission's (LAFCo) request for comments regarding the Tuscan Water District (TWD) Formation. The Board would like to express support for the formation of the new district given that conditions are placed by LAFCo on its formation to address concerns identified by the County. Reponses to questions posed by LAFCo are attached to this letter in the comment form provided as Exhibit A.

Discussion by the Butte County Water Commission and public input have identified the following concerns:

- Representation within the district and its voting structure allows power of decision-making to reside with large landowners. There is great concern regarding future harm and cost burden to small landowners within the district.
- 2. Activities and projects of the TWD may include out-of-subbasin water transfers
- 3. Potential privatization of the aquifer by activities and projects of the district
- 4. Projects pursued by the district could have huge financial and environmental impacts on landowners, the County as a whole, or other entities within the County

Butte County believes the formation of the TWD will help the overall management of water resources in the region by filling a current gap in water resource management in the County. To help address the concerns expressed above, the County supports the following conditions being placed on the formation of the TWD:

- 1. Any water imported into the District will remain in the district. Such a condition developed by LAFCo should address concerns related to water transfers.
- 2. Projects and Programs conducted by the district must be consistent with Projects and Management Actions or Implementation activities as described in the relevant Groundwater Sustainability Plan in the Vina or Butte Subbasin. Such a condition should help address concerns regarding representation and harm to small landowners due to large landowners dominating the decisions and actions of the district.

Butte County, through the work of the Department of Water and Resource Conservation and the Water Commission, has historically conducted monitoring and studies and worked cooperatively with other local agencies to manage and preserve the water resources within the County. The County intends to work constructively, cooperatively, and collaboratively with the TWD, should it be formed, to ensure water resources are sustainably managed and protected for the benefit of our local communities, economy, and environment.

Sincerely,

.

Biel Cornelly

Bill Connelly, Chair Butte County Board of Supervisors

EXHIBIT A



Butte Local Agency Formation Commission

Request for Comments Form

To: Butte County Board of Supervisors/Butte County Water Commission c/o Kelly Peterson Sent via email to: kpeterson@buttecounty.net

From: Stephen Lucas, Executive Officer

LAFCo Project File: 21-06 – Tuscan Water District Formation APN(s): Various (see map)

Date Mailed: June 30, 2021

Requested Return Date: July 15, 2021 - All comments will be accepted regardless

IF NO COMMENTS OR COMMUNICATIONS ARE RECEIVED BY THE RETURN DATE, THE ASSUMPTION WILL BE MADE THAT YOUR AGENCY HAS NO COMMENTS.

The Butte Local Agency Formation Commission has received an application (*attached*) for the formation of a California Water District (Water Code 34000) which is a landowner voter district, initiated through a landowner petition and to be called the Tuscan Water District (TWD).

The proposed TWD is to be approximately 102,237 acres in size and contains 3,136 individual parcels that are primarily used for agricultural production. The purpose of the TWD is to organize the landowners into a public agency with the overarching purpose of working cooperatively with the County of Butte, Butte County Water Commission, Vina, Butte and Rock Creek Reclamation District Groundwater Sustainability Agencies (GSA's) and other state and local agencies in the development of Groundwater Sustainability Plans (GSP) for the Vina and Butte sub-basins that will ensure adequate water is available to continue the existing agricultural uses of the affected land. The proposed TWD is initially focused on developing its organizational/administrative capacity that will allow it to provide meaningful representation to its landowners as the process of developing groundwater sustainability plans is completed. The proposed TWD has presented no plans to develop or implement any particular projects, facilities or infrastructure and any such ideas would require great speculation at this time and would ultimately be determined by the yet to be developed groundwater sustainability plans.

The Butte LAFCo requests your agency respond to the following questions/inquiries and welcomes all comments your agency believes are relevant to the Commission's deliberations.

1. What affect, if any, will this proposal have on the operations and functions of your agency?

The Butte County Department of Water and Resource Conservation has historically conducted monitoring and studies and worked cooperatively with other local agencies to manage and preserve the water resources within the County. Butte County intends to continue in this role consistent with Resolution 17-170 to "work constructively, cooperatively, and collaboratively" with the Tuscan Water District, should they be formed.

2. Does your agency believe the formation of the proposed TWD will help or hinder the overall management of surface irrigation water and groundwater resources within Butte County and the region?

Butto County betwee the formation of the TWD will help the overall management of water resources in the region by filing a current gap in water resource management in the County. The County betwees conditions placed on the TWD by LAFCo can adequately address concerns that have been reised. Butto County supports the following conditions placed on the TWD by LAFCo can adequately address concerns that have been reised. 1. Any water imported into the District wail remain in the district. Such a condition developed by LAFCo should address concerns related to water transfers. 2. Projects and Programs conducted by the district must be consistent with Projects and Management Actions or Implementation activities as described in the relevant Groundwater Sustainability Plan in the Vina or Butts Subhasin. Such a condition should help address concerns regarding representation and harm to small londowners due to large landowners dominating the decisions and actions of the district.

3. Should the TWD be approved and formed, would your agency be willing to enter into cooperative agreements or studies with the TWD to examine methods of maintaining or enhancing local water supplies?

The County will work constructively, cooperatively, and collaboratively with the TWD should they be formed and would be willing to enter into cooperative agreements or studies with the TWD to examine methods of maintaining or enhancing local water supplies.

4. Would you agree or disagree, that the proposed formation of the TWD would be a threat to the overall agricultural water supply in Butte County or otherwise compromise the ability of existing local water agencies to protect the current water supply available to the residents and irrigation water users in Butte County?

- Builds County has the following concorns: 1. The TWO will participate in out-of-subbasin writer transfers 2. Potential physicitation of the equifor by activities and projects of the district 3. Representation within the district and vehicle districtions that above power of decision-matching to reside with longe tandowners, Cancorn regarding harm and cost be 3. Representation within the district and vehicle districtions that above power of decision-matching to reside with longe tandowners, Cancorn regarding harm and cost be 3. Projects persued by the district cost of here huge financial and environmental impacts on Landowners, the County as a whole, or other environmental impacts on Landowners, the County other environmental environmental impacts on Landowners, the County of the district cost of here huge financial and environmental impacts on Landowners, the County of the district cost of here huge financial and environmental impacts on Landowners, the County of the district cost of here huge financial and environmental impacts on Landowners, the County of the district cost of here huge financial and environmental impacts on Landowners, the County as a whole, or other environmental environmental impacts on Landowners, the County of the district cost of here huge financial and environmental impacts on Landowners, the County of the environmental environmentation environmental environmental environmentation environmental environmental environmentation environmentatio
- Buito County oncourages LAFCe to place conditions on the TWD to address these concerns and believes such conditions would adequately address these concerns. Therefore, the TWD would not be a threat to the overall water supply in Build County.

5. Other comments:

The Butte County Board of Supervisors supports the formation of the TWD, with conditions.

Additionally, the Board recommends the western boundary of the TWD align with the defined Butte-Glenn County boundary, not the Sacramento River. The Vina GSA boundary is defined by the County boundary as well so this will maintain consistency whereby the TWD would be fully within Butte County and the Vina subbasin along its western boundary.

Christina Buck, Interim Director

Date: 9/14/2021

Prepared by:



Butte Local Agency Formation Commission

Request for Comments Form

To: Butte County Farm Bureau

From: Stephen Lucas, Executive Officer

LAFCo Project File: 21-06 - Tuscan Water District Formation APN: Various (See map)

Date Mailed: June 30, 2021

Requested Return Date: July 15, 2021

IF NO COMMENTS OR COMMUNICATIONS ARE RECEIVED BY THE RETURN DATE. THE ASSUMPTION WILL BE MADE THAT YOUR AGENCY HAS NO COMMENTS.

The Butte Local Agency Formation Commission has received an application for a district formation as listed below. Application with map(s) are included for each proposal for your review.

Please write your comments below:

To whom it may concern:

The Butte County Farm Bureau recommends, without reservation, the formation of the Tuscan Water District to allow groundwater pumpers in Butte County an organized pathway to groundwater sustainability and management.

We have heard from Butte County's groundwater users, many of whom are our Butte County Farm Bureau members, and the overwhelming message from these landowners is they want the Tuscan Water District to be their representative.

Prepared by: Colleen Cecil

Date:07/16/2021

Butte County Resource Conservation District 150 Chuck Yeager Way, Suite A Oroville, CA 95965

September 17, 2021



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

Re: Comments Request on LAFCo File No. 21-06- Formation of Tuscan Water District

Dear Steve,

Thank you for your outreach to the Butte County Resource Conservation District (BCRCD) for comment about the Formation of the Tuscan Water District (TWD). I presented the request for comment to our Board of Directors at the September 16, 2021 meeting for review.

The BCRCD Directors recognize the importance of Groundwater Sustainability Plan process but had no comment into relation to the formation of the TWD. Given the current mission and limited capacity of BCRCD our Directors and staff do not feel our district is in a position to take on a broader realm of water resources and groundwater management at this time. However, it is possible that BCRCD would have an interest in working with TWD to implement conservation projects as part of the Vina and Butte sub basins GSP that increase water supply, decrease groundwater dependence, reduce groundwater demand, and support habitat improvement.

Thank you again for the opportunity to comment and we look forward to continuing our work to protect, enhance, and support Butte County natural resources and agriculture by working with willing landowners and citizens through, education, land management, and on the ground projects.

Sincerely,

Thad Walker.

Thad Walker District Manager, BCRCD



Butte Local Agency Formation Commission

Request for Comments Form

To: Central Valley Water Board c/o Bryan Smith Sent via email to: <u>Bryan.Smith@Waterboards.ca.gov</u>

From: Stephen Lucas, Executive Officer

LAFCo Project File: 21-06 – Tuscan Water District Formation APN(s): Various (see map)

Date Mailed: June 30, 2021

Requested Return Date: July 15, 2021 – All comments will be accepted regardless.

IF NO COMMENTS OR COMMUNICATIONS ARE RECEIVED BY THE RETURN DATE, THE ASSUMPTION WILL BE MADE THAT YOUR AGENCY HAS NO COMMENTS.

The Butte Local Agency Formation Commission has received an application (*attached*) for the formation of a California Water District (Water Code 34000) which is a landowner voter district, initiated through a landowner petition and to be called the Tuscan Water District (TWD).

The proposed TWD is to be approximately 102,237 acres in size and contains 3,136 individual parcels that are primarily used for agricultural production. The purpose of the TWD is to organize the landowners into a public agency with the overarching purpose of working cooperatively with the County of Butte, Butte County Water Commission, Vina, Butte and Rock Creek Reclamation District Groundwater Sustainability Agencies (GSA's) and other state and local agencies in the development of a Groundwater Sustainability Plans (GSP) for the Vina and Butte sub-basins that will ensure adequate water is available to continue the existing agricultural uses of the affected land. The proposed TWD is initially focused on developing its organizational/administrative capacity that will allow it to provide meaningful representation to its landowners as the process of developing groundwater sustainability plans is completed. The proposed TWD has presented no plans to develop or implement any particular projects, facilities or infrastructure and any such ideas would require great speculation at this time and would ultimately be determined by the yet to be developed groundwater sustainability plans.

The Butte LAFCo requests your agency respond to the following questions/inquiries and welcomes all comments your agency believes are relevant to the Commission's deliberations.

1. What affect, if any, will this proposal have on the operations and functions of your agency?

No affect anticipated.

2. Does your agency believe the formation of the proposed TWD will help or hinder the overall management of surface irrigation water and groundwater resources within Butte County and the region?

No opinion.

3. Would you *agree* or *disagree*, that the proposed formation of the TWD would be a threat to the overall agricultural water supply in Butte County or otherwise compromise the ability of existing local water agencies to protect the current water supply available to the residents and irrigation water users in Butte County?

Disagree, however potential threats might arise during long-term management of water resources.

4. Other comments:

Application Exhibit 2B, 'Exterior Boundary Map,' shows applicant lands near the Cat Water Chico Water District. This District contains a Prohibition Area under Central Valley Regional Water Control Board (Central Valley Water Board) Prohibition Order 90-126. Central Valley Water Board staff actively enforce this Order due to chronic wastewater-sourced nitrate detections above the Maximum Contaminant Level (10 milligrams per Liter as N) in numerous local domestic wells. Among staffs' key concerns are poorly constructed wells that allow wastewater-sourced pollutant migration from shallow to deeper aquifer units. Aquifer stresses from agricultural wells near the Prohibition Area might exacerbate local nitrate issues. Therefore, Central Valley Water Board staff advise the TWD to consider appropriate regulation of well constructions and pumping rates near the Prohibition Area to help protect water quality.

Prepared by:

Eric Rapport, C.HG., C.E.G. Date: 1 July 2021

Glenn Groundwater Authority

Groundwater Sustainability Agency

225 North Tehama Street, Willows, CA 95988 | 530.934.6540

August 2, 2021

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

RE: Formation of the Tuscan Water District

Dear Mr. Lucas,

The Glenn Groundwater Authority (Authority) is the Groundwater Sustainability Agency for the Glenn County portion of the Colusa Subbasin, which neighbors portions of the proposed Tuscan Water District (TWD). The Authority supports the formation of the TWD to represent landowners within its jurisdiction. It is the Authority's understanding that the proposed TWD plans to support and participate collaboratively with existing Groundwater Sustainability Agencies and other state and local agencies in groundwater management activities, specifically Groundwater Sustainability Plan development in the Vina and Butte Subbasins. Landowner outreach is required by the Sustainable Groundwater Management Act (SGMA) and landowner participation is important to the successful development and implementation of plans affecting groundwater management in our region.

Sincerely,

Im fimano

John Amaro Glenn Groundwater Authority, Chairman



To advance the economic, social and environmental sustainability of Northern California by enhancing and preserving the water rights, supplies and water quality.

May 7, 2021

Mr. Stephen Lucas Executive Officer Butte County Local Agency Formation Commission 1453 Downer Street, Suite C Oroville, California 95965

Dear Mr. Lucas:

On behalf of the Northern California Water Association (NCWA), we support the formation of the proposed Tuscan Water District in the Vina Sub-Basin in Butte County.

NCWA represents the water suppliers and local governments throughout the Sacramento Valley as shown on the attached map. We fully respect the ability for landowners to organize special districts and pool their collective resources to more effectively manage both surface and groundwater resources. For more than one-hundred years, landowners in the Sacramento Valley have formed various water districts and companies throughout the region. These local districts and companies now ensure water is available for the area of origin, including reliable and affordable supplies for cities and rural communities, farms and ranches, refuges and wildlife management areas, fisheries and recreation. Importantly, without these local districts and companies and their ability to effectively manage and use water within the region for these multiple benefits, the water in Butte County and the Sacramento Valley flows south and leaves the region.

With the passage of the Sustainable Groundwater Management Act (SGMA) and the efforts to sustainably manage groundwater resources throughout the region, there is also value for groundwater users whose lands are not within existing water districts to have the means to manage and protect their groundwater resources, as well as provide water services to themselves and their neighbors. The Tuscan Water District would be a helpful step to achieving groundwater sustainability in the Vina Sub-basin.

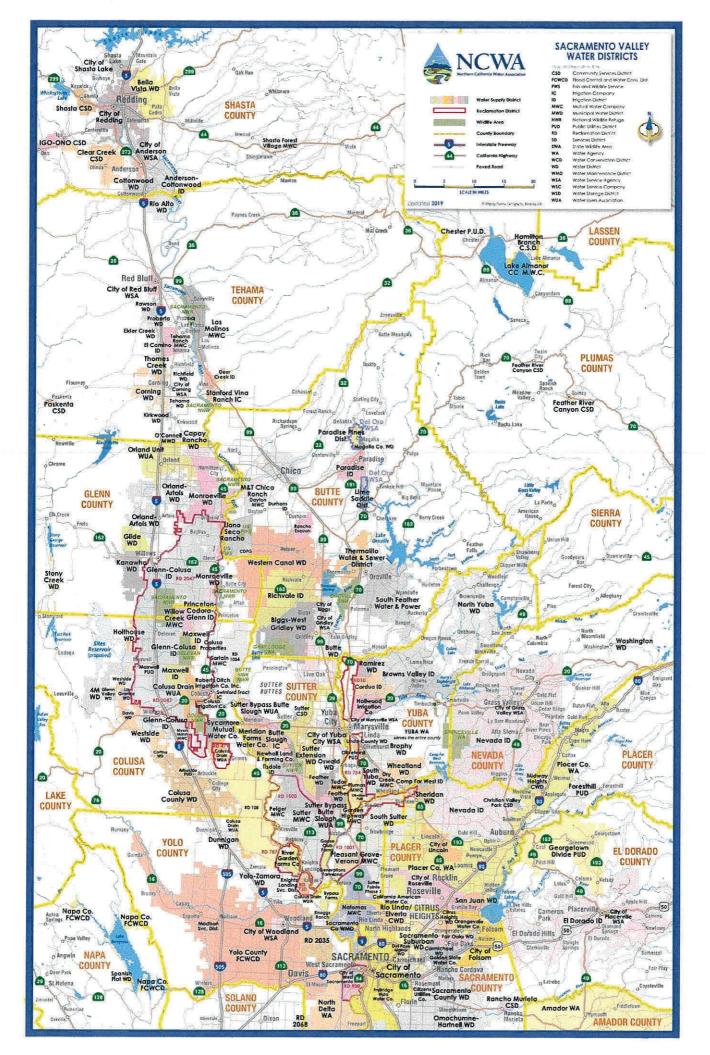
In sum, the formation of the Tuscan Water District will further the collective efforts by other water districts in the region to protect and sustainably manage our precious water supplies for both our economy and the environment in Northern California—both now and for future generations. In this process, we encourage the Tuscan Water District to work closely and collaboratively with other special districts in Butte County and avoid overlapping jurisdictions with respect to water resources.

Please let us know if you have any questions or we can provide further details on the value of water districts in Northern California.

Sincerely yours,

David J. Guy President

455 Capitol Mall, Suite 703, Sacramento, California 95814-4496 Telephone (916) 442-8333 Facsimile (916) 442-4035 www.norcalwater.org





July 12, 2021

Mr. Steve Lucas Butte County Local Agency Formation Commission 1453 Downer Street, Suite C Oroville, California 95965

RE: LAFCo Project File: 21-06 - Tuscan Water District Formation

Dear Mr. Lucas:

At the August 19, 2020 meeting of the Board of Directors of the Paradise Irrigation District, representatives of the Agriculture Groundwater Users of Butte County, including Rich McGowan, Nicole Johansson, and Tovey Giezentanner, discussed the proposed formation of the Tuscan Water District and requested a letter of support of their efforts.

On behalf of the Board, please accept our support for the concept of forming the proposed Tuscan Water District. Under the Sustainable Groundwater Management Act (SGMA) it is imperative that groundwater users within the sub-basin, whose lands are not with an existing water or irrigation district, have the means to manage and protect their groundwater resources for all beneficial uses of water.

Paradise Irrigation District (PID) was formed for this community's control over water resources in 1916. PID's founding landowners were able to raise funds to build water storage and conveyance facilities to allow farming and home and business development to occur and flourish. PID supports efforts to enhance local control over public resources, such as groundwater.

PID thus supports the concept of the proposed Tuscan Water District and respectfully submit this letter regarding the above referenced application submitted to the Butte Local Agency Formation Commission for the Tuscan Water District formation.

Respectfully,

Tom Lando District Manager

Our water. Our future.



August 20, 2020

Mr. Steve Lucas Butte County Local Agency Formation Commission 1453 Downer Street, Suite C Oroville, California 95965

Dear Mr. Lucas:

At the August 19, 2020 meeting of the Board of Directors of Paradise Irrigation District, representatives of the Agriculture Groundwater Users of Butte County, including Rich McGowan, Nicole Johansson, and Tovey Giezentanner, discussed the proposed formation of the Tuscan Water District and requested a letter of support of their efforts.

On behalf of the Board, please accept our support for the concept of forming the proposed Tuscan Water District. Under the Sustainable Groundwater Management Act (SGMA) it is imperative that groundwater users within the sub-basin, whose lands are not with an existing water or irrigation district, have the means to manage and protect their groundwater resources for all beneficial uses of water.

Paradise Irrigation District (PID) was formed for this community's control over water resources in 1916. PID's founding landowners were able to raise funds to build water storage and conveyance facilities to allow farming and home and business development to occur and flourish. PID supports efforts to enhance local control over public resources, such as groundwater.

PID thus supports the concept of the proposed Tuscan Water District. PID will review the eventual formation application for Tuscan Water District and plans on following the proceedings before Butte LAFCO. PID looks forward to participating in the LAFCO process and offering further comments concerning the proposed formation once an application is made public and the hearing process commences.

Respectfully,

Tarc Sulitz

Marc Sulik President of the Board

Our water. Our future.

From:	Johnson, Uriah
To:	Stover, Joy
Subject:	RE: 21-06 - Tuscan Water District Formation
Date:	Monday, August 9, 2021 1:31:05 PM

Joy,

Thank you for the quick response. Looking over the project the last couple days, the only comment from our office would be; "we have no comments at this time." I am not sure if you want me to formalize that on the comment form or not.

Uriah Johnson Deputy Agricultural Commissioner Butte County Department of Agriculture 316 Nelson Ave. Oroville CA, 95965 530-552-4091

From: Stover, Joy <JStover@buttecounty.net>
Sent: Monday, August 09, 2021 1:02 PM
To: Johnson, Uriah <ujohnson@buttecounty.net>
Subject: RE: 21-06 - Tuscan Water District Formation

Hi-

You are welcome to submit comments anytime. This project probably won't go to the Commission before Nov or Dec. I'll add you to the list.

Thanks,

Joy

From: Johnson, Uriah <ujohnson@buttecounty.net>
Sent: Monday, August 9, 2021 12:58 PM
To: Stover, Joy <<u>JStover@buttecounty.net</u>>
Subject: RE: 21-06 - Tuscan Water District Formation

Joy,

I was going through my old emails and for some reason this fell through the cracks. In the future can you send things to me directly or CC me when you send to ButteAG. I apologize for not submitting comments by the deadline. I can work on comments in the next couple days, if you would like.

Uriah Johnson Deputy Agricultural Commissioner Butte County Department of Agriculture 316 Nelson Ave. Oroville CA, 95965 530-552-4091

From: Stover, Joy <<u>IStover@buttecounty.net</u>> Sent: Wednesday, June 30, 2021 1:04 PM To: ButteAg <<u>ButteAg@buttecounty.net</u>> Subject: 21-06 - Tuscan Water District Formation

Good afternoon-Attached please find the new application for the Tuscan Water District Formation. I have also attached the LAFCO comment form.

Thank you,

Joy Stover Commission Clerk Butte Local Agency Formation Commission 1453 Downer St., Suite C Oroville, CA 95965 (530) 538-7784 www.buttelafco.org



ROCK CREEK RECLAMATION DISTRICT

A Butte County Reclamation District Operating Under Division 15 of the California Water Code

May 11, 2021

Mr. Stephen Lucas, Executive Officer Butte Local Agency Formation Commission 1453 Downer Street, Suite #C Oroville, California 95965 Email: <u>slucas@buttecounty.net</u>

Re: Formation of Tuscan Water District

Dear Mr. Lucas:

We, the Board of Trustees of the Rock Creek Reclamation District, are writing to express our support for the formation of the Tuscan Water District (Tuscan WD).

Rock Creek Reclamation District (Rock Creek RD) was formed in 1985 to provide flood control and drainage services in northern Butte County. Currently, the District provides these services to 4,644 acres of agricultural and single-family residential parcels. While the proposed Tuscan WD's boundaries would overlap with Rock Creek RD's boundaries, there would not be any duplication of services. Although Rock Creed RD has the latent power to provide water for irrigation purposes, it does not exercise that power. In fact, Rock Creek RD does not convey, transport, or export irrigation water to agricultural properties or residences within its boundaries. Any water conveyance the Rock Creek RD currently performs is for drainage and flood control.

Additionally, the Rock Creek RD serves as the Groundwater Sustainability Agency (GSA) for the area within its boundaries. As one of the two GSAs covering the Vina Subbasin, Rock Creek GSA is tasked with preparing and implementing a groundwater sustainability plan (GSP). Under the Sustainable Groundwater Management Act (SGMA), each GSP must include management actions and projects that the GSA determines will achieve its sustainability goal for its basin. (Cal. Code Regs., tit. 23, § 354.44, subd. (a).)

The proposed Tuscan WD would play a much-needed role in planning and performing the management actions, and pursuing projects. We anticipate that Tuscan WD will cover over 100,000 acres of land throughout Butte County and the Vina Subbasin. Therefore, the water district would be able to perform wide-scale and coordinated actions in furtherance of the goals of the GSP for the Rock Creek GSA and Vina GSA. After all, this is one of the primary purposes for Tuscan WD's formation: to participate and cooperate with Rock Creek GSA and Vina GSA in their efforts to achieve sustainability in the Vina Subbasin.



Accordingly, the Rock Creek RD offers its support for the formation of the Tuscan WD subject to the following understandings and principles:

- Tuscan WD will not perform any service currently performed by Rock Creek RD.
- Rock Creek GSA will retain its autonomy to develop, adopt, and implement its GSP within its boundaries. Tuscan WD may, however, participate in the development and implementation of Rock Creek GSA's GSP.
- Tuscan WD will, subject to an agreement with Rock Creek RD, cooperate with the Rock Creek GSA in the pursuit of management actions and projects identified in Rock Creek GSA's GSP.

Please feel free to contact me if you have any questions or wish to discuss this matter.

Very truly yours,

Hal Crain, Chairman

Chairman

From:	Frederick, Michelle@Waterboards
То:	Stover, Joy
Cc:	Kidwell, Brian@Waterboards; Chavez, Ariel@Waterboards; Crenshaw, Reese@Waterboards
Subject:	FW: 21-06 - Tuscan Water District Formation
Date:	Wednesday, June 30, 2021 2:30:53 PM
Attachments:	TWD App Final.pdf
	Comments Form - SWRCB.pdf

ATTENTION: This message originated from outside Butte County. Please exercise judgment before opening attachments, clicking on links, or replying.

Hi Joy,

Thank you for seeking input from the Division of Drinking Water. I will share this with others in our division to respond that are more familiar with this area. All the best,

Michelle

From: Stover, Joy <JStover@buttecounty.net>
Sent: Wednesday, June 30, 2021 1:56 PM
To: Frederick, Michelle@Waterboards <Michelle.Frederick@Waterboards.ca.gov>
Subject: 21-06 - Tuscan Water District Formation

EXTERNAL:

Good afternoon-

Attached please find the new application for the Tuscan Water District Formation. I have also attached the LAFCO comment form.

Thank you,

Joy Stover

Commission Clerk Butte Local Agency Formation Commission 1453 Downer St., Suite C Oroville, CA 95965 (530) 538-7784 www.buttelafco.org



Butte County Rice Growers Association

P.O. Box 128 Richvale, CA 95974 (530) 882-4261

August 26, 2021

Mr. Steve Lucas Butte County Local Agency Formation Commission 1453 Downer Street, Suite C Oroville, California 95965 Email: <u>slucas@buttecounty.net</u>

Re: Formation of Tuscan Water District

Dear Mr. Lucas:

On behalf of The Board of Directors of Butte County Rice Growers Assn (BUCRA), we support the formation of the proposed Tuscan Water District in the Vina Sub-Basin of Butte County.

With the passage of the Sustainable Groundwater Management Act (SGMA), it is imperative that groundwater users within the sub-basin whose lands are not within existing water or irrigation districts have the means to manage and protect their groundwater resources.

We support localized control over groundwater sustainability goals and see this as an effort to protect our local water resources, as well as domestic and agricultural groundwater dependent landowners. The formation of the Tuscan Water District will ensure that rural lifestyles and generations of the local farmers will continue.

If Tuscan is ultimately formed, we look forward to working with it as a local public water agency. We believe that the formation of the Tuscan Water District is a helpful step to achieving groundwater sustainability in the Vina Sub-basin.

Sincerely,

Carl Hoff President/CEO

DIRECTORS GREG JOHNSON PRESIDENT ERIC LARRABEE VICE PRESIDENT BRYCE LUNDBERG JOSH SHEPPARD CORREEN DAVIS



OFFICERS TED TRIMBLE GENERAL MANAGER & SECRETARY

ATTORNEY DUSTIN COOPER MINIASIAN LAW FIRM

August 19, 2021

Mr. Stephen Lucas, Executive Officer Butte Local Agency Formation Commission 1453 Downer Street, Suite #C Oroville, California 95965 Email: <u>slucas@buttecounty.net</u>

Re: Formation of Tuscan Water District

Dear Mr. Lucas:

On behalf of the Board of Directors of Western Canal Water District (WCWD), we are writing to express our support for the formation of the Tuscan Water District (Tuscan WD).

In April of 2020, we wrote to the Butte Local Agency Formation Commission (LAFCO) advising of our support for the concept of the formation of the Tuscan WD. Now that proponents of Tuscan WD have filed their application with LAFCO, we wish to affirm our support for formation. We support the effort of landowners within the proposed district boundaries to take a more active role in managing their water resources.

We understand the proposed boundaries of Tuscan WD would overlap our District's sphere of influence. This overlap does not cause us any concern. Instead, we view formation of the Tuscan WD into an area outside of our boundaries and not currently served by WCWD as a benefit to the region.

Therefore, we view the proposed Tuscan WD as a partner in our District's efforts to manage our region's water resources. Please feel free to contact us if you have any questions or wish to discuss this matter.

Sincerely,

Greg Johnson, Board President

Ted Trimble, General Manager

AUG 27202

From:	aimee@planinmotion.com
То:	Stover, Joy
Cc:	Lucas, Steve; carl.leverenz@gmail.com
Subject:	Tuscan Water District Application Defects
Date:	Sunday, November 14, 2021 6:37:40 PM
Attachments:	TWD-Application-Defects 20211114.pdf

ATTENTION: This message originated from outside **Butte County**. Please exercise judgment before opening attachments, clicking on links, or replying.

Joy,

The attached letter formalizes the numerous defects that exist in the TWD application and need to be addressed. These defects were made public during the reviews by the Butte County Water Commission and by the Board of Supervisors.

Can you please distribute this letter to the LAFCO Commissioners and Alternates, as well as include it in the public record?

Let me know if you have any questions, or need further clarification of what I have written.

-aimee

Aimee Raymond 3203 Stonewall Dr., Chico CA 95973 (530) 431-8228 To: Butte LAFCO Executive Officer, Chair, Commissioners, Alternate Commissioners
From: Aimee Raymond, Butte County Water Commissioner
Date: November 14, 2021
Subject: Tuscan Water District Application is not sufficient and is incomplete
Reference: File 21-06 – Tuscan Water District Formation

Issue At Hand

On November 10, 2021, Butte LAFCo issued a Notice of Public Hearing for the formation of the Tuscan Water District. As of the date of this Notice of Public Hearing, the Executive Officer for Butte County LAFCo has not issued a Certificate of Filing for the formation of the Tuscan Water District under GC56658(e).

GC56658(e) ... An executive officer shall accept for filing, and file, any application submitted in the form prescribed by the commission and containing all of the required information and data required pursuant to Section 56652.

The executive officer cannot issue a certificate of filing for at least 20 days after providing statutory notice to affected agencies of the application. GC56658(d).

In the most recent Executive Officer's report¹ shows that as of October 27, 2021 the Certificate of Filing has not been issued, Figure 1.

oject St	tatus As of Oc	1. 27, 2021	Sec. 1					
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
20-06	OMAD	Dissolution / Annexation to BCMVCD	01/21/20	02/06/20	08/06/20	08/17/21	10/22/21	Complete
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
21-05	Oroville	Feather Avenue Annexation No. 2	02/25/21	06/10/21	09/02/21			Approved
21-06	Landowners	Tuscan Water District Formation	02/22/21					In progress
22-01	SFWPA	Dunstone Drive Annexation No. 1	08/06/21	09/08/21	10/07/21			Approved
22-02	SFWPA	Long Bar Road Annexation No. 1	08/06/21	09/08/21	10/07/21			Approved
22-03	SFWPA	Pioneer Trail Annexation No. 1	08/06/21	09/08/21	10/07/21		14	Approved
22-04	SFWPA	Grier Ave Ext of Services - Water Haul	Sec. and		11/04/21			In review
22-05	Gridley	W Biggs-Gridley Rd Annexation No. 2	10/12/21					in progress
22-06	Chico	Glenwood Ave Annexation No. 3	10/22/21					în progress
22-07	CALFIRE	Fire Services by Contract - City of Oroville	10/22/21					In progress

Figure 1 – Application Activity, source: Executive Officer Report for November 4, 2021 Meeting

¹ Report dated October 28, 2021 for the meeting of November 4, 2021,

https://static1.squarespace.com/static/600886efd4535b44c90320be/t/617ac2fac6b37c58199650da/1635435264 145/Agenda+Item+6.1+-+Nov+4-21+EO+Report.pdf

The Executive Officer cannot issue a Certificate of Filing and should not accept the application for the following reasons:

(a) the application submitted to affected agencies for comment by the Executive Officer, and on which the agencies commented, is different from that currently before the Commission. Until effective mailed notice of the pendency of the actual application is given to affected agencies, the Executive Officer lacks the power to issue a Certificate of Filing.

(b) the application on which affected agencies commented was not submitted on the prescribed form,

(c) the application on which affected agencies commented does not contain all of the required information and data.

Based on the objective evidence, Butte LAFCo should:

- 1. Cancel the December 2 Public Hearing
- 2. Require Petitioner to submit an application on the required form and to provide missing elements essential to a meaningful consideration of the application on the statutory standards.
- Send revised application with Notice to Affected Agencies for comments on non-leading questions germane to the findings the Commission must make to approve a district formation application and in accordance to Butte LAFCo Policy and Procedure Section 5.2.
- 4. Provide revised application and affected agency comments to the Butte County Water Commission for comments.
- 5. Provide revised application and affected agency comments to the Vina Groundwater Sustainability Agency for comments.
- 6. Provide revised application and affected agency comments to the Butte County Board of Supervisors for Board comments.

Background

Tuscan Water District timeline:

September 2, 2020 – Proponents submit Notice of Intent to Circulate Petition

February 22, 2021 – petition received by LAFCo

- April 8, 2021 Certificate of Sufficiency, Landowner Petition issued by Executive Officer
- June 22, 2021 Proponents submit an application dated June 9, 2021 to LAFCo. Much of the application related to annexation rather than district formation.
- June 30, 2021 –Executive Officer issues Notice of Receipt of Application; requests comments from affected agencies enclosing copy of the application filed June 22, 2021

July and August, 2021 – affected agencies return comments

- September 1, 2021 Butte County Water Commission meets to consider comments on the June 22, 2021 application.
- Some time before September 3, 2021 Proponents submit a different application, seemingly reusing the signature pages from the June 9 application, and including new material related to district formation omitted from June 22 submission
- September 3, 2021 following my meeting with the Executive Officer at which I pointed out that the TWD application posted on the LAFCo website was on the wrong form and thus was missing required information the original application disappeared without comment from the website, and was replaced by a modified application.

Not issued – Certificate of Filing

November 10, 2021 – Notice of Public Hearing issued for December 2, 2021.

Process Failure – The Current Application Has Not Been Circulated to Affected Agencies for Comment; The Application Cannot be Accepted For Filing

As described more fully below, the application proponents submitted on June 22, 2021 was on the wrong LAFCo prescribed form. At least eight of the pages were from an application for annexation of territory to an existing city or district, rather than the form for formation of a new district. The difference is material, as the district formation application form requires the submission of material different from that required to be submitted in connection with annexation.

Inasmuch as the form of application submitted to the Butte County Water Commission for its consideration in providing comments was the June 22 "annexation" version of the application, I assume that the notices mailed by LAFCo to affected agencies on June 30, noting that the application was included, also distributed for comment the June 22 "annexation" application. Affected agencies have thus not had an opportunity to comment on the modified application on which LAFCo proposes to hold a public hearing on December 2.

Given that LAFCo has circulated to affected agencies only an application different from the one that has been refiled, notice to affected agencies has not been effectively given under GC56658(b). A certificate of filing cannot therefore be issued. GC56658(d). With no application certified as filed, there is no application on which LAFCo can hold a hearing on December 2.

Notice of the public hearing should be withdrawn. Before further effort is expended on an application, TWD proponents should identify clearly the application they wish to file, and LAFCo should give notice to affected agencies of *that* application.

If LAFCo does not cancel the December 2 public hearing, it should confine its consideration to the only application that has been circulated to affected agencies for comment, the original June 22, 2021 filing. For the reasons set out below, the application should be denied.

Defect Category 1: Not on Prescribed Form

Butte LAFCo operates in compliance with GC§56300(e)

"The written policies and procedures adopted by the commission shall include forms to be used for various submittals to the commission"

Butte LAFCo has made available on their public website, *www.buttelafco.org/resources*, the necessary policies and procedures, as well as the necessary forms.

The Notice of Intent to Circulate Petition² states "should the petition be valid, the proponents are then permitted to make an application with the Butte LAFCo for the proposed District formation." On June 22, 2021³ the petitioners submitted the document "Tuscan Water District Application for District Formation (2021) ("Application"). Pages 2 through 9 of the Application, the petitioners submit the Butte LAFCo "Annexation Application" form as indicated by the document footer, shown in Figure 2.

Figure 2 - Application for Annexation form footer, as submitted



The required Application for District Formation has the footer shown in Figure 3.

Figure 3 - Application for District Formation form footer, as required

•Butte Local Agency Formation Commission • District Formation Application • Revised July 2005 • Page 3 •

The Annexation Application form has substantially different content than the required Application for District Formation by Butte LAFCo Policy and authorized by the Notice of Intent to Circulate a Petition.

GC§56652(e) states "**Each application shall be in the form as the commission may prescribe**". The Butte LAFCo has prescribed the form to be used for district formation. The petitioners have failed to submit the prescribed form.

The application under review as posted on the LAFCo website was altered on or about September 3, 2021. Prior to the Butte County Water Commission meeting held September 1 2021, the Executive Officer was made aware of numerous significant deficiencies in the application that was provided for

² Notice of Intent to Circulate Petition – Proposed Tuscan Water District, dated September 1, 2020

³ Per Butte LAFCO Executive Officer Report dated August 26, 2021 for the meeting of September 2, 2021

review to all the affected local agencies, the Butte County Water Commission, the Vina Groundwater Sustainability Agency, and the Butte County Board of Supervisors. Shortly after my meeting with the Executive Officer, the TWD application was altered (the file was changed) on the LAFCO website, as well as other missing data (files) was added. The original TWD application⁴ (filename = TWD-App-Final.pdf) was completely removed from the web page, and replaced with a modified TWD application⁵ (filename = TWD-App-Finalx.pdf), see Appendix A. One can only assume the change was made to correct some of the application's defects.

The LAFCo website fails to alert the reviewer to the fact that two (2) versions of the TWD application exist. The differences between the two documents should be of vital interest to LAFCo, as both the Board of Supervisors and the Butte County Water Commission have approved resolutions based on the original version of the TWD application. The reviews by these two agencies depended in part on the reviews made by the affected local agencies. At this time, no agency can rely on any comments made about the application, as the application has been altered. Without knowing the differences between the two versions, the resolutions and comments received from any public or local agencies should be set aside.

The remainder of this document is based on analysis of the original, unmodified TWD application (TWD App Final.pdf) provided to the affected local agencies, the Butte County Water Commission, the Vina Groundwater Sustainability Agency, and the Butte County Board of Supervisors for review.

Defect Category 2: Not Containing All Required Information

Acknowledging the petitioners did not submit the correct form, one could ask if the two forms were substantially equivalent. A comparison of the submitted form (Annexation) and the required form (Formation) was performed. A defect was recorded, if the required information (formation form) was completely or mostly missing (submitted form). The analysis found a 47% defect level (36 defects out of 76 elements), with defects existing in every section, see Table 1.

⁴ Link to **TWD-App-Final.pdf** on Butte LAFCo site:

https://static1.squarespace.com/static/600886efd4535b44c90320be/t/610adceead894f566f3d7099/16281018881 10/TWD+App+Final.pdf

⁵ Link to **TWD-App-Finalx.pdf** on Butte LAFCo site:

https://static1.squarespace.com/static/600886efd4535b44c90320be/t/61312a2a85a22e60bc4bfa78/1630612025 717/TWD+App+Finalx.pdf

Table 1 - Analysis of Submitted Application Defects

Page	Section	Number of Defects	Number of Items	Percent Defective
2	Checklist	3	9	33%
3-5	Signature Page	1	5	20%
6	Standard Application Form	1	4	25%
7-11	District Formation Supplement	28	46	61%
12	LAFCO Form L-1	2	11	18%
13	LAFCO Form L-2	1	1	100%
	TOTAL	36	76	47%

The summary of defects by section:

Table 2 - Summary of Defects by Section

Section	Defect List
Checklist (pg 2)	 Checklist Item 1, wrong application form Checklist Item 4, missing two(2) copies of Plan for Services Checklist Item 9, missing LAFCO Exhibit 8, Plan for Services
Signature Page (pg3-5)	Disclosure Requirements, missing date
Standard Application Form (pg6)	 Item 2 – Change of Organization, missing request for Sphere of Influence Amendment, as Petitioners indicated proposal "is not" consistent with SOI on Form L-1.
District Formation Supplement (pg 7-11)	 Section A – Justification, missing A1, A2, A3, A4, A5, A6, A7 Section B – Boundaries, missing B1, B2, B3, B4 Section C – Plan for Services, missing C1, C2, C3, C4, C5, C6 Section D – Land Use, missing D1, D5 Section E – Significant Issues, missing E1 Section F – Intergovernmental Coordination, missing F3, F4 Section G – Environmental Determination, did not explain answer to F2 Section H – Support or Protest, missing H1, H2, H3, incomplete data for H4 Section I – Public Notice Requirements, missing I1 Required Exhibits – LAFCO Exhibit 8: Plan for Services – Feasibility Study
Form L-1 (pg 12) Form L-2	 Item 4 – Missing request for Sphere of Influence Amendment, as Petitioners indicated proposal "is not" consistent with SOI. Item 11 – Didn't answer question indicating what effort was made to obtain consent from affected public agency and why they didn't act. Missing petitioner's signatures at bottom of form Missing physical address, registered voter count, Tax Rate Area, Land Use Zoning, Landowner position on petition

In addition to the missing information summarized in Table 2, there is much repetition of similar information and in some cases it is inconsistent. For example, trying to understand what the purpose of

forming the district, one finds five (5) different statements leaving one unsure which is actually the correct one.

The District Formation Supplement, Section A is missing answers to critical questions, per Figure 4. While the application has much information contained within it, it should not be left to the reader to have to search out this information.

The required District Formation application asks a basic set of justification questions shown in Figure 4.

Figure 4 - District Formation Section A-Justification Questions

A.	Justification
1.	Is the proposed district a registered voter district or a landowner voter district? Yes No
2.	Under what principal act will the new district be formed? (Note: Pursuant to §56100, proceedings for the formation of a district shall be conducted as authorized by the principal act of the district proposed to be formed except that the commission shall serve as the conducting authority and the procedural requirements of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 shall apply and shall prevail in the even of a conflict with the procedural requirements of the principal act of the district.)
3.	Explain why the formation of a new district is being proposed.
4.	List all of the services to be provided by the proposed district and discuss why the services are necessary at this time.
5.	Explain why a new district should be formed instead of annexing territory to an existing district. (Note: Pursuant to §56886.5, if a proposal includes the formation of a district, the commission shall determine whether existing agencies can feasibly provide the needed service or services in a more efficient and accountable manner. If a new single-purpose local agencies that provide related services.)
6.	Describe how the district's board of directors would be established (elected, appointed by the County Board of Supervisors, or the County Board of Supervisors themselves).

The actual application provided responses to a different set of questions, Figure 5.

Figure 5 – Annexation, Section A – Justification, actual response

Justification
What is the purpose of the annexation? See attached.
Why or how will the proposal provide greater efficiency in the delivery of governmental services? See attached.
What governmental services, if any, will be enhanced or reduced by the change of organization? See attached.
What terms or conditions, if any, are proposed for this project? See attached.
What terms or conditions, if any, are proposed for this project? See attached.

The entire District Formation Supplement form has additional defects in the remaining sections:

- Section B Boundaries, missing B1, B2, B3, B4
- Section C Plan for Services, missing C1, C2, C3, C4, C5, C6
- Section D Land Use, missing D1, D5
- Section E Significant Issues, missing E1
- Section F Intergovernmental Coordination, missing F3, F4
- Section G Environmental Determination, did not explain answer to F2
- Section H Support or Protest, missing H1, H2, H3, incomplete data for H4
- Section I Public Notice Requirements, missing I1
- Required Exhibits LAFCo Exhibit 8: Plan for Services Feasibility Study

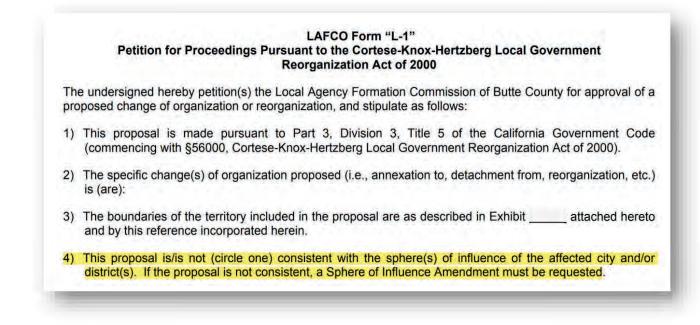
On Page 6, item 2 the petitioners failed to check box for Sphere of Influence Amendment, Figure 6.

Figure 6 - Annexation, Item 2 Response

Annexation to a city	X Formation of a district	City Incorporation
Annexation to a district	Formation of a County Service Area	City Disincorporation
Detachment from a city	Consolidation of cities	District Dissolution
Detachment from a district	Consolidation of districts	District Merger
Service Agreement MISSING	Sphire of Influence Amendment	Establishment of Subsidiary Districts

This box must be checked based on the petitioners answer to the question #4 on LAFCO Form L-1, Figure 7.

Figure 7 - LAFCO Form L-1 Question 4



The petitioners provided the information for LAFCO Form L-1 as Exhibit 1 (starting Application page 10). In their Exhibit 1, the petitioners indicated that the proposal "is not" consistent with SOI, see Figure 8.

Figure 8 - LAFCO Form L-1 Question 4 Response

3. The proposal is not consistent with the proposed new California Water District sphere of influence, as the district does not currently exist and a sphere of influence has not been established; however, upon district formation, the district boundary, service area and sphere of influence will be one and the same.

The petitioners failed to answer Question 11 on LAFCO Form L-1, see Figure 9.

Figure 9 - LAFCO Form L-1 Question 11

11. Butte LAFCO policies allow an application by petition only when the applicant provides satisfactory evidence that a diligent effort has been made to obtain a Resolution of Application from the affected public agency. Please indicate what effort was made to obtain such consent and the reasons why the public agency did not act on the applicant's request?

The petitioners provided an incomplete response to the question, Figure 10. They did not indicate "what effort was made", let alone a "diligent" effort, to pursue a Resolution of Application and "the reasons why the pubic agency did not act". The petitioners did not identify the affected public agency.

Figure 10 – LAFCO Form L-1 Question 11 Response

	ocal Agency Formation Commission Water District Application for Formation. June 9, 2021.	12
he botton	n of the LAFCO Form L-1, the petitioners are required to sign a	Certification, Figure 11
0 11 IAEC	O Form L-1 Certification	

Date	Signature	Printed Name	Residence Address	Assessor's Parcel #

The Application (pg. 2) has a similar certification section, Figure 12, which has an incomplete signature as it is missing the date element.

Figure 12 - LAFCO Form L-1 Certification Response

	g a Resolution of Applicatio		Chief Petitioner
Date		Richard McGowan Printed Name	Title
Date	Signature	Printed Name	Title
Date	Signature	Printed Name	Title

Both the Annexation Application and the District Formation Applications required LAFCO Form L-2 to be completed. The minimum required data is shown in Figure 13. The application is missing the physical address, registered voter count, Tax Rate Area, Land Use Zoning, Landowner position on petition. When an agency to asked to review the application, it has a statutory need to make findings. If an agency makes findings without a basis in the record, then those findings could be attacked in court.

Figure 13 - LAFCO Form L-2 Instructions, Required Information

		Project N	lame	MISSING				-
APN	NAME (mailing)	ADDRESS (situs)	ALV	Acres	RV	TRA	ZONE	Y/N
000-111-222	Doe, John (see situs)	353 JD Street Chico, CA 95928	\$29,799.00	.28	2	062011	R1/CM	Yes
Totals			\$29,799.00	0.28	2	1		

On the LAFCO website is a 75 page PDF file of all the parcels in the TWD boundaries, Figure 14. The fact that the file is a PDF precludes any agency from analyzing the data or joining to data to other agency datasets.

Figure 14 – LAFCO Form L-2, PDF file provided

	Tuscan Water District Total Parcel-Ownership List					
	A	В	C	D	E	F
1	APN	Owner	Owner_Add	CityStZIP	Lt_Acre	Land_VI
2	006-010-003-000	VRISIMO FAMILY TRUST FBO OGWIN DELINDA LEE ETAL	4335 OCEAN DR	CHICO CA 95973	49.96	186,221
3	006-010-005-000	VRISMO FAMILY TRUST FBO OGWIN DELINDA LEE ETAL	4335 OCEAN DR	CHICO CA 95973	50.17	190,746
4	006-010-092-000	A & S RANCHES INC	3131 HWY 45	GLENN CA 95943	236.70	768,247
5	006-010-093-000	A & S RANCHES INC (LESSOR)	13193 CARMEN LN	CHICO CA 95973	80.00	319,885
6	006-010-094-000	A & S RANCHES INC	5018 WILSON LANDING RD	CHICO CA 95973	7.28	31,501
7	006-010-095-000	A & S RANCHES INC	4587 WILSON LAND RD	CHICO CA 95973	84.33	270,694
8	006-010-103-000	C F KOEHNEN & SONS ORCHARDS	3131 HWY 45	GLENN CA 95943	20.00	318,362
9	006-010-104-000	C F KOEHNEN & SONS ORCHARDS	3131 HWY 45	GLENN CA 95943	19.60	310,403
10	006-010-105-000	C F KOEHNEN & SONS ORCHARDS	3131 HWY 45	GLENN CA 95943	39.50	764,069
11	006-010-106-000	A & S RANCHES INC	30 INDEPENDENCE CIRCLE #300	CHICO CA 95973	88.51	299,935
12	006-400-030-000	GISCOMBE CHERYL	4368 OCEAN DR	CHICO CA 95973	5.59	145,990
13	006-400-031-000	WARNER MICHAEL T JR & ADRIANA	4330 OCEAN DR	CHICO CA 95973	6.55	265,302
14	006-400-032-000	HERMAN DIANNA K LIVING TRUST	4310 OCEAN DR	CHICO CA 95926	6.71	51,759

This file is not searchable. The data is sorted by parcel number, which makes it virtually impossible for an individual to determine whether or not they are within the TWD boundaries.

The LAFCO L-2 Form is required to indicate by parcel who is supporting and who is opposing the proposal. This information has not been made available to the general public via the LAFCO website as of September 1, 2021. A PDF file of petition signers (presumably supporters) was made available on August 30, 2021 but only after numerous unanswered email requests to the Executive Officer. The Executive Officer finally made an electronic file with partial information available only after an in-person visit was made to him in his office.

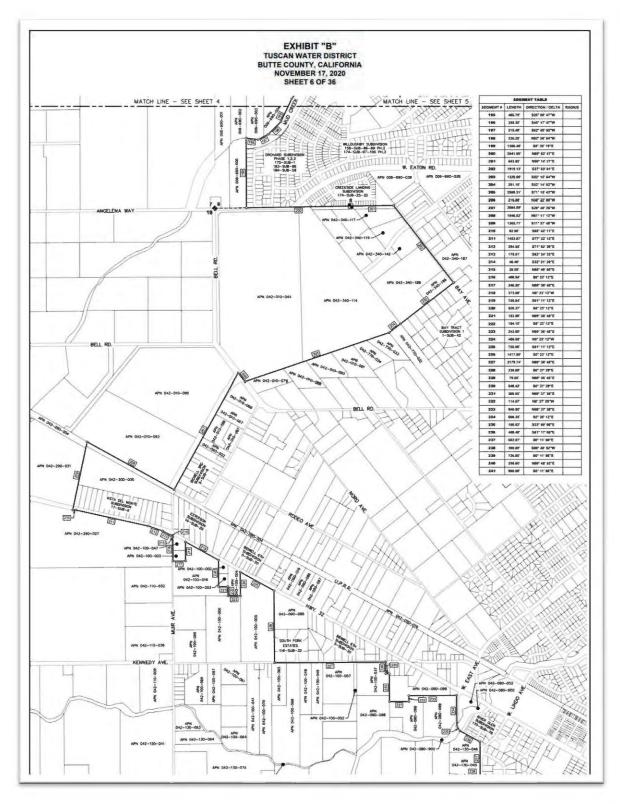
During a visit to the LAFCO office, the Executive Officer acknowledged the Registered Voter count is a required element, but is not public information. He stated the list of petition supporters would satisfy this element. This is not be a good assumption, as it presumes the petition supporter (landowner) is a resident of the parcel and is also a registered voter. This assumption ignores renters and leaseholders who might reside on the parcel. The petitioners have failed to provide the number of registered voters by parcel.

The provided data of petition supporters is still missing numerous data fields, as it is simply the master parcel list filtered by petition signers.

Figure 15 - TWD Petitioner Signers List

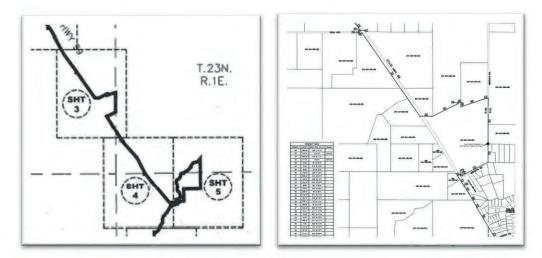
			n Water District rcel-Ownership List			
	A	В	C	D	E	F
1	A APN	B	C Owner_Add	D	E Lt_Acre	F Land_VI
1 2	A APN 006-010-003-000	B Owner VRISIMO FAMILY TRUST FBO OGWIN DELINDA LEE ETAL	C Owner_Add 4335 OCEAN DR	D CityStZIP CHICO CA 95973	E Lt_Acre 49.96	

The petitioners provided 36 pages of maps produced on 22x34 drawing paper and reduced the map image to less than 8-1/2 by 11 inches. The net effect is a very complex map has been made even more difficult to interpret with its very small print.



The territory boundaries contain numerous islands and cutouts. The boundaries do not follow the natural contours of the land. On Exhibit B, Sheet 3 of 36, a single non-contiguous parcel located on the west side of Hwy 99. This single isolated parcel happens to be owned by the Cinquini Trust, a petition signer, and is just 1 of 25 parcels and 781 acres this entity owns elsewhere in the TWD territory. The excluded parcel (not TWD), 047-100-150 and the two adjacent TWD parcels (047-100-203, -204) are all owned by the same landowners, Bajaj and Chopra, not-petition signers. One has to conclude the TWD boundaries were determined by the landowner's willingness to sign a petition.







Appendix A - Butte LAFCo Website Differences

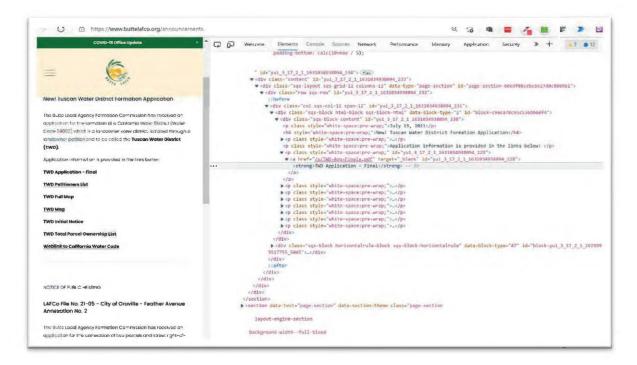
As Saved on August 30, 2021 08:44 PM

COVID-19 Office Updata a	C3 60 Weekonve Elements Contolle Sources Network Performance Memory Application S
About Meetings/Jepanda Resolutions Cities/Toims Special Districts Interceptive Made Contract Made Meetings/Jepanda Resolutions Cities/Toims Special Districts Interceptive Made Contract Made Meetings/Jepanda Cities/Toims Special Districts Interceptive Made Contract Made Meetings/Jepanda Excellation of a California Water District Made Contract Made Meetings/Jepanda Excellation of a California Water District Made Made Contract Made Meetings/Decision information of a California Water District Made Made Made Made Contract Made Application for the formation of a california Water California Made Made	Wenow Beneric Could South Manda Methomatics Memory Applicator of the could be and the could be an an an an an anti-anti-anti-anti-anti-anti-anti-anti-

Link to **TWD-App-Final.pdf** on Butte LAFCo site:

https://static1.squarespace.com/static/600886efd4535b44c90320be/t/610adceead894f566f3d7099/162 8101888110/TWD+App+Final.pdf

As Saved on September 07, 2021 10:17 AM



Link to TWD-App-Finalx.pdf on Butte LAFCo site:

https://static1.squarespace.com/static/600886efd4535b44c90320be/t/61312a2a85a22e60bc4bfa78/163 0612025717/TWD+App+Finalx.pdf

From:	Alicia Springer
То:	Lucas, Steve
Subject:	No to TWD - Please forward to LAFCO
Date:	Saturday, August 28, 2021 4:55:22 PM

.ATTENTION: This message originated from outside Butte County. Please exercise judgment before opening attachments, clicking on links, or replying..

Dear Mr. Lucas and LAFCo:

Please join my name to the chorus of voices demanding that the county and LAFCo deny the proposal to create a new Tuscan Water District controlled by large corporate ag and investment interests. The Tuscan aquifer is Butte County's common environmental and social good and we cannot allow it to be siphoned off—under cover of legality —by big ag entities who cannot be trusted to prioritize local needs and interests.

Please include my comment in the public record.

Alicia Springer 1686 Filbert Avenue Chico CA 95926 From:Alicia TriderSubject:Tuscan Water DistrictDate:Tuesday, August 31, 2021 2:55:21 PM

ATTENTION: This message originated from outside Butte County. Please exercise judgment before opening attachments, clicking on links, or replying.

Hello, I am writing to ask you to vote "no" for the Tuscan Water District. I do not support the Tuscan Water District formation because it will disenfranchise small farmers, negatively impact groundwater dependent ecosystems (like the City of Chico's urban forest and critical species in Bidwell Park), and allow control of the richest 1% of landowners (NOT family farmers) to control how the aquifer, which many in Butte County are reliant on, is managed and used. I am in favor of local and regional management for Butte County watersheds, aquifers, streams, and rivers, which must be governed by, and for, Butte County residents, not external, special interests.

Please include this letter in the pubic record and in the BC Water Commission packet of correspondence.

Alícía Tríder

From:	Amy and John, HoneyRun Winery
То:	Lucas, Steve
Subject:	Please do not approve the proposed Tuscan Water District
Date:	Monday, September 27, 2021 9:15:03 AM

ATTENTION: This message originated from outside **Butte County**. Please exercise judgment before opening attachments, clicking on links, or replying.

Dear Local Area Formation Commission,

I object to the approval of the Tuscan Water District and any attempts to give control of the groundwater management to private groups that are not accountable to the public in our area.

The oversight of our area's water should remain with the current system because it allows for public input, it involves elected officials, and it involves a mix of interests. Water is too important to lock off the control like this into the future.

Please reject the Tuscan Water District, and keep the current system. Thank you.

Please include this letter in the public record.

Thank you, Amy Hasle Butte County resident

From:	Anita Wolfson
То:	Lucas, Steve
Subject:	Tuscan Water District
Date:	Sunday, August 29, 2021 4:27:41 PM

ATTENTION: This message originated from outside **Butte County**. Please exercise judgment before opening attachments, clicking on links, or replying.

Dear Steve Lucas, I am writing this email to express my opinion on the negative impact the formation of the Tuscan Water District (TWD) will have on the citizens of Butte County. Ground water is a public asset, it belongs to all of us. Ground water should not be controlled by corporations or special interest groups. This control should be based on one person, one vote rather than one acre, one vote. Decisions on fees and usage should not be determined by large landowners who control a private members only group (AGUBC). There are other ways meet the requirements of the Sustainable Groundwater Management Act that satisfy the needs of all landowners rather than a select few. The purpose of this letter is not to explore those options but to make the needs of small landowners like myself known. Thank you,

Anita Wolfson 1890 Wilma Way Durham, Ca.

Sent from my iPad

From:	Anne Dawson
То:	Lucas, Steve
Subject:	Tuscan Water District membership
Date:	Tuesday, August 17, 2021 5:36:19 PM

Hi there. Today, at the Vina GSA Stakeholder Advisory Committee meeting, there was a presentation by Tovey Richardson(?) on the Tuscan water district. He did not answer questions on the identity of the four largest members of TWD but said it was public information available on the LAFCO website.

I have been unable to find this. I am hoping you can direct me to the appropriate place on the website. Thank you Anne Dawson

Sent from my iPad

From:	Annette Faurote
То:	Lucas, Steve
Cc:	Stover, Joy; Broderson, Jill; Costa, Shannon
Subject:	Oppose the Tuscan Water District
Date:	Tuesday, October 19, 2021 5:25:37 PM

Please forward this to the appropriate parties and boards. Thank you.

This should be made part of the permanent record regarding the Tuscan Water District and it's possible formation.

I am **opposed to the Tuscan Water District** it is presently proposed. My main complaint is the 1 vote/1 acre. I understand that water districts have in the past been formed in this manner. However, it is an archaic, unethical and undemocratic method. As our country was established it was proposed that we base voting on land ownership. It was decided that this was a very undemocratic system. So that was scraped and exchanged for one vote per white man. Then this system was amended so that Blacks and women could vote. Democracy evolves and we should evolve this system of who controls and makes decisions regarding our water system.

The same needs to be done with this undemocratic system today. The community wants to be involved. Each resident should have voting capacity and help to formulate plans if they desire. 1 vote/1 acre gives control to those that are landed, often out-of-county residents, the wealthy and corporations. Big farms and corporations have the profit motive foremost in mind with their decisions. I hold that domestic water users are deeply involved with the water supply and need to be involved. The citizens of our community have sustainability and the health of our ecosystems foremost. The current proposal ignores this. The current proposals disenfranchise a majority of our citizens.

Sincerely,

Annette Faurote Chico, CA 95928

~

Comments from:

General Public

From:	Barbara Steinberg
To:	Lucas, Steve
Subject:	SAY NO TO THE TUSCAN WATER DISTRICT
Date:	Wednesday, August 25, 2021 3:41:19 PM

August 25, 2021

Steve Lucas Local Area Formation Commission (LAFCO) 1453 Downer Street Oroville, CA 95965

Mr. Lucas -

I'm doing this as a concerned resident. We attended last night's two hour meeting. It was painful to hear about all we did not know. As a property owner - whether we ultimately support or oppose - we are asking ourselves why most of us at the 25th hour are just hearing about this. The proposed plan has been in action for years. Attending the community meeting last night, if only half the facts are true, this situation should scare the majority of small property owners. Are you at all familiar with the water wars of Mono and Inyo counties -Los Angeles Department of Water and Power - Cadillac Desert and Chinatown this water proposal smacks of all of that and more. The clock is ticking. And yet we as property owners, residents of Butte County/Chico, and your constituents, no one - NO ONE - notified us and presented the facts so we could make an informed decision. Why weren't we given the opportunity to sign a petition? Doesn't matter who stepped in or got going - all landowners were entitled to the same information. And going back to 2017 when all of this got started. It's unconscionable that you, as a government official, kept your constituents in the dark. This absolutely is to the benefit of large agribusiness & big businesses that aren't able to vote in local elections. A pipeline down the Skyway - have you seen the pipelines that crisscross the Sierra Nevada? Conveying water to Los Angeles and killing the Long and Owens valleys. I know you'll try to convince me otherwise, but I know what I know. All of this was done behind closed doors. And continues to be so. The Vina GSA meeting on September 8th is a closed session topic. It should be public. Why isn't it?

I could go on & on. You have all kinds of rationale for this but just like Frederick Eaton & William Mulholland - it's the same story through the ages.

Sincerely - Barbara Steinberg and Mike Nellor 1959 Rosecreek Court Chico, CA 95928-9649

From:	Lucas, Steve
То:	Barbara Steinberg
Subject:	RE: QUESTION ABOUT AGUBC
Date:	Wednesday, September 1, 2021 2:56:00 PM
Attachments:	imaqe001.png image002.jpg

Barbara,

LAFCo has no relationship with the AGUBC and cannot speak to that issue.

Should the TWD be approved, groundwater management in the Vina Basin would remain as it is now, under the jurisdiction of the Vina Groundwater Sustainability Agency (VGSA).

The TWD would be a California Special District which is unit of local government subject to all the laws of CA applicable. It would be no different from the other 41 special districts currently operating in Butte County.

Cheers,

Steve

2

Stephen Lucas | Executive Officer Butte Local Agency Formation Commission 1453 Downer Street, Suite C | Oroville, CA 95965 (1) 530.538.6819 www.buttelafco.org

Opportunities are never lost; someone will take the ones you miss.

From: Barbara Steinberg <areyouthatwoman@gmail.com>
Sent: Wednesday, September 1, 2021 2:01 PM
To: Lucas, Steve <SLucas@buttecounty.net>
Subject: QUESTION ABOUT AGUBC

ATTENTION: This message originated from outside **Butte County**. Please exercise judgment before opening attachments, clicking on links, or replying.

September 1, 2021

AGUBC is the non-profit - from what I heard it was an invite only and \$2,500 to be a member. Is that correct? Is there a list of the members that is available to the public? And I find it curious that AGUBC is on Facebook

- <u>https://www.facebook.com/AGUButteCounty/</u> and the only website listed is the Tuscan Water District. So, again, rather suspicious.

And want to be clear who has jurisdiction over the water district if it's approved?

Thanks - Barbara Barbara L. Steinberg, CTA <u>www.AreYouThatWoman.com</u> P.O. Box 160824 Sacramento, CA 95816 916/335-1522 California Travel Expert <u>California Watchable Wildlife</u>, Outreach Coordinator <u>Outdoor Writers Association of California</u>, Board Member



From:	Barbara Steinberg
To:	Lucas, Steve
Subject:	Re: QUESTION ABOUT AGUBC
Date:	Wednesday, September 1, 2021 3:00:08 PM
Attachments:	image001.png
	image002.jpg

Okay, thank you.

Barbara L. Steinberg, CTA <u>www.AreYouThatWoman.com</u> P.O. Box 160824 Sacramento, CA 95816 916/335-1522 California Travel Expert <u>California Watchable Wildlife</u>, Outreach Coordinator <u>Outdoor Writers Association of California</u>, Board Member



On Wed, Sep 1, 2021 at 2:56 PM Lucas, Steve <<u>SLucas@buttecounty.net</u>> wrote:

Barbara,

LAFCo has no relationship with the AGUBC and cannot speak to that issue.

Should the TWD be approved, groundwater management in the Vina Basin would remain as it is now, under the jurisdiction of the Vina Groundwater Sustainability Agency (VGSA).

The TWD would be a California Special District which is unit of local government subject to all the laws of CA applicable. It would be no different from the other 41 special districts currently operating in Butte County.

Cheers,

Steve



Stephen Lucas | Executive Officer Butte Local Agency Formation Commission

1453 Downer Street, Suite C | Oroville, CA 95965 \$ 530.538.6819
www.buttelafco.org

Opportunities are never lost; someone will take the ones you miss.

From: Barbara Steinberg <areyouthatwoman@gmail.com>
Sent: Wednesday, September 1, 2021 2:01 PM
To: Lucas, Steve <<u>SLucas@buttecounty.net</u>>
Subject: QUESTION ABOUT AGUBC

ATTENTION: This message originated from outside **Butte County**. Please exercise judgment before opening attachments, clicking on links, or replying.

September 1, 2021

AGUBC is the non-profit - from what I heard it was an invite only and \$2,500 to be a member. Is that correct? Is there a list of the members that is available to the public? And I find it curious

that AGUBC is on Facebook

- <u>https://www.facebook.com/AGUButteCounty/</u> and the only website listed is the Tuscan Water District. So, again, rather suspicious.

And want to be clear who has jurisdiction over the water district if it's approved?

Thanks - Barbara

Barbara L. Steinberg, CTA

www.AreYouThatWoman.com P.O. Box 160824

Sacramento, CA 95816 916/335-1522 California Travel Expert

California Watchable Wildlife, Outreach Coordinator

Outdoor Writers Association of California, Board Member



From:	Barbara Steinberg
To:	Lucas, Steve
Subject:	Re: THANKS FOR YOUR CALL AND
Date:	Tuesday, August 31, 2021 10:54:10 AM
Attachments:	image001.png
	image002.jpg
	image003.png

And, again, who manages our water? We live in the county.

Barbara L. Steinberg, CTA <u>www.AreYouThatWoman.com</u> P.O. Box 160824 Sacramento, CA 95816 916/335-1522 California Travel Expert <u>California Watchable Wildlife</u>, Outreach Coordinator <u>Outdoor Writers Association of California</u>, Board Member



On Tue, Aug 31, 2021 at 10:48 AM Barbara Steinberg areyouthatwoman@gmail.com> wrote: Is this list of parcels every assessed parcel - no matter the acreage? And not just farmers?

Barbara L. Steinberg, CTA <u>www.AreYouThatWoman.com</u> P.O. Box 160824 Sacramento, CA 95816 916/335-1522 California Travel Expert <u>California Watchable Wildlife</u>, Outreach Coordinator <u>Outdoor Writers Association of California</u>, Board Member



On Tue, Aug 31, 2021 at 10:25 AM Lucas, Steve <<u>SLucas@buttecounty.net</u>> wrote:

1

Barbara,

Yes, there is a full listing of all affected parcels on our website <u>HERE</u>.

Your parcel is not proposed to be a part of the district, therefore, there will be no direct impact to you at all.

Cheers,

Steve



Stephen Lucas | Executive Officer Butte Local Agency Formation Commission

Opportunities are never lost; someone will take the ones you miss.

From: Barbara Steinberg <areyouthatwoman@gmail.com>
Sent: Tuesday, August 31, 2021 9:45 AM
To: Lucas, Steve <<u>SLucas@buttecounty.net</u>>
Subject: Re: THANKS FOR YOUR CALL... AND

ATTENTION: This message originated from outside Butte County. Please exercise judgment before opening attachments, clicking on links, or replying.

Thank you so much for that update. And means that of our neighbors as well. The maps are nearly impossible to read. Is there some document that lists all addresses within the boundaries of TDW?

So what does that mean for us in terms of water and/or a district? Also, I would still be interested in the Workshop.

Barbara L. Steinberg, CTA

www.AreYouThatWoman.com P.O. Box 160824

Sacramento, CA 95816

916/335-1522 California Travel Expert

California Watchable Wildlife, Outreach Coordinator

Outdoor Writers Association of California, Board Member



On Tue, Aug 31, 2021 at 9:33 AM Lucas, Steve <<u>SLucas@buttecounty.net</u>> wrote:

Hi Barbara,

Your parcel (1959 Rosecreek Ct. APN 043-690-073-000) is NOT within the TWD boundary as proposed.

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

	8.6819 telafco.org
Opportu	nities are never lost; someone will take the ones you miss.
Sent: M To: Luca	arbara Steinberg < <u>areyouthatwoman@gmail.com</u> > londay, August 30, 2021 4:53 PM as, Steve < <u>SLucas@buttecounty.net</u> > : THANKS FOR YOUR CALL AND
A	TTENTION: This message originated from outside Butte County . Please exercise judgment before opening attachments, clicking on links, or replying.
Augus	st 30, 2021
one?:	LafCo website and the interactive map - is this https://gisportal.buttecounty.net/portal/apps/webappviewer/index.https://gisportal.buttecounty.net/portal/apps/webappviewer/index.https://gisportal.buttecounty.net/portal/apps/webappviewer/index.https://gisportal.buttecounty.net/portal/apps/webappviewer/index.https://gisportal.buttecounty.net/portal/apps/webappviewer/index.https://gisportal.buttecounty.net/portal/apps/webappviewer/index.https://gisportal.buttecounty.net/portal/apps/webappviewer/index.https://gisportal.buttecounty.net/portal/apps/webappviewer/index.https://gisportal.buttecounty.net/portal/apps/webappviewer/index.https://gisportal.buttecounty.net/portal/apps/webappviewer/index.https://gisportal.buttecounty.net/portal/apps/webappviewer/index.https://gisportal.buttecounty.https://gisport
	a654a82a214baa95abd0ad5db8ac32
If so, looke didn't	
If so, looked didn't bound	a654a82a214baa95abd0ad5db8ac32 our address - 1959 Rosecreek Court - didn't come up in the search. A d at the larger map you mentioned - the one that's many pages - and find a way to search. Can someone tell us if we're actually within the
If so, looked didn't bound Thank	a654a82a214baa95abd0ad5db8ac32 our address - 1959 Rosecreek Court - didn't come up in the search. A d at the larger map you mentioned - the one that's many pages - and find a way to search. Can someone tell us if we're actually within the laries of the TWD?
If so, looked didn't bound Thank Barbara	a654a82a214baa95abd0ad5db8ac32 our address - 1959 Rosecreek Court - didn't come up in the search. A d at the larger map you mentioned - the one that's many pages - and find a way to search. Can someone tell us if we're actually within the laries of the TWD? ts - Barbara
If so, looked didn't bound Thank Barbara P.O. Bo Sacram 916/33	our address - 1959 Rosecreek Court - didn't come up in the search. A d at the larger map you mentioned - the one that's many pages - and find a way to search. Can someone tell us if we're actually within the laries of the TWD? ts - Barbara a L. Steinberg, CTA areYouThatWoman.com ox 160824 ento, CA 95816 5-1522
If so, looked didn't bound Thank Barbara WWW.A P.O. Bo Sacram 916/33 Califor	our address - 1959 Rosecreek Court - didn't come up in the search. A d at the larger map you mentioned - the one that's many pages - and find a way to search. Can someone tell us if we're actually within the laries of the TWD? ts - Barbara a L. Steinberg, CTA <u>areYouThatWoman.com</u> ox 160824 eento, CA 95816 5-1522 nia Travel Expert
If so, looked didn't bound Thank Barbara <u>www.A</u> P.O. Bo Sacram 916/33 Califor <u>Califor</u>	our address - 1959 Rosecreek Court - didn't come up in the search. A d at the larger map you mentioned - the one that's many pages - and find a way to search. Can someone tell us if we're actually within the laries of the TWD? ts - Barbara a L. Steinberg, CTA areYouThatWoman.com ox 160824 ento, CA 95816 5-1522

nus,
.com;
-

5.1. CONSIDERATION OF A LAFCO APPLICATION TO FORM THE TUSCAN WATER DISTRICT The Butte Local Agency Formation Commission (LAFCo) received an application for the formation of a California Water District entitled the Tuscan Water District (TWD). LAFCo has notified the Vina GSA and other local agencies of the TWD application and requests comments from the Vina GSA. Action: Provide Staff with a recommendation and specific direction regarding the submission of comments to LAFCo on the application to form the Tuscan Water District (TWD).

I am unable to attend the VINA GSA meeting this week on September 8, 2021.

I have attended two recent meetings regarding the Tuscan Water District (TWD) having only just learned about formation of the district in the past month. Most of my neighbors were also uninformed or knew little about what's involved. And while it took far too long to find out from local representatives that we aren't within the boundaries of the TWD, no one has answered questions as to what this means for our own water rights. The aquifer/groundwater knows no boundaries. Which water district are we in and what are their controls over groundwater throughout the region to protect domestic wells?

Also, I inquired about the AGUBC - who are its members? Is this a private organization funded by the members? A 501(3)(6) nonprofit, correct? Their Board of Directors also initiated the Tuscan Water District petition? Those members pay \$2,500 to belong. No one I reached out to about this has given any response. The only website associated with the AGUBC Facebook page is the Tuscan Water District website and yet we were told they are separate entities. They say our domestic groundwater will be protected, but protected by who?

Water Commissioners are members of AGUBC and yet they didn't recuse themselves at the most recent meeting saying there were no conflicts of interest. How is it possible that they have no conflict when they will clearly benefit from the TWD?

Domestic well owners have not been given the same opportunities to review and be informed about what any of this means. I've been told that LAFCo will be doing a workshop later this month and would like to know more about that and an opportunity to attend. There has been misinformation on both sides. Domestic well owners should have the same rights as the farmers. Anyone who says otherwise is also misinformed. I don't oppose a water district that protects the water rights of all Butte County residents.

Sincerely - Barbara Steinberg

From:	Betty Villaronga
To:	Lucas, Steve
Subject:	Tuscan
Date:	Monday, October 25, 2021 10:18:43 AM

I want to urge you to reject the Tuscan water group taking over our water rights. I don't trust them to do the right thing for the people in this area when their profits are at stake. Why take the chance when it is not necessary. Do not sell us out!

Steve Lucas, LAFco August 30, 2021

Mr. Lucas:

As surface water dwindles and rain has not been forthcoming for some time, it is understandable that the public is concerned about our future water supplies. Wells are running dry, crops and trees are dying, the lakes are going down, etc. We become more aware these days that there's gold under "them thar hills". I have always believed water would be the big power grab in the current time period, and that the water riches in the County of Butte are coveted by many interests.

However, I was not aware of the Tuscan Water District Formation until VERY recently when I heard it on the news and so I began to research the issue. I realized I had little time to get my opinion into public records. I learned that the Tuscan Aquifer system, part of the Sacramento Valley Groundwater Basin, contains a great deal of the underground water in Butte County.

It is my understanding that the proposed Tuscan Water District aims to give landowners one vote per acre, and that there are 77 property owners that control more than 50% of the acreage of this aquifer system and have read that there is an out of state owner with a good deal of this land! I also have read that this proposed district wants their activities to be secretive and not open to the public's input or vote. Neither do they intend to make the general public aware of who they are distributing water to, how much of it, and for what purpose (no Brown Act).

I view this as an inequitable proposal, and **I would like to register my opinion for the public record** as being opposed to it going forward. Granted there may be some legitimate issues to be discussed, but it's happening too fast with very little input from the citizenry of Butte County.

Thank you for registering this letter.

Beverly Stambaugh 2162 Robailey Drive Chico, CA 95928 Bstamb@comcast.net (530) 636-4435

From:	Stover, Joy
To:	Lucas, Steve
Subject:	FW: Public Comment for Butte County Water Commission 9/1/2021 Agenda Item 4 and LAFCo 9/2/2021 agenda Item 5
Date:	Wednesday, September 1, 2021 7:02:52 AM
Attachments:	Butte Environmental Council - Tuscan Water District Public Comment.pdf

Good morning-See comment below from Butte Environmental Council...

Joy

From: Caitlin Dalby <caitlin.dalby@becnet.org>

Sent: Tuesday, August 31, 2021 10:39 PM

To: Buck, Christina <CBuck@buttecounty.net>; Stover, Joy <JStover@buttecounty.net>; BCWater
<BCWaterFrontDeskHG@buttecounty.net>; Clerk of the Board <clerkoftheboard@buttecounty.net>
Cc: markgrover38@gmail.com; Richard Harriman <richardharrimanattorney@gmail.com>; aimee@planinmotion.com; almontorchards@yahoo.com; mauny@rgeca.com;

matttennis@yahoo.com; deskinner223@gmail.com; george.washington@wwdefence.com; Connelly, Bill <BConnelly@buttecounty.net>; Lucero, Debra <DLucero@buttecounty.net>; Ritter, Tami <TRitter@buttecounty.net>; Kimmelshue, Tod <TKimmelshue@buttecounty.net>; Teeter, Doug <DTeeter@buttecounty.net>

Subject: Public Comment for Butte County Water Commission 9/1/2021 Agenda Item 4 and LAFCo 9/2/2021 agenda Item 5

ATTENTION: This message originated from outside Butte County. Please exercise judgment before opening attachments, clicking on links, or replying.

Thank you for the opportunity to comment on the Tuscan Water District.

Regarding Agenda Item 4 of the September 1, 2021, Butte County Water Commission Meeting, and all relative items on subsequent meetings on this matter, please oppose the formation of the Tuscan Water District application with consideration that it will hinder the overall management of surface irrigation water and groundwater resources within Butte County and the region.

Below please find comments addressing the inadequacies and issues of concern of the Tuscan Water District Formation submitted on behalf of the Butte Environmental Council:

1. No Need for District

For a district to be formed, there needs to be a need and no other organization that can serve that need. The Groundwater Sustainability Agencies have been given the powers and the authority by the State of California to develop, implement and enforce a basin's groundwater sustainability program. There are three Groundwater Sustainability Agencies within Butte County that are developing the Groundwater Sustainability Plans and will be implementing them until they reach groundwater sustainability by 2042. With these agencies, there is no need for the Tuscan Water District to be formed.

2. Demand Management Needs to be Prioritized

The Tuscan Water District aims to become a surface water purveyor, taking water from PID, Table A water allocation, or the Sacramento River, and that isn't the only solution we have to ensure groundwater sustainability. We do not need to artificially increase the water supply by importing surface water before demand management.

Demand management and reuse of water need to be an important part of our groundwater management toolkit, not just supply expansion. Some demand management and water reuse solutions include urban conservation, forest management, recycled and reclaimed water, invasive species removal, improving soil health practices to increase natural groundwater recharge and utilization, incentivizing less water-intensive crops, and improving agricultural water use efficiency. Water should not be imported to solve problems created by misuse, over-allocation, and waste inside the county.

3. Questionable Motives

There is a concern that the Tuscan Water District might not have the public's best interests in mind nor the interest of long-term health of the aquifer. The large agricultural corporations within the Tuscan Water District are beholden to their shareholders, not the public that relies on it, and have a responsibility to maximize profits for their corporate farms, not to sustain groundwater for all beneficial users. Control of the TWD would not be democratic due to the proposed power structure that distributes votes by acreage/appraised property value--NOT one resident one vote. Butte county water decisions need to be made in the interest of Butte County Residents, not a 1% minority of wealthy corporate farms.

4. Lack of Consideration for Groundwater Dependent Ecosystems

The priority of the TWD is to advance the interests of the wealthiest 1% of landowners, not to protect the shallowest positions of the aquifer upon which critical groundwater-dependent ecosystems rely. SGMA mandates that all groundwater beneficial users are considered and addressed in the Groundwater Sustainability Plans. Groundwater-dependent ecosystems, including environmentally beneficial uses, are an important consideration under SGMA. We are concerned that the Tuscan Water District's influence on the Groundwater Sustainability Plan implementation will detrimentally impact groundwater-dependent ecosystems.

5. Undemocratic Decision-Making Process

The Tuscan Water District is trying to take the place of a public implementation process of the Groundwater Sustainability Plans, and to decide which projects are chosen to be implemented, which could be chosen to only benefit the 1% of landowners that would control the Tuscan Water District, not all beneficial users. The GSPs are in development now, and there will be time to decide who and what is implemented. Butte County watersheds and waters should be governed in the interest of the public, not controlled by external special interests. Additionally, "the narrow and technical nature of a district's activities often results in special districts with low visibility until a crisis arises".

6. Privatization of the Aquifer, Conjunctive Use, and Water Banking

The proposed district contains large multibillion-dollar private corporations that would be controlling the water district. If their application was approved, they could privatize the aquifer by artificially recharging it with surface water, to establish a private water bank that they would control. "Groundwater dependent ecosystems will be the first to be negatively impacted from further groundwater drawdown and implementation of...banking streams". This can easily happen under the Tuscan Water District.

7. Disenfranchises Small Farmers

As a landowner district, all decisions will be based on approximately one acre per vote, hence the 75 petition-signers, owning a majority of the land, can outvote the remaining 2,000 landowners. Small farmers are disenfranchised with this type of district.

8. Lack of Consideration for Groundwater Dependent Ecosystems

The priority of the TWD is to advance the interests of the wealthiest 1% of landowners not to protect the shallowest positions of the aquifer upon which critical groundwater-dependent ecosystems rely. SGMA mandates that all groundwater beneficial users are considered and addressed in the Groundwater Sustainability Plans. Groundwater-dependent ecosystems, including environmentally beneficial uses, are an important consideration under SGMA. We are concerned that the Tuscan Water District's influence on the Groundwater Sustainability Plan implementation will detrimentally impact groundwater-dependent ecosystems.

9. Incorrect Application Type

The application submitted for the Tuscan Water District appears to be the incorrect application, the Annexation Application. On page 2 of the Tuscan Water District Application for Formation, it reads "Annexation Application" on the bottom of the page, right after Butte County Local Agency Formation Commission, and before "Revised April 19, 2011" and "Page 3". It appears to be identical to the Annexation Applications in the Butte County Local Agency Formation Commission's website. Due to the incorrect application, this application should be deemed inadequate and a new application should be submitted on behalf of the Tuscan Water District.

Due to the significant issues of this California Water District application discussed above, the Butte Environmental Council opposes the Tuscan Water District formation application. Before the formation of a private California Water District is voted on, alternatives to this district, including the formation of a Butte County Water District, and increasing capacity of the GSAs for GSP implementation should be explored. Please oppose the formation of the Tuscan Water District application with consideration that it will hinder the overall management of surface irrigation water and groundwater resources within Butte County and the region.

Butte Environmental Council (BEC) has been a leading 501(c)(3) environmental non-profit in Butte County since 1975, dedicated to environmental issues that threaten the land, air, and water of our communities. BEC is a grassroots organization supported by over 200 paying members, hundreds of volunteers and donors, dozens of local business sponsors, over 3,500 followers on social media, and

over 4,000 subscribers to our monthly electronic newsletter. Throughout each year, BEC offers citizens many chances to engage in environmental education, advocacy, and stewardship. BEC provides position statements when the organization's leaders recognize a regional environmental threat to citizens.

Thank you for the opportunity to provide comments on this important project. Please feel free to contact our General Manager, Caitlin Dalby, at <u>caitlin.dalby@becnet.org</u> with any questions.

Board of Directors

Butte Environmental Council

(530) 891-6424

www.becnet.org

1. <u>https://water.ca.gov/Programs/Groundwater-Management/SGMA-Groundwater-Management/Groundwater-Sustainable-Agencies</u>

2. https://www.napa.lafco.ca.gov/uploads/documents/specdist.pdf

3. https://digitalcommons.law.ggu.edu/gguelj/vol9/iss1/7/

Butte County Water Commission Attn: Christina Buck, Interim Director, Butte County Department of Water Resources & Conservation 308 Nelson Ave Oroville, CA 95965 <u>cbuck@buttecounty.net</u>

Thank you for the opportunity to comment on the Tuscan Water District.

Regarding Agenda Item 4 of the September 1, 2021, Butte County Water Commission Meeting, and all relative items on subsequent meetings on this matter, please oppose the formation of the Tuscan Water District application with consideration that it will hinder the overall management of surface irrigation water and groundwater resources within Butte County and the region.

Below please find comments addressing the inadequacies and issues of concern of the Tuscan Water District Formation submitted on behalf of the Butte Environmental Council:

1. No Need for District

For a district to be formed, there needs to be a need, and no other organization that can serve that need. The Groundwater Sustainability Agencies have been given the powers and the authority by the State of California to develop, implement and enforce a basin's groundwater sustainability program¹. There are three Groundwater Sustainability Agencies within Butte County that are developing the Groundwater Sustainability Plans, and will be implementing them until they reach groundwater sustainability by 2042. With these agencies, there is no need for the Tuscan Water District to be formed.

2. Demand Management Needs to be Prioritized

The Tuscan Water District aims to become a surface water purveyor, taking water from PID, Table A water allocation, or the Sacramento River, and that isn't the only solution we have to ensure groundwater sustainability. We do not need to artificially increase the water supply by importing surface water before demand management.

Demand management and reuse of water need to be an important part of our groundwater management toolkit, not just supply expansion. Some demand management and water reuse solutions include urban conservation, forest management, recycled and reclaimed water, invasive species removal, improving soil health practices to increase natural groundwater recharge and utilization, incentivizing less water intensive crops, and improving agricultural water use efficiency. Water should not be imported to solve problems created by misuse, over-allocation and waste inside the county.

3. Questionable Motives

There is a concern that the Tuscan Water District might not have the public's best interests in mind nor the interest of long-term health of the aquifer. The large agricultural corporations within the Tuscan Water District are beholden to their shareholders, not the public that rely on it, and have a responsibility to maximize profits for their corporate farms, not to sustain groundwater for all beneficial users. Control of the TWD would not be democratic due to the proposed power structure that distributes votes by acreage/appraised property value--NOT one resident one vote. Butte county water decisions need to be made in the interest of Butte County Residents, not a 1% minority of wealthy corporate farms.

⁴https://water.ca.gov/Programs/Groundwater-Management/SGMA-Groundwater-Management/Groundwater-Sustainable-Agencies

4. Lack of Consideration for Groundwater-Dependent Ecosystems

The priority of the TWD is to advance the interests of the wealthiest 1% of landowners, not to protect the shallowest positions of the aquifer upon which critical groundwater-dependent ecosystems rely. SGMA mandates that all groundwater beneficial users are considered and addressed in the Groundwater Sustainability Plans. Groundwater-dependent ecosystems, included in the environmental beneficial use, are an important consideration under SGMA. We are concerned that the Tuscan Water District's influence on the Groundwater Sustainability Plan implementation will detrimentally impact groundwater-dependent ecosystems.

5. Undemocratic Decision Making Process

The Tuscan Water District is trying to take the place of a public implementation process of the Groundwater Sustainability Plans, and to decide which projects are chosen to be implemented, which could be chosen to only benefit the 1% of landowners that would control the Tuscan Water District, not all beneficial users. The GSPs are in development now, and there will be time to decide who and what is implemented. Butte County watersheds and waters should be governed in the interest of the public, not controlled by external special interests. Additionally, "the narrow and technical nature of a district's activities often results in special districts with low visibility until a crisis arises²".

6. Privatization of the Aquifer, Conjunctive Use and Water Banking

The proposed district contains large multibillion dollar private corporations that would be controlling the water district. If their application was approved, they could privatize the aquifer by artificially recharging it with surface water, to establish a private water bank that they would control. "Groundwater-dependent ecosystems will be the first to be negatively impacted from further groundwater drawdown and implementation of...banking streams"³. This can easily happen under the Tuscan Water District.

7. Disenfranchises Small Farmers

As a landowner district, all decisions will be based on approximately one acre per vote, hence the 75 petition-signers, owning a majority of the land, can outvote the remaining 2,000 landowners. Small farmers are disenfranchised with this type of district.

8. Lack of Consideration for Groundwater-Dependent Ecosystems

The priority of the TWD is to advance the interests of the wealthiest 1% of landowners not to protect the shallowest positions of the aquifer upon which critical groundwater-dependent ecosystems rely. SGMA mandates that all groundwater beneficial users are considered and addressed in the Groundwater Sustainability Plans. Groundwater-dependent ecosystems, included in the environmental beneficial use, are an important consideration under SGMA. We are concerned that the Tuscan Water District's influence on the Groundwater Sustainability Plan implementation will detrimentally impact groundwater-dependent ecosystems.

9. Incorrect Application Type

The application submitted for the Tuscan Water District appears to be the incorrect application, the Annexation Application. On page 2 of the Tuscan Water District Application for Formation, it reads "Annexation Application" on the bottom of the page, right after Butte County Local Agency Formation Commission, and before "Revised April 19, 2011" and "Page 3". It appears to be identical to the Annexation Applications in the Butte County Local Agency Formation Commission's website. Due to

² https://www.napa.lafco.ca.gov/uploads/documents/specdist.pdf

³ https://digitalcommons.law.ggu.edu/gguelj/vol9/iss1/7/

the incorrect application, this application should be deemed inadequate and a new application should be submitted on behalf of the Tuscan Water District.

Due to the significant issues of this California Water District application discussed above, the Butte Environmental Council opposes the Tuscan Water District formation application. Before the formation of a private California Water District is voted on, alternatives to this district, including the formation of a Butte County Water District, and increasing capacity of the GSAs for GSP implementation should be explored. Please oppose the formation of the Tuscan Water District application with consideration that it will hinder the overall management of surface irrigation water and groundwater resources within Butte County and the region.

Butte Environmental Council (BEC) has been a leading 501(c)(3) environmental non-profit in Butte County since 1975, dedicated to environmental issues that threaten the land, air, and water of our communities. BEC is a grassroots organization supported by over 200 paying members, hundreds of volunteers and donors, dozens of local business sponsors, over 3,500 followers on social media, and over 4,000 subscribers to our monthly electronic newsletter. Throughout each year, BEC offers citizens many chances to engage in environmental education, advocacy and stewardship. BEC provides position statements when the organization's leaders recognize a regional environmental threat to citizens.

Thank you for the opportunity to provide comments on this important project. Please feel free to contact our General Manager, Caitlin Dalby, at caitlin.dalby@becnet.org with any questions.

Board of Directors Butte Environmental Council



From:	Carl Hoff
То:	Lucas, Steve
Subject:	Tuscan Water District Support Letter
Date:	Friday, August 27, 2021 10:08:07 AM
Attachments:	image001.png
	tuscan water district letter.pdf

Hi Steve,

I wanted to send you the attached support letter from Butte County Rice Growers for the formation of the Tuscan Water District.

Thank you,

Carl

Carl Hoff President and CEO Butte County Rice Growers Assn.

?



Butte County Rice Growers Association

P.O. Box 128 Richvale, CA 95974 (530) 882-4261

August 26, 2021

Mr. Steve Lucas Butte County Local Agency Formation Commission 1453 Downer Street, Suite C Oroville, California 95965 Email: <u>slucas@buttecounty.net</u>

Re: Formation of Tuscan Water District

Dear Mr. Lucas:

On behalf of The Board of Directors of Butte County Rice Growers Assn (BUCRA), we support the formation of the proposed Tuscan Water District in the Vina Sub-Basin of Butte County.

With the passage of the Sustainable Groundwater Management Act (SGMA), it is imperative that groundwater users within the sub-basin whose lands are not within existing water or irrigation districts have the means to manage and protect their groundwater resources.

We support localized control over groundwater sustainability goals and see this as an effort to protect our local water resources, as well as domestic and agricultural groundwater dependent landowners. The formation of the Tuscan Water District will ensure that rural lifestyles and generations of the local farmers will continue.

If Tuscan is ultimately formed, we look forward to working with it as a local public water agency. We believe that the formation of the Tuscan Water District is a helpful step to achieving groundwater sustainability in the Vina Sub-basin.

Sincerely,

Carl Hoff President/CEO

From:	Cheryl Juhl
To:	Lucas, Steve
Subject:	Fwd: TWD
Date:	Tuesday, August 31, 2021 12:31:27 PM

Please include my comments as part of the official record. Thank you, Cheryl Juhl

------ Forwarded message ------From: Cheryl Juhl <<u>cherylwjuhl@gmail.com</u>> Date: Wed, Aug 25, 2021 at 3:15 PM Subject: TWD To: <<u>DLucero@buttecounty.net</u>>

Dear Madam Supervisor,

Our family farm is within your District. We have lived on this dirt since 1970. (2263 West Sacramento Ave). We have the original old farmhouse and then about 11 acres planted in walnuts next door that we bought in the mid 70s. We are surrounded by nut growing neighbors. We all depend on shallow wells to bring water to our homes and to water our orchards. We have 3 shallow wells (one of which is an Ag well we share with the Merlo/Dias family), one well at our house at 125' and one well at our daughter's house at 250'. Plus we have the original well sitting at 20 ' with a handpump that our children, now grown, once used to cool themselves off in the summer.

This dirt is precious and finite. In the 70's we were very involved in the Greenline movement which stopped the subdivision creep in our area and others. " No way San Jose".

We are very concerned for many reasons. First, our neighborhood seemed to be carved out by the TWD. Why, I' m not sure, but I fear that it might have something to do with weakening the Greenline.

The lack of transparency also really concerns me as does the fact that one of the County Supervisors seems to be personally involved with TWD.

I am alarmed that TWD was formed by "invitation only", and it is not an organization that is propelled by one person, one vote concept, but rather one acre of land owned equals one vote. Not very egalitarian. I prefer the " one person, one vote" approach.

I am also alarmed that this group of rich landholders.... some out of county or out of state are corporations.... could levy assessments on individual landowners who would not have a say in how that money would be spent.

These people appointed themselves without any input from the community. Self appointed entities will have self interest as their highest priority. Isn't that true?

We are AGAINST the TWD as proposed. We see nothing that would be beneficial for the

common good, but rather only what would be good for the " by invitation only" group.

We will try to be at the Supervisors' meeting where TWD is on the agenda. I appreciate your attention to this matter,

Sincerely,

Cheryl and Walt Juhl

From:	Family Briggs
То:	Lucas, Steve; Connelly, Bill; Lucero, Debra; Ritter, Tami; Kimmelshue, Tod; Teeter, Doug
Subject:	Tuscan Water District application
Date:	Wednesday, September 1, 2021 1:49:54 PM

Hello,

I am writing to ask you to not approve the Tuscan Water District application. I do not believe it is in the best interest of the residents of Butte County. We need a water district whose top priority is the health of our aquifer and our local people. Wells are going dry, families are struggling to get water for basic needs. We need a water district that has plans to work on long term groundwater sustainability through all the droughts to come, for the benefit of all residents of our county.

Thank you.

Dana Silva-Briggs (530) 342- 9427 Resident and homeowner in Butte County for over 35 years.

From:	David Potter
То:	Lucas, Steve
Subject:	Tuscan Water District
Date:	Monday, August 30, 2021 4:13:43 PM

Hello,

I would like to express my strong opposition to the Tuscan Water District as currently conceived. I hope you will put this in the public record.

Sincerely, David Potter From: DW Dejesus dwdejesus@att.net 1610 Citrus Ave. Chico, CA.95926 530 321-5748

To: Local Area Formation Commission (LAFCO)

- > Steve Lucas <u>slucas@buttecounty.net</u>
- > LAFCO
- > 1453 Downer St.
- > Oroville, CA 95965-4950
- >

Dear Mr. Lucas and LAFCO,

After reading and researching about the legality and dangers of the proposed Tuscan Water District, I am very concerned. After also attending a meeting on the subject, I am writing you and the Water Board to strongly oppose such a move.

During California's emergency draught we cannot legitimize a privatize water grab by a small group of farmers. While this group says they represent small farmers too, but too many are not included and do not support this move.

Water is a resource that belongs to us all and thus should be monitored, protected and legislated by elected officials with input from the people affected by its decisions. Understandably this Tuscan Water District's coalition will only have its own profits and sustainability as it priorities, not the rest of water users and those in charge of protecting our many other water related resources. Giving a share of our water freely to be self managed by this private Tuscan Water group is not in everyone's best interest!!

I understand their desire to continue their agricultural pursuits and livelihoods, but we will all have to make sacrifices and changes when water restrictions are needed. Many big agricultural crops grown locally (like almonds) are very heavily reliant on water and are not California draught friendly. When will we truly consider the draught and creative solutions?

Please include this letter as part of the official record.

Thank you for your time. Sincerely, Diana W. Dejesus

From:	Ernie
То:	Lucas, Steve
Subject:	Fwd: TWD
Date:	Wednesday, September 8, 2021 1:16:20 PM

Sent from my iPad

Begin forwarded message:

From: Ernie Washington <<u>George.Washington@wwdefense.com</u>> Date: September 8, 2021 at 7:34:54 AM PDT To: <u>ClerkoftheBoard@buttecounty.net</u>, <u>BConnelly@buttecounty.net</u>, <u>DLucero@buttecounty.net</u>, <u>TRitter@buttecounty.net</u>, <u>TKimmelshue@buttecounty.net</u>, <u>DTeeter@buttecounty.net</u> Cc: <u>www.butte@lafco.org</u> Subject: TWD

Sent from my iPad

Board Members,

I am writing as a resident of Butte County and longtime farmer (110 acres of almonds and small plot of olives) in the Cherokee Strip at the southern end of the proposed Tuscan Water District (hereafter TWD). I have four agricultural wells and one domestic well. My home which is in the County outside Chico is served by Cal Water. I am also a lawyer and have practiced law in the county for many years.

I do not question the applicants motives or intentions, many are my friends and neighbors. However, I disagree with the voting and governance system being proposed- one acre/one vote- because although it is sanctioned by the Water Code and works for other Districts in the County I think the TWD is different. Under the system which will presumably be in place, there is the potential for control of the TWD to go to large corporate or family farming entities from outside the County.

Water is becoming increasingly precious, we cannot foresee the future, and money talks. This scenario has repeated itself all over the West where farmers, ranchers, and others seek to preserve a lifestyle, but eventually sell because of changing conditions, lack of interest by the next generation or "offers they can't refuse".

First, the TWD is not a homogeneous group of relatively large farms with an ample supply of water, but rather a sprawling district which is made up of farms of all sizes as well as numerous parcels served by shallow domestic wells and it has a relatively large suburban population. The large and medium size farms control the acreage, but the small farmers and non farmers are by far the majority of the population and they feel disenfranchised by the proposed system. Next, the TWD is sitting on one of the last great at least partially unspoiled sources of water in the state and it has been and will continue to be coveted by public and private interests from outside the County. It is vital to everything that makes Butte County a good place to live- agriculture, our urban and suburban spaces, and most especially the environment (trees, creeks, flora, fauna etc.) Shouldn't an organization which exercises control over a resource of this importance be accountable to all the residents of the County.

Lastly, the TWD is to be "a purveyor of water". Numerous scenarios have been proposed to bring surface water to the overdrafted areas of the TWD. All would involve large investment in infrastructure which would be assessed to members of the district. Most would also result in significant environmental impacts such as finding a way for pipelines or canals to cross drainages like Butte Creek and Big and Little Chico which would affect the County as a whole not just the TWD. In undertaking these projects the TWD would have the power of eminent domain. The intertie for instance is a very promising idea, but there is no infrastructure to accommodate the PID water once it reaches the Southeast corner of Cal Water's Chico system let alone to bring it to the TWD. The same is true of Table A water. My point is these are very large projects affecting us all and the acquifer is an incredibly important resource so all the residents of the County should have a say through their elected representatives.

I have nothing against the formation of the TWD, but there should be adequate limits on the power of the few. Other entities like the Vina GSA have governing bodies accountable to the voters (Vina's board is composed of 5 members 3 of whom are elected officials including a Butte County Supervisor and 2 who are stakeholders, an agricultural well and domestic well user) and the Vina GSA has broad powers including the power to purchase water and initiate projects. California Water Code 10726.2.

It seems more appropriate to me that something of this magnitude be managed by an agency accountable to the public.

Ernie Washington

From:	Anita Wolfson
То:	Lucas, Steve
Subject:	Tuscan Water District
Date:	Sunday, August 29, 2021 5:09:47 PM

Dear CEO Lucas, I am writing this email to express my opinion that the formation of the Tuscan Water District (TWD) will have a negative impact on the citizens of Butte County. Ground water is a public asset which belongs to us all, not just corporations, large land owners or special interest groups. The control of this valuable and dwindling resource should be based on one person=one vote, rather than one acre=one vote. Decisions on fees and usage should not be determined by large landowners who control a private members only group (AGUBC). There are other ways to meet the requirements of the Sustainable Groundwater Management Act that can satisfy the needs of all landowners rather than a select few and provide for the sustainability of our aquifer. The purpose of this letter is not to explore those options but to make the needs of small landowners like myself known to LAFCO. I do not have email information for all commissioners, please forward this to each of them.

Thank you, Glenn Osen 1890 Wilma Way Durham, Ca 95938

Sent from my iPad

Dear Mr Lucas,

I am moved to write this letter because the proposed Tuscan Water District (TWD) is completely unfair to smaller farmers.

After reading and researching about the legality and dangers of the proposed TWD I am very concerned so I'm writing to you and the Water Board to strongly oppose this move.

During California's emergency drought we cannot legitimize a privatized water grab by a small group of farmers. While this group says they also represent small farmers, I don't believe that's true. The idea of 1 vote per acre puts an unfair advantage to rich farmers clearly leaving the little guy high and dry.

Water is a resource that belongs to everyone, to be monitored, protected, and legislated by elected officials with input from the people affected by its decisions. Understandably the TWD will have its own profits and sustainability as a priority, not the rest of water users or those in charge of protecting our many other water related resources.

I understand their desire to continue agricultural pursuits and livelihoods, but we all have to make sacrifices and changes when water restrictions are needed. Many big agricultural crops grown locally (like almonds) are very heavily reliant on water and are not California drought friendly. We need creative solutions, perhaps focusing on crops that require less water.

Handing over any part of our water to be self-managed by the private TWD is not in everyone's best interest!!

Thank you for your time and for passing this letter on and including it in the BC Water Commission packet of correspondence.

Sincerely, Jeri & Ed Luce

FYI

Shannon Costa Local Government Planning Analyst Butte Local Agency Formation Commission 1453 Downer Street, Suite C Oroville, CA 95965 530.538.7151

-----Original Message-----From: JoAnn <jander875@msn.com> Sent: Wednesday, September 8, 2021 4:17 PM To: LAFCOinfo <LAFCOinfo@buttecounty.net> Subject: Tuscan Water District

.ATTENTION: This message originated from outside Butte County. Please exercise judgment before opening attachments, clicking on links, or replying..

As a small landowner inChico who relies on the wells on our 3 1/2 acre property, I ask you to vote against the Tuscan Water District Application and find a solution to the water problem that works for everyone and not just wealthy farmers and corporations. Thank You. Jo Ann Anderson Chico, Ca

Sent from my iPhone

From:	Joe Gleason	
To:	Lucas, Steve	
Cc:	Connelly, Bill; Lucero, Debra; Ritter, Tami; Kimmelshue, Tod; Teeter, Doug	
Subject:	Tuscan Water District	
Date:	Tuesday, August 31, 2021 7:28:17 AM	
Attachments:	image001.png image002.jpg image003.jpg image004.jpg image005.jpg Tuscan Aquifer.docx	

Mr. Lucas,

Please see attached letter outlining my opposition to the formation of the Tuscan Water District.

Thank you,

Joe Gleason

Director of Operations



George DeLallo Company

1800 Idora St, Oroville CA 95966

P <u>530-533-3303</u>

C 724-640-3608

E joe.gleason@delallo.com



PRIVILEGED AND CONFIDENTIAL

This communication, including attachments, is for the exclusive use of addressee and may contain proprietary, confidential, and/or privileged information. If you are not the intended recipient, any use, copying, disclosure, dissemination or distribution is strictly prohibited. Please notify the sender immediately by email if you have received this email by mistake and delete this email from your system. Thank you. Joe Gleason 1282 Filbert Avenue Chico, CA 95926 (530) 342-6623

To Whom it Concerns:

I am writing to express my opposition to the proposed formation of the Tuscan Water District (TWD).

I understand Butte County is mandated to form a regulatory agency in response to the Sustainable Groundwater Management Act (SGMA) of 2014. While I applaud the Act, I do not believe any Groundwater Sustainability Agency dealing with the long-term health of the vast Tuscan Aquifer should be relegated to corporate and large family farms. It is akin to the fox guarding the hen house. The Tuscan Aquifer is shared by all who live in its boundaries. Nearly all residents of Butte County (and several other counties) depend on the Tuscan Aquifer for water. As such, I believe each stakeholder should have a say in how the Aquifer's resources are shared, recharged and kept sustainable for generations to come.

I believe any Groundwater Sustainability Agency must have elected officials at the helm. Only this can ensure each stakeholder is represented in decisions and actions affecting the community as a whole. The proposed TWD has as its core a select group of landowners who will cast votes on the future of the Aquifer on a one acre/one vote scheme. This is completely unacceptable and I urge each decisionmaker to reject the proposed Tuscan Water District.

Thank you for your consideration,

Joseph Gleason Director of Operations DeLallo Italian Foods, Inc. (530) 533-3303

From:	John Scott
To:	Lucas, Steve
Cc:	John Scott
Subject:	Stop the Proposed Tuscan Water District
Date:	Monday, September 27, 2021 8:37:02 PM
Importance:	High

Steve Lucas LAFCO

1453 Downer St, Oroville, CA 95965-4950

Dear Steve,

I strongly oppose the formation of the proposed Tuscan Water District because our groundwater belongs to everyone and it should NEVER be privatized. Also, I feel that you must ask LAFCO member Todd Kimmelschue to recuse himself from any discussion or votes on the TWD since he is one of the original signers and supporters of the Agricultural Groundwater Users of Butte County(AGUBC) and the TWD.

The proposed TWD will be a new Water District and it will be controlled by the largest landowners/farmers in Butte County, and it is nothing more than a 'Heist'

of our Tuscan Aquifer that belongs to everyone in Butte County. Groundwater is our most precious resource,

The AGUBC wants to control it all for their economic benefit. If approved the TWD will destroy our small farmers and the Domestic Well Users in Butte County.

I'm requesting that you include this correspondence in LAFCO'c public file and forward it to every member on the LAFCO Commission prior to the October 7, 2021 LAFCO meeting..

very, Sincerely, John Scott Butte Valley, CA

From:	John Scott
То:	Lucas, Steve
Cc:	John Scott
Subject:	Fw: Opposition to the Tuscan Water District.
Date:	Tuesday, November 16, 2021 1:43:23 PM
Importance:	High

Dear: Steve Lucas and the Butte County LAFCO Board,

What will your LAFCO Board legacy be?

The secret Agricultural Groundwater Users of Butte County proposed Tuscan Water District will be controlled by out of county and out of state

corporations with the ability to control and eventually own Butte Counties most precious resource, our groundwater, namely the Tuscan Aquifer.

Think this cannot happen? Just look to Tulare and Kern counties to name just two counties where the groundwater is controlled by large corporations.

There are thousands of small farmers and residential well users in these two counties whose wells have gone dry, and the corporations just do not care.

In Glenn County the GCID is pumping groundwater and currently letting over 200 residential and small farm & residential shallow wells go dry.

They are now just asking the Federal Government for help when the GCID is causing the problem. disgraceful!

If you Vote in favor of the proposed Tuscan Water District, your legacy will be that you sold out the residents of Butte County and allowed their water to be privatized by large out of county corporations.

For the sake of the people of Butte County and your generations to come, please do not vote for the proposed Tuscan Water District.

I strongly oppose LAFCO's Approval of the Tuscan Water District.

Very Sincerely, John Scott Butte Valley

ps. If you or your family are part of the AGUBC you have a major conflict of interest and you must recuse yourself from this discussion and voting.

Josh F.W. Cook Post Office Box 1196 Gridley, CA 95948-1196 916-674-2665 • josh@joshcook.com

County of Butte Water & Resource Conservation Department 308 Nelson Avenue Oroville, CA 95965

Dear Commissioners:

Greetings. I write regarding Agenda Item 4 (District formation) for the September 1, 2021, meeting of the Water Commission.

I offer these comments on behalf of my family that lives in the unincorporated area of Butte County and utilizes a well for domestic purposes. We are gravely concerned that local coordination of underground water resources by local water districts may be impaired if the North County aquifers are not included in management and cooperative inter-agency sustainability efforts.

In the last week, there has been a coordinated effort to organize people to oppose the formation of a North County Water District. Many of the claims that the organized opposition has proffered to the public lack essential context and history. Their claims do not align with the facts. I've outlined a few of the more egregious ones below:

CLAIM: The formation of the district is an effort to "privatize the aquifer."

FACT: The effort to form a District is the opposite of privatization. It is the creation of a government agency that will be subject to open meeting laws, accounting standards, personnel procedures and will be a government entity. Since 1887, Water Districts have developed infrastructure to steward our shared water resources. There are 361 Water Districts throughout the State dedicated to delivering water resources, conservation, and storage development. (Water Code Section 34000 and following). The proponents are actually "Governmentizing" their resources and property.

CLAIM: The district would be controlled by "large, out of county and out of state agribusinesses."

FACT: The district has geographical boundaries. Over time, landowners can change; the district is attached to the land, and representation is apportioned by acreage. Landowners form and

utilize Special Districts to provide government services. This is not uncommon or unusual; Water law and LAFCO laws encourage resource owners to develop government districts (or agencies) to increase their capacity to implement sound management practices more efficiently.

CLAIM: "This will make our wells go dry."

FACT: Forming a district is how you fix the wells running dry problem. Engaging in underground water storage, water conservation, crop rotation, time of use coordination, adopting area-wide coordinated management plans are a few of the purposes for which the district is being advanced. There is a reason the other water districts in the county support the formation of this new sister district. The other agencies can't work cooperatively when there is no agency to engage with. They can't manage their water as it is connected to the practices of all of the other local water managing agencies.

CLAIM: The new district will "kill the salmon and hurt wildlife."

FACT: Having a water district has been proven to facilitate state and federal wildlife management agreements that enhance and preserve habitat and assist threatened and endangered species. Gray Lodge Wildlife Area receives water through cooperative agreements with water districts. The United States Fish and Wildlife Service and the CA Department of Fish and Wildlife have management plans that include several local water districts in Butte County. Voting against this district formation indicates that you believe negotiating with 6500 landowners is a better way of engaging in cooperative agreements to protect animals and critical habitat.

CLAIM: Out of State interests will dominate and take control of "our water."

FACT: We are more concerned about in state "interests". Southern California resource priorities dominates the State Government, and they have made trillion-dollar investments based on the assumption that they will utilize "our" water to cover their unsustainable ways. The "corporate out of state interests" can be expected to act rationally to advance their investments. Having sustainable groundwater plans in place is in their interest. Being left on an island unattached to a water district and therefore unable to engage with other stakeholders to improve the water resources is not a sound business practice.

CLAIM: Private Interests are "taking over the aquifer."

FACT: The Sustainable Water Management Act was enacted to halt overdraft and bring groundwater basins into balanced levels of pumping and recharge. SGMA requires local agencies to adopt sustainability plans for high and medium-priority groundwater basins. Under SGMA, basins must reach sustainability within 20 years of implementing their procedures. The long-term planning required by SGMA will provide a buffer against drought and climate change and contribute to reliable water supplies regardless of weather patterns in the State (DWR SGMA website). The local Butte County landowners are trying to comply with the law by forming a district where they can manage their resources and adhere to the law, protecting all of us from the damage caused by one party impacting the other water users.

CLAIM: "There is no need for this district; the State will regulate the water in this area."

JUST A FEW QUESTIONS: Have you seen how well the State Department of Water Resources managed Oroville Dam? Have you seen the completed Sites Reservoir providing off-stream storage? Has the State made any increases in above-ground storage to increase water infrastructure and capacity as the population has grown? Is there some particular reason North County property owners should be denied the same constitutional **rights to organize** and advocate for their property rights like other landowners who avail themselves of the advantages of Special Districts? Does equal treatment under the law no longer include landowners who did not make it through the LAFCO process before 2020? Does the water level of Lake Oroville, when **compared to** reservoirs in Southern California, managed by the Metropolitan Water District, strike you as odd (hint one of the reservoirs is empty)? While knowing of changing patterns in the climate and annual snowpack, did the State of California make serious and substantial changes to timber harvest practices, watershed management, and water infrastructure? Have all of the greenhouse gas reductions created by regulating trucks, cars, boats, lawnmowers, and BBQs been wiped out by carbon emissions from wildfires in **mismanaged forests**? Are the proponents of State allocation of our local resources aware of how many legislators represent Los Angeles County? Since its inception, how many species have been forced onto the Endangered Species List by State Water Project management practices? Will the frequent fliers of the Enterprise-Record Letters page commit to riding the High-Speed Rail to all of the water oversight meetings? Do you really want your well and the other water resources run by the same people who can't find \$30 billion in EDD unemployment funds they were asked to administer?

With that, I can tell you the following without hesitation:

- The Sustainable Ground Water Management Act calls for the formation of Groundwater Sustainability Agencies to ensure everyone has a sustainable, clean, reliable, and affordable source of water.
- Local water districts are a great way to manage water resources to achieve those goals.
- Local control keeps the decision-makers close to the consequences of their decisions.
- The challenges we face will require cooperation among water managers and all levels of government.
- Forming a Special District to manage the resources of North County Water is necessary to facilitate inter-agency cooperation as more sustainable management practices are implemented.

Having served on many land-use and resource-related boards and commissions, it seems peculiar that the County Water Commission would vote to abdicate local oversight and regulatory powers to the State by not supporting the formation of a special district.

I hope you will support sustainable groundwater management by supporting a North County water district.

Sincerely,

Josh F.W. Cook, M.S.

From:	Julia A Roth
To:	Lucas, Steve
Subject:	Tuscan Water District
Date:	Monday, September 6, 2021 3:06:39 PM

Steve Lucas,

I have become aware of the application for the Tuscan Water District in Butte County. I am a homeowner with a well. My understanding is that the individual landowners of domestic wells within that district would not be equally represented (one vote per owned acre with a board of 7) under this private entity, which presents an uncertainty about our water availability.

My concern is also for the trees in our urban forest and Bidwell Park. Since the TWD farmers have deep wells, they may have the ability to drop our aquifer. Environmental impacts of lowering the aquifer should be studied before approval. I fear, as TWD is composed of large farm owners, some from out of town, it could also lead to "water banking".

We need to maintain groundwater sustainability in Butte County in a democratic way. Please consider all transparent alternatives before the TWD application is voted upon.

Thank you for your representation. Would you please make these comments a part of the official record?

Julia Roth

From:	Julian Zener
То:	Lucas, Steve
Subject:	Tuscan Water District
Date:	Sunday, October 17, 2021 6:20:57 PM

Dear Mr. Lucas,

I am writing in opposition to the TWD. There are many inconsistencies and misrepresentations in TWD's application to be designated a water district.

1. The application claims repeatedly that the core group, AGUBC, Agricultural Groundwater Users of Butte County, represents the general interests of the Vina subbasin. In fact, AGUBC was formed by 75 farmers who signed the petition, representing 1% of the total population (6,500) of the Vina sub-basin. AGUBC is an invitation only group representing large farmers and corporate agribusinesses, with meetings closed to the public. Of note, only 21% of farms within the purposed district consist of 40 acres or less.

2. The claim in the TWD application that no other entity can provide an adequate GSA, GSP and PMA is inaccurate. Butte County is moving forward in all these areas and will provide a representation for all the citizens living within the sub-basin. Therefore the TWD is superfluous and is much less representative of the entire population of the sub-basin.

3. On page 10 of the TWD application it states "the TWD primary purpose will be surface water distribution to properties willing to be assessed to import water and deliver surface water". This does not include any emphasis on sustainable agriculture through efficiency, limiting new wells, new orchards or fallowing. Bringing new water into the district from Paradise, Lake Oroville or Butte Creek as suggested would require massive, expensive, new infrastructure. The application under C, plan for services/municipal services review, #3, asks if there is a need for improvement and upgrade of structures - the answer was "none is required." That seems to be some magical thinking.

4. The applications states that no CEQA evaluation would be triggered. Also incorrect.

Thank you for considering these comments.

Julian Zener Grace Marvin 1621 N Cherry St. Chico, CA 95926 530-893-1994

From:	Julie Heath
То:	Lucas, Steve; Broderson, Jill; Costa, Shannon; Stover, Joy
Subject:	Opposing the Tuscan Water District
Date:	Saturday, September 18, 2021 6:57:46 PM

Dear Butte LAFco,

I'm writing to say that I *strongly* oppose allowing the Tuscan Water District to be created. It is wrong to put small holder farms like orchards at the mercy of big out-of-state landowners. Clearly, if the district is able to purchase water from outside, it is also capable of selling groundwater water downstream for a profit. The small holders will have no say, since the vote goes by acreage owned.

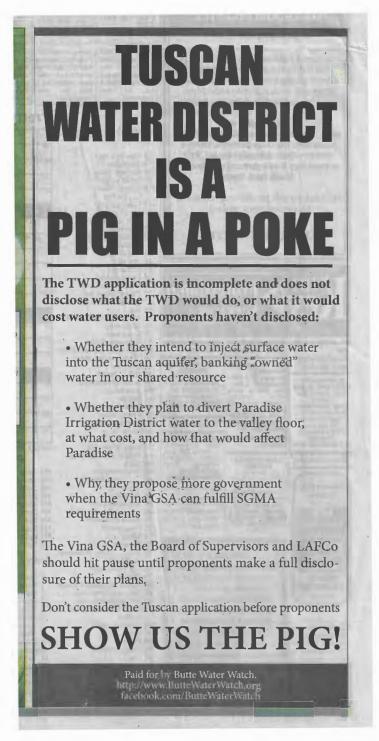
It's just a land-grab type of situation (but with our most precious resource... water).

This happened to the Owens Valley, a formerly productive citrus region that is now a desert. Look it up.

Your vote on this issue will tell me something about how much you care about Butte County's health and prosperity vs big money. interests. If by some strange situation you haven't managed to understand the situation, I highly recommend you listen to guests Aimee Raymond and Paul Behr on <u>episode 620 of Ecotopia</u> (Aug 31st). It's a real eye opener.

Sincerely, Julie Heath Butte County Dear sir:

This informative insertion was in the Sunday, Sept. 12, ER ad section. The Butte Water Watch asks questions that are essential for sustainable water for all. Please take these questions into account and inform all stakeholders, not just ag and Big Ag, about how to deal with these possible situations. Thank you for your consideration of these questions.



Kathleen Nissan, Chico

Dear LAFCO Members,

Regrettably, the Butte County Board of Supervisors ignored the public and voted in favor of the Tuscan Water Project. In the agreement it says the public (WHAT PUBLIC?) has been included through outreach to stakeholders. I guess this means stakeholders with lots of acreage. Where I live on my one-acre parcel and where my neighbors live on theirs, no one has experienced this outreach. The only information was in the ER and CNR in the last two weeks. Pretty sad outreach (2)! There was no robust discussion and broad agreement from me and my neighbors since we had no knowledge that a draft management plan had been created. Republican, Democrat, Independent, etc., we do not want Big Ag in control of OUR AQUIFER. Some say agriculture generates so much money. Surprise, surprise, individuals and businesses also generate a large sum of money in Butte County; however, the aggregate amount is not so easily calculated. 20 years are for working for sustainable ground water management, maybe like the great water management in the Central Valley. The following 30 years will be devoted to maintaining what's left of the aquifer. Sadly, not only can we homeowners have no say in the water sustainability process, but the effect on the aquifer will only be evaluated in five-year intervals. A lot of overuses of water can happen in five years. This homeowner understands the process, give Big Ag control because they donate the most money to campaign funds. The plan says groundwater levels may continue to decline as projects and management actions are implemented. No problem for Big Ag, they can write off the cost from their taxes for deepening the well. Bad news for the homeowner: 1. no water coming from the faucet and 2. a very large bill (no write off) for deepening the well. Tell me that domestic well reliability is the focus of Big Ag. I bet that was the focus in the Central Valley as well. Where are the representative monitoring sites? How many are within unincorporated North Chico? What is the plan to provide water with the vast expansion of housing in this area?

I feel there is no excuse for hiding this Tuscan Water District Management Plan from small acreage household stakeholders in Chico. There should be full disclosure of this plan in an easy-to-read format for each stakeholder. In addition, homeowners should be able to vote and demand adjustments on the plan for the Tuscan aquifer as they deem appropriate. I understand farming having grown up on a 390-acre farm. In addition, I understand how greed from some in the pursuit of short-term wealth can impact everyone. I also understand that the only <u>one source</u> of wealth in Butte County is agriculture. Lastly, Todd Kimmelshue and anyone else who has a financial stake either through campaign contributions or a significant amount of family-owned land should recuse themselves from voting on this. I know that I would be impartial to a very large campaign contribution and beneficial treatment of relatives just like Mr. Kimmelshue should be; however, I would do the right thing and recuse myself.

Kathleen Nissan

North Chico Homeowner and Farmer's Daughter

From:	Kathy Nissan
To:	Lucas, Steve
Subject:	Tuscan Water District concerns
Date:	Sunday, September 12, 2021 4:40:11 PM

Dear sir:

Unbeknownst to me and probably most residential property owners a proposal giving agriculture one vote per acre to do as they see fit with our underground water supply, it is set to be voted on. My family has not been informed about this, we only received information several months ago that a sustainable plan was being developed. Now we learn that people do not have one person one vote, instead acres get to vote on a proposal that will affect all of our lives. This seems unconstitutional to me. If I did not read the ER and CNR, I would not know anything about this plan. Big Agriculture has a goal of profit. Residential households have a goal of equity for all and sustainability of the aquifer. Households do not plant acres of almonds, the most water intensive plant, nor do they sell surface water. It is unconscionable that this Tuscan Water District proposal is being voted on without informing residential stakeholders of the ramifications and unfair manner that it would be implemented.

This proposal should not be approved without informing all residential owners of the water giveaway to Big Agriculture.

Sincerely,

Kathleen Nissan, Chico

Stover, Joy

From:	Kristi Ayars <kristi@ayars.org></kristi@ayars.org>
Sent:	Friday, October 8, 2021 8:55 PM
То:	Lucas, Steve; Costa, Shannon; Stover, Joy
Subject:	Citizen comment regarding water

ATTENTION: This message originated from outside Butte County. Please exercise judgment before opening attachments, clicking on links, or replying.

So sorry to miss your meeting yesterday. I see that LAFCO has another meeting on Nov 4, 2021. Please review my comments, below, if you have time. Please let me know what else I can do. Please respond if you have information that would help educate me (and others) about the situation.

Please do not approve the Tuscan Water District. Our society should support the idea that water is a public resource needed by all at all times. Any water agreement should be fully transparent with the public in these ways.

1. Mandate provisions for the common good: "little people" struggling with lack of water need full access for their needs. The difference between what a normal household uses and what farmers are using is staggering. Nobody should be eating off paper plates, taking laundry into town laundromats, sponge-bathing, and living in dusty squalor due to lack of water, while farmers of any size grow crops nearby. That is not reasonable quality of life in our society.

2) Farms of any size that want access to the water should:

- a. Pay full price for whatever gets them that access. Taxpayers should not be funding the infrastructure, studies, pipes, and meters which then get the farmers' hook-ups to the water.
- b. Pay for the water—which requires correctly measuring what they use. Farmers need to pay for all the water they use oversight will be necessary to ensure correct reporting. Payments need to go directly to the taxpayers. Would this be the County / Counties' general funds, a drought response fund, desalination?
- c. NOT be able to re-sell the water. Fallowing their land anyway and selling their water out of the region for a higher price should be firmly disallowed. Any selling of the water elsewhere should be clearly disallowed. Conserving the water would ensure that groundwater would not run out: that in and of itself should be the benefit.

3) The goal should be to keep the groundwater / aquifers full. There should be a level to which water can be drawn, and NO LOWER. When the aquifer gets to this particular level, nobody gets more water. Until that point, there should be a set rate of water ration above which nobody can go, and below which nobody sinks. Every household gets "x" amount of water. Nobody can take more than "X" amount. The minimum needed, and no more. Conserving water means a big win for everybody. It would be the role of government to ensure democratic transparency, accurate measuring, and set rations. Compiling timely feedback on use is also needed to ensure protection of water supply for the common good.

Kind regards, Kristi Ayars (she/her/hers) Chico, CA. 95926 <u>kristi@ayars.org</u> (530)680-0396 (cell phone)

From:	Lisa Holeman
То:	Lucas, Steve
Subject:	Tuscan Water District
Date:	Monday, August 30, 2021 7:28:20 PM

Steve Lucas, <u>slucas@buttecounty.net</u> LAFCO 1453 Downer St Oroville, CA 95965-4950

Dear Mr. Steve Lucas,

I am writing in regard to the Tuscan Water District. I strongly oppose this District!

During California's emergency draught we cannot legitimize a privatized water grab by a small group of farmers. While this group says they represent small farmers too, but too many are not included and do not support this move.

Water is a resource that belongs to us all and thus should be monitored, protected and legislated by elected officials with input from the people affected by its decisions. Understandably this Tuscan Water coalition will only have its own profits and sustainability as its priorities, not the rest of the water users and those in charge of protecting our many other water related resources.

Please consider other creative solutions in dealing with the draught. Giving a share of our water freely to be self-managed by this private Tuscan Water group is not in everyone's best interest!!

Thank you for your time. I would like this letter to be included in the Public Record.

Sincerely, Lisa Holeman, MA Chico Resident/Business Owner

Lisa Holeman



Dear Mr. Lucas

My wife and I have lived at 4621 Garden Brook Dr in north Chico for over thirty years and are on a domestic well. We are seriously concerned over large industrial corporate farming operations exercising control over a shared resource. This seems to be a blatant power grab and we deeply regret it being seriously considered.

We respectfully request this application be refuted and a democratically elected board that answers to the voters not entrenched end users take its place.

Respectfully,

Mark and Patricia Reinhart 4621 Garden Brook Dr Chico Ca. 95973 (530) 774-6550

COMMENTS TO BUTTE COUNTY LAFCo Regarding the Tuscan Water District

I am a resident of the County and have lived in Chico for over 50 years. I am a public interest attorney and have closely followed the water activities of Butte County since 2003. I am aware of both statutory and case law regarding the waters of California. For the past 18 years, I have interacted with the directors of the Butte County Department of Water and Resource Conservation and attended many of the BC Water Commission meetings. Due to my chairing a local group "Citizens Water Watch of Northern California," from 2010-2017, feedback has been provided to the Butte County Department of Water and Resource Conservation into the development of the SGMA legislation particularly as it impacts the rural counties of the State.

Approval of Water Special Districts

It is under the purview of LAFCo to permit a water special district, in the case of the Tuscan Water District (TWD). What is being considered is an independent special district that would have a governing board elected by the voters. Chapter 107, Statutes of 2001 (AB Strom-Martin) requires the Legislative Analyst's Office to undertake a study of these special districts. Some concerns raised in a publication by that office in 2002 have to do with the selection of governance structures, expertise in water issues and encouraging the participation of the public.

Voting Structure

There is grave concern among many citizens of this region that the voting structure under consideration by the TWD eliminates the hearing of impacted voices in the proposed decision making structure. It eliminates most of the landowners' voices in the "white areas" of Butte County. It eliminates the voices of the public who have an interest in the viability and sustainability of the Lower Tuscan Aquifer and the ecosystems it supports. What affects the waters underneath Butte County affects all the residents of the County. Citizens' constitutional rights include ensuring appropriate democratic voting structures are in place in establishing a balanced representation on any Board that governs a public resource. Under the California constitution, Article 10, section 2, both ground and surface waters of California, belongs to the citizens of the state. Voting processes that affect a public resource require broad public representation to ensure citizens' State and Federal constitutional rights are protected. Moving the application for the TWD forward with a narrow and self-serving voting structure is not sound.

It is critical to ensure that all those dependent on groundwater, small farmers, rural and city dwellers on both domestic wells and municipal water, have a voice in what happens with the implementation of SGMA. All residents of the County need to have a means to provide input into projects that affect their well being. The establishment of the TWD that is designed structurally at the outset to represent only the interests of a few large agricultural entities, some of which reside outside of the region, is ill conceived and defeats the democratic process and protection of the interests of all County residents in the local groundwater.

Duties of LAFCo Commissioners

Your duty is to exercise independent judgment on behalf of the public. State laws such as the Cortese-Knox-Hertzberg Act, the Brown Act, CEQA and the Political Reform Act must be taken into account to guide your acts on behalf of the public. The duty of care requires that you utilize thoroughness in considering the adequateness of the application process in the creation of a new Water Special District. The duty of loyalty requires that you avoid all conflicts of interest in exercising your judgment. These are legal and ethical considerations that apply to you as Commissioners.

Expertise in Water

Beyond the questions that should be asked by LAFCo of other existing agencies regarding the necessity of the proposed Water Special District, there are additional questions regarding the expertise of this Water District as the "implementers" of proposed water projects. Do they have skill sets to evaluate data on the hydrology, biology, geology and social science needed provide oversight of the coordination of such projects? And more importantly, who will bring into the discussion the ethics and moral issues to balance the needs of a healthy ecosystem with the economic needs of our region in maintaining a healthy regional aquifer. Why has the discussion about health of the Lower Tuscan Aquifer been curtailed? Who will take responsibility to coordinate the impact of the projects undertaken by the 4 counties that overlay the Lower Tuscan Aquifer? The TWD, Department of Water Resources, the State Water Resources Control Board? Or will it be a free for all with the pumping and transferring of Northern California water until overdraft conditions result in lawsuits in the Courts and irreparable damage is caused? Will entities that reside outside of the region thoughtfully consider the viability and third party impacts of projects under consideration?

History of Water

The history of water in California is one of powerful and moneyed interests creating detailed plans to put into place systems to move water from one region in the state where water exists to another region where water has been over drafted. History has shown this type of activity creates two areas depleted of life sustaining water. To think that these concerted and deliberate actions taken over the past 100 years in California can be managed effectively and not cause harm or that recharge projects won't have unanticipated water rights consequences is naïve. Possibly it is a reflection of greed operating on how much money could be made on the "surplus water" of the Northern California rural counties. If not naïveté or greed, perhaps it is inflated egos that lead one to believe that the relentless force behind moving water southward is somehow within the control of a few clever people?

Public Hearing

Due to the long range effect of relegating authority for a public resource to a private entity, the public needs to be informed and heard on this matter. Since over half of those impacted by the proposed TWD reside in the northern reach of Butte County, the public hearing about this proposed action under LAFCo's purview needs to occur in a location that is convenient for the public to attend, can accommodate the numbers anticipated and be held at a time when the greatest number can attend. This would be a meeting held in Chico, in the evening and in a location that can accommodate 100 persons. Please hold a public hearing on this application for a Special Water District in such a location for public participation in such a monumental decision.

Respectfully submitted, Marty Dunlap, Esq. November 8, 2021

Steve Lucas, <u>slucas@buttecounty.net</u> LAFCO 1453 Downer St Oroville, CA 95965-4950

Dear Mr. Steve Lucas,

I am writing in regard to the Tuscan Water District. I strongly oppose this District!

During California's emergency drought we cannot legitimize a privatized water grab by a small group of farmers. While this group says they represent small farmers too, but too many are not included and do not support this move.

Water is a resource that belongs to us all and thus should be monitored, protected and legislated by elected officials with input from the people affected by its decisions. Understandably this Tuscan Water coalition will only have its own profits and sustainability as its priorities, not the rest of the water users and those in charge of protecting our many other water related resources.

Please consider other creative solutions in dealing with the drought. Giving a share of our water freely to be self-managed by this private Tuscan Water group is not in everyone's best interest!!

Thank you for your time. I would like this letter to be included in the Public Record.

Sincerely, Mike A. Marvier Concern Citizen

PETER D. PETERSON

P.O. BOX 3668 CHICO, CA 95927

September 20, 2021

via email via Fedex

Honorable Bill Connelly, Butte County Supervisor District 1 2020 Lincoln Street Oroville, CA 95966

RE: Formation of Tuscan Water District

Chairman Connelly:

I attempted to call you on Thursday of last week, regarding the formation of the Tuscan Water District purposed as a Californian Water District. I have a long history in Butte County with respect to water districts and the State Department of Water Resources. I witnessed firsthand how the state abandoned the Reclamation Board in 1983. As a result, I proposed the formation of the Sacramento River Reclamation District and the Rock Creek Reclamation District and both were successfully formed in approximately in 1985 and 1994 respectively. These two districts did not have the unlimited powers of a California Water District for good reasons.

The Sacramento River Reclamation District formation took until 1994 to be completed. We were trying to get Glenn County to be a participant in the Sacramento River Reclamation District as we share common problems with the levees and floods on both sides of the Sacramento River in the vicinity of Hamilton City, extending north to the Tehama County line. After extensive work with Glenn County to form a cooperative district we decided to have Butte County form its own district. By these efforts you can see that I am a long term advocate for special districts to accommodate their specific local needs. In both cases mentioned above, we formed these reclamation districts so that we could be the local sponsor for any projects within the districts as well as to obtain the various environmental permits which are now required prior to doing any cleaning or reconstruction of flood control facilities rather than the county having the responsibility. These districts have served our community very well for nearly forty years without creating any problems for Butte County or for its Board of Supervisors. Also, the expense of these projects have been very minimal for the landowners as it has been our policy for each landowner to take care of the facilities, drains, ditches, and levees within their own property. Our annual fees have been an average of twenty five cents per acre.

The Sacramento River Reclamation district and its board of directors elected to be a part of Butte County's formation of a Groundwater Sustainability Agency (GSA) in accordance with the Sustainable Groundwater Management Act (SGMA). Especially, because of its proximity to the Sacramento River and its sustainable groundwater

Page 2

recharge. We felt that it would be appropriate for the Sacramento River Reclamation District to just be a part of the Vina Subbasin directed and controlled by the County of Butte and appointed public directors. On the other hand, the directors of Rock Creek Reclamation District went to work on the formation of their own independent (GSA) status, which was the correct decision for the lands within that district, not having the recharge from the Sacramento River.

Rock Creek was progressing with the work to meet the 2022 deadline as required by SGMA. At some point in time a small group of landowners mainly in the northwest Chico area realized that they had missed the date for filing their GSA papers. Having made this discovery and unable to form a new GSA, after the specified date required by SGMA, they thought that if they could take over the district, that had already filed and was in position on a timely basis to complete their ground water program requirement. At that point the group went to the Board of Supervisors with a recall petition for the directors of Rock Creek Reclamation District. Having the votes of large acreages, they were able to succeed in replacing the existing directors with themselves, by appointment of the Board of Supervisors, a highly unusual procedure in the history of Butte County.

I am concerned that this same tactic is very feasible in the future if this new Tuscan California Water District is formed. Once a California Water District is formed, the Board of Supervisors and LAFCO, representing the people of Butte County will no longer have control of the Tuscan Water District and the citizens of Butte County will have no recourse. It will be a free standing independent government entity with a board of directors elected by acreage owned rather than the general public whose land and water will be controlled and included in this district. The land will be subject to eminent domain by the District. This may be fine today, as the proponents are all neighbors and friends, but in the next generations of owners, this could be a very dangerous situation for the citizens of Butte County and the county itself. The starting cost of ten dollars per acre could escalate very rapidly and without the control of the land owners other than the board of directors

Proponents of the Tuscan Water District have said that "we want to escape the control of a Board of Supervisors, that we cannot control". This not a valid reason for wanting to take over the control of such a large area of the county with different regional and local needs. It has been my experience over the years working with a very diverse number of individuals on the Board of Supervisors has been that they always have been supportive of its citizens when it comes time to fight off affronts of the California Department of Water Resources in all aspects related to water.

Butte County saw this assault on our water resources many years ago (1975 - 1977) and has done a great job of defending our interest with respect to water and reclamation. The Board of Supervisors in their wisdom put together the Butte County Water Advisory Committee now known as the Butte County Water Commission. This commission has been ahead of most all counties in the state in planning and developing the research

Page 3

needed to deal with the situation that is now upon us. They have been instrumental in providing the data necessary for modeling basin wide water. The water commission was also influential in a number of challenges such as the export of well water from lands normally served with surface water. Measure G was crafted by the water commission and voted on by the public in the county.

Today, the domestic and agricultural well users have been protected by Measure G. If the surface water is to be exported, the land that it serves must be fallowed and the transfers must be by permit of the Board of Supervisors, through the Water Commission. This policy has ensured that we do not have a major disaster of depleted ground water in the Durham and Cherokee Strip areas. This is just one example of many accomplishments of the Butte County Board of Supervisors and the Water Commission. I feel that this existing organization, along with the leadership provided by the various GSA subbasins, is perfectly capable of meeting the requirements of SGMA. The addition of a new California Water District, with such a wide area under its control with no stated plan, is a very dangerous proposition both for the future of Butte County and its citizens.

If the Tuscan proponents insist, I would recommend that they confine their efforts to the formation of their district within the two reclamation districts marked on the map enclosed. Indicating the Sacramento River Reclamation District and Rock Creek Reclamation District, the acres encompassed by the pink line on the map is made up of property owned by large landowners with common interest and comparable with the governance of one vote one acre structure. This action will not have a significant impact on the broad area their district proposes. I believe this would be a better solution for the county, its general population and these larger landowners. For clarification, I am still one of the landowners within the Sacramento River Reclamation District.

Thank you for your patience with is long and descriptive letter. The bottom line is that the county through its existing structure is perfectly capable of dealing with the issue and there is not a need for another government entity within the county, to deal with water over such a broad and diverse area.

Please give me a call if you would like to discuss this with me. My cell number is 530-518-7062.

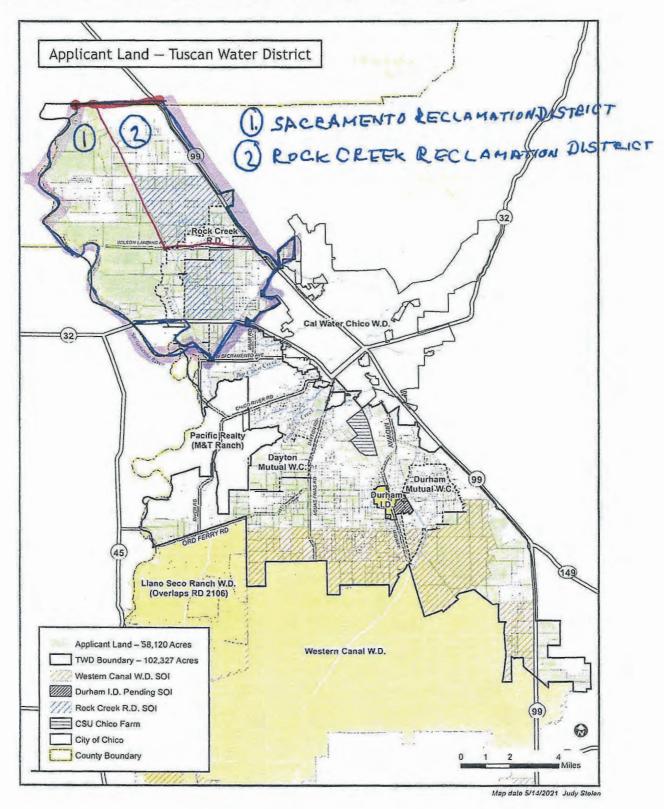
Sincerely.

Peter D. Peterson

Enclosure

Tuscan Water District

PROJECT APPLICANT ACREAGE MAP (EXHIBIT 2C)



P.O. BOX 3668 CHICO, CA 95927

September 20, 2021

via email via Fedex

Supervisor Tod Kimmelshue 239 Sycamore Street PO Box 446 Gridley, CA 95948

Supervisor Debra Lucero 269 E. 3rd Street, Suite 100 Chico, CA 95928 Supervisor Tami Ritter 196 Memorial Way Chico, CA 95926

Supervisor Doug Teeter 747 Elliott Road Paradise, CA 95969

RE: Formation of Tuscan Water District

Dear Supervisors:

I am writing this letter regarding the formation of the Tuscan Water District purposed as a Californian Water District. I have a long history in Butte County with respect to water districts and the State Department of Water Resources. I witnessed firsthand how the state abandoned the Reclamation Board in 1983. As a result, I proposed the formation of the Sacramento River Reclamation District and the Rock Creek Reclamation District and both were successfully formed in approximately in 1985 and 1994 respectively. These two districts did not have the unlimited powers of a California Water District for good reasons.

The Sacramento River Reclamation District formation took until 1994 to be completed. We were trying to get Glenn County to be a participant in the Sacramento River Reclamation District as we share common problems with the levees and floods on both sides of the Sacramento River in the vicinity of Hamilton City, extending north to the Tehama County line. After extensive work with Glenn County to form a cooperative district we decided to have Butte County form its own district. By these efforts you can see that I am a long term advocate for special districts to accommodate their specific local needs. In both cases mentioned above, we formed these reclamation districts so that we could be the local sponsor for any projects within the districts as well as to obtain the various environmental permits which are now required prior to doing any cleaning or reconstruction of flood control facilities rather than the county having the responsibility. These districts have served our community very well for nearly forty years without creating any problems for Butte County or for its Board of Supervisors. Also, the expense of these projects have been very minimal for the landowners as it has been our policy for each landowner to take care of the facilities, drains, ditches, and levees within their own property. Our annual fees have been an average of twenty five cents per acre.

The Sacramento River Reclamation district and its board of directors elected to be a part of Butte County's formation of a Groundwater Sustainability Agency (GSA) in

Page 2

accordance with the Sustainable Groundwater Management Act (SGMA). Especially, because of its proximity to the Sacramento River and its sustainable groundwater recharge. We felt that it would be appropriate for the Sacramento River Reclamation District to just be a part of the Vina Subbasin directed and controlled by the County of Butte and appointed public directors. On the other hand, the directors of Rock Creek Reclamation District went to work on the formation of their own independent (GSA) status, which was the correct decision for the lands within that district, not having the recharge from the Sacramento River.

Rock Creek was progressing with the work to meet the 2022 deadline as required by SGMA. At some point in time a small group of landowners mainly in the northwest Chico area realized that they had missed the date for filing their GSA papers. Having made this discovery and unable to form a new GSA, after the specified date required by SGMA, they thought that if they could take over the district, that had already filed and was in position on a timely basis to complete their ground water program requirement. At that point the group went to the Board of Supervisors with a recall petition for the directors of Rock Creek Reclamation District. Having the votes of large acreages, they were able to succeed in replacing the existing directors with themselves, by appointment of the Board of Supervisors, a highly unusual procedure in the history of Butte County.

I am concerned that this same tactic is very feasible in the future if this new Tuscan California Water District is formed. Once a California Water District is formed, the Board of Supervisors and LAFCO, representing the people of Butte County will no longer have control of the Tuscan Water District and the citizens of Butte County will have no recourse. It will be a free standing independent government entity with a board of directors elected by acreage owned rather than the general public whose land and water will be controlled and included in this district. The land will be subject to eminent domain by the District. This may be fine today, as the proponents are all neighbors and friends, but in the next generations of owners, this could be a very dangerous situation for the citizens of Butte County and the county itself. The starting cost of ten dollars per acre could escalate very rapidly and without the control of the land owners other than the board of directors

Proponents of the Tuscan Water District have said that "we want to escape the control of a Board of Supervisors, that we cannot control". This not a valid reason for wanting to take over the control of such a large area of the county with different regional and local needs. It has been my experience over the years working with a very diverse number of individuals on the Board of Supervisors has been that they always have been supportive of its citizens when it comes time to fight off affronts of the California Department of Water Resources in all aspects related to water.

Butte County saw this assault on our water resources many years ago (1975 - 1977) and has done a great job of defending our interest with respect to water and reclamation. The Board of Supervisors in their wisdom put together the Butte County Water Advisory

Page 3

Committee now known as the Butte County Water Commission. This commission has been ahead of most all counties in the state in planning and developing the research needed to deal with the situation that is now upon us. They have been instrumental in providing the data necessary for modeling basin wide water. The water commission was also influential in a number of challenges such as the export of well water from lands normally served with surface water. Measure G was crafted by the water commission and voted on by the public in the county.

Today, the domestic and agricultural well users have been protected by Measure G. If the surface water is to be exported, the land that it serves must be fallowed and the transfers must be by permit of the Board of Supervisors, through the Water Commission. This policy has ensured that we do not have a major disaster of depleted ground water in the Durham and Cherokee Strip areas. This is just one example of many accomplishments of the Butte County Board of Supervisors and the Water Commission. I feel that this existing organization, along with the leadership provided by the various GSA subbasins, is perfectly capable of meeting the requirements of SGMA. The addition of a new California Water District, with such a wide area under its control with no stated plan, is a very dangerous proposition both for the future of Butte County and its citizens.

If the Tuscan proponents insist, I would recommend that they confine their efforts to the formation of their district within the two reclamation districts marked on the map enclosed. Indicating the Sacramento River Reclamation District and Rock Creek Reclamation District, the acres encompassed by the pink line on the map is made up of property owned by large landowners with common interest and comparable with the governance of one vote one acre structure. This action will not have a significant impact on the broad area their district proposes. I believe this would be a better solution for the county, its general population and these larger landowners. For clarification, I am still one of the landowners within the Sacramento River Reclamation District.

Thank you for your patience with is long and descriptive letter. The bottom line is that the county through its existing structure is perfectly capable of dealing with the issue and there is not a need for another government entity within the county, to deal with water over such a broad and diverse area.

Please give me a call if you would like to discuss this with me. My cell number is 530-518-7062.

Sincerely,

Peter D. Peterson

Enclosure

From:	Reta Rickmers
То:	Lucas, Steve
Subject:	Tuscan Water District
Date:	Tuesday, August 31, 2021 12:31:16 PM

I am writing to you about the Tuscan Water District. I have lived in Butte County since the mid 1980's. I attended CSU, Chico and became a teacher for CUSD. During that time, I have been concerned about water trends that have taken the control of water from the public and into private hands. We cannot live without water so I am against the privatization of water that is the intent of the group asking to form the Tuscan Water District. This water must be maintained for the Butte County citizens by publicly elected officials that will be answerable to the public.

It has been horrible to watch the water level in Lake Oroville this year. I realize these are different issues but both raise the specter of turning on our taps and having no water. I am writing this also on behalf of my husband, Jamie Albertie, who has lived in Butte for almost 50 years. We are landowners and homeowners.

Please include my letter as part of the official record to all commissioners. Thank you.

Sincerely,

Reta Rickmers and Jamie Albertie 843 Colusa Street Chico, CA 95928 530 342 7360

From:	Ronald L Dejesus
To:	Lucas, Steve
Subject:	Tuscan Water Board
Date:	Monday, August 30, 2021 9:47:01 AM

Dear Steve Lucas (LAFCO),

The Butte County Water Department has facilitated the formation of the "Tuscan Water District", a proposed California Water District run as an oligarchy by a group called the Agricultural Groundwater Users of Butte County (AGUBC).

The AGUBC membership is made up of large land owners, many of whom reside outside the county, including out of state land corporations. The largest land owner in AGUBC, Farmland Reserve, is based in Utah and is owned by the LDS Church.

AGUBC members seek control of our district's water due to their owning more than 50% of the acreage. Yet they represent 1% of Butte County residents.

The Tuscan Water District is skewed in favor of Big Agriculture and against small farmers and home owners in Butte County. This is a prime example of corporate corruption, where "bought and sold" farmer politicians and their cronies are out to line their pockets at the expense of Butte County residents. The whole notion is **undemocratic**.

Our water belongs to the State of California and ALL the people of Butte County. It should be controlled by a democratic process where Butte County forms a Water District in which the VOTERS of Butte County ELECT the trustees, one person, one vote. Not one controlled by out of state corporations in league with corrupt local politicians and their cronies.

Stop the water grab! Do not support the Tuscan Water District!

Please forward my email to every Supervisor and ask to include it in their Butte County meeting materials for Sept.14 on the Tuscan Water District discussion.

Respectfully, Ron Dejesus 1610 Citrus Avenue Chico, CA 95926

Steve Lucas Local Area Formation Commission 1453 Downer St. Oroville, CA 95965-4950

Mr. Lucas:

I am very distressed to learn that a relatively small number of landowners have been working behind the scenes to create a private, closed group, the Tuscan Water District, to manage Butte County's public groundwater. This is a travesty. No private group should be given authority over a public resource such as groundwater! This group would have zero accountability to anyone, since as a private entity the Brown Act would not apply to them, nor do they include any elected representative of Butte County residents. I have been told they represent several large corporate landowners, along with other subsidiary landowners and a few actual local landowners, but their voting rights scheme hands decision making to only the largest, and corporate, owners, and disenfranchises every other user in the area they propose to govern. Notice I did not say "the area they propose to represent," since representation appears to be utterly lacking in their scheme. I am told about 1,000 large landowners, all commercial ag interests, have signed on to the formation of this district; this is a tiny fraction of the number of actual users of the groundwater, each of whom have equally valid interests in how it is managed.

I get my water from a domestic residential well that draws from this aquifer, and I do not trust this group of good ol' boy users along the west side to have my best interests in mind. It is clear from their current machinations that the interests they plan to serve are their own. They already have a plan that will permanently lock out any residential user such as myself, or any small landowner, from input, decision making, or voting on projects that would never need to see the light of day before becoming law. They propose to drain "unused" PID water out of Paradise Lake, for God's sake, to replenish the aquifer--and the volume of water they inject into the aquifer is theirs to sell, is it not? How is Paradise to grow if PID water is compromised like this? To add insult to injury, to pay for schemes like this they propose to assess me and all the other groundwater users who are without a voice in this "district."

I want groundwater management. But I want a process that takes into account ALL the groundwater users, not just the biggest landowners. I want a management group that includes elected representatives, that is subject to the Brown Act and to public input and public scrutiny. This is a much messier process than the cloak-and-dagger process currently being worked by the Tuscan Water District proponents, but that is how democracy works-messily. Oligarchy is much easier. If the good ol' boys don't want to do all that hard work, my understanding is that the transparent creation of a representative groundwater management district is already taking place in the Vina Groundwater Sustainability Agency--let's hook up with them. Or let's look at what they're doing, including their broad representation of users and interests, and emulate that--a Butte County Water District. Or the county's Water and Resource Conservation Department can take on the job. County bureaucrats should never have offed this important job to their cronies in the first place.

I am willing to grant that creators and proponents of the Tuscan Water District have good intentions--it takes a herculean effort to suspend my disbelief, but let's just suppose. Even so, in a time of climate change and drought, a water management agency, so essential to public and private prosperity and security, should reach far and wide for ideas. Maybe they really believe they have already thought of everything on behalf of everyone. Maybe they believe they have missed nothing. If they believe this, I believe they are certainly wrong. In my admittedly limited experience, opening any work group to the cross pollination of outside ideas almost always yields a stronger plan.

Please include my opposition to this proposed agency, and my opposition to the privatization of public water, in the public record and consider it when you next have the opportunity to consider this group's authorization.

Thank you,

Rosemary McKeever

NO on Tuscan's 1-ACRE, 1-VOTE water district NO on corporations controlling our groundwater NO on fees decided by a handful of large landowners

Sandee Renault 229 Orient St Chico 95928

From: To: Subject: Date: Sarah Salisbury Lucas, Steve NO on Formation of Tuscan Water District Monday, August 30, 2021 11:18:06 PM

10:53 PM (10 minutes ago)

Sarah Salisbury <66tiachacha@gmail.com>

đ

Mr Lucas~

Please forward the following letter to each of the Commissioners and include it in your records. Thank you.

To Whom It May Concern~

District, by allowing the Vina GSA to monitor and control Butte County water, by appointing Butte County Water Resource Conservation District to control As a property-owning long-time citizen of Butte County with big concern over ground water sustainability in our county, I encourage you to remember that water is a public good. As such, it must be controlled by The People. This can be achieved in a variety of ways: by the formation of a County of Butte Water

and manage our water. To allow control of our LOCAL water to go to 25 landowners under the direction of a PRIVATE special interest group, the AGUBC, the top landowners of which are corporate enterprises not based in Butte County is just plain WRONG! Decisions made by corporate AG? NO. While private wells are going dry? NO. While drought conditions exacerbate the threat of fires? NO.

Please do not support the formation of The Tuscan Water District. It's LOCAL water and must have LOCAL CONTROL!

Sarah Salisbury Thank you for protecting the public good~

Lucas, Steve
Buck, Christina
Lucas, Steve
RE: Tuscan Water District
Monday, August 23, 2021 2:43:53 PM
image001.png

Here is a quick sample of the types of conditions LAFCO can impose, by sharing this information I am only using as an example, the actual conditions are yet to be determined.

2. That the Board of Directors of the Estrella-El Pomar-Creston Water District be composed of five members elected as provided for in the California Water District Law, Water Code Section 34000 et. seq. The initial Board of Directors will be elected pursuant to the Water Code sections 34700

3. That pursuant to the applicable Water Code Sections the Estrella-El Pomar-Creston Water District is authorized to exercise all powers and authorities subject to the following restrictions:

a. The Water District's powers to export, transfer, or move water underlying the Water District outside the Paso Robles Groundwater Basin shall not be active and are subject to condition number five of this approval. For purposes of this Condition and Condition number five, "groundwater" shall have the meaning set forth in Water Code Section 10721(g).

b. The Water District's powers under Part 5 Powers and Purpose; Chapter 2; Powers; water infrastructure; of the California Water Code

shall be deemed inactive or latent. The Water District could request that LAFCO activate these powers in the future.

5. The EPC Water District shall be prohibited from exporting, transferring, or moving water underlying the Water District (including groundwater pumped into an above ground storage facility) to areas outside of the Paso Robles Groundwater Basin.



Opportunities are never lost; someone will take the ones you miss.

From: Buck, Christina <CBuck@buttecounty.net>
Sent: Monday, August 23, 2021 2:38 PM
To: Lucas, Steve <SLucas@buttecounty.net>
Subject: RE: Tuscan Water District

Thanks Steve.

From: Lucas, Steve <<u>SLucas@buttecounty.net</u>>
Sent: Monday, August 23, 2021 12:36 PM
To: Richard Harriman <<u>richardharrimanattorney@gmail.com</u>>
Cc: Scott Browne <<u>scott@scottbrowne.com</u>>; Lucas, Steve <<u>SLucas@buttecounty.net</u>>; Buck,
Christina <<u>CBuck@buttecounty.net</u>>
Subject: RE: Tuscan Water District

Hello Richard,

Thank you for sharing your current thoughts and your proposed Water Commission draft resolution.

The Draft Resolution appears to be less of a constructive effort to address known facts/conditions to improve outcomes and more of an indictment of current water law/practice and the project applicants.

In contrast, the WC Staff Report for August 4, 2021, offers constructive questions/comments (below) that can be acted upon in a meaningful way and will provide a strong set of conditions that will guide the proposed TWD. It is these very kinds of comments/questions that will allow the LAFCo to assess potential issues and craft appropriate terms and conditions in response.

(Page 5) In reviewing the TWD application, key questions include, but are not limited to:

1. Does the TWD conflict with the authority or programs of Butte County?

2. Would the TWD compliment the programs and policies of Butte County?

3. Are there potential actions that the TWD could take that would not be in the best interest of Butte County, landowners (agriculture and rural residential), or the environment?

4. Would the TWD advance the implementation of GSPs in the Vina and Butte subbasins?

(Page 7) Based on the questions and concerns raised during the development of the GSP in the Vina Subbasin and the potential formation of the TWD, the following issues have been identified:

1. Ownership of Recharged Groundwater

2. Water Exports

3. Relationship to Other Entities

(Page 8) 5. Should the Water Commission recommend that the Board of Supervisors submit to LAFCo the following conditions on the formation of the TWD:

a. Any water imported into the District will remain in the district. This intent is stated in the TWD application materials under Protecting Butte County's Groundwater item 5 (see page 47). The TWD must be prohibited from transferring water outside of their service area. Although the Groundwater Conservation Ordinance (Chapter 33 of the Butte County Code) may regulate such an activity, the specific types of projects are not known.

b. Projects and programs conducted by the District must be consistent with Projects and

Management Actions or Implementation activities as described in the relevant GSP.

c. The TWD cannot have the authority to regulate agricultural or domestic well pumping. While not an explicit authority prescribed in the Water Code, the potential that the TWD could regulate groundwater

pumping in the future creates a potential conflict with authorities of GSAs.

I truly hope that those currently opposed to the formation of the TWD focus on the very helpful questions/observations provided by the very capable Water and Resource Conservation Department staff.

Thank you for the comment related to the PID Options Study. LAFCo will continue to actively engage in the process so that all options and concerns receive appropriate sunlight.

Cheers,

Steve



Stephen Lucas | Executive OfficerButte Local Agency Formation Commission1453 Downer Street, Suite C | Oroville, CA 95965③ 530.538.6819www.buttelafco.org

Opportunities are never lost; someone will take the ones you miss.

From: Richard Harriman <<u>richardharrimanattorney@gmail.com</u>>
Sent: Sunday, August 22, 2021 9:53 AM
To: Lucas, Steve <<u>SLucas@buttecounty.net</u>>
Cc: Scott Browne <<u>scott@scottbrowne.com</u>>
Subject: Re: Tuscan Water District

ATTENTION: This message originated from outside **Butte County**. Please exercise judgment before opening attachments, clicking on links, or replying.

Steve:

I neglected to send you a copy of my proposed Resolution re the TWD matter, which will be heard by the BCWC at the Sept. 1 meeting.

The more I get into this matter, the more questions I have. Will plan to share them with you prior to the LAFCo hearing in writing, so that you will have the issues before you have to prepare your Staff Report.

Have you and Scott considered what the accumulation of this amount

of land and water rights could become in the future? Does "new town" resonate with you? You and the rest of the community are going to need to really follow the Butte County General Plan Update...

Respectfully yours,

Richard

P.S. I found your comments during the PID Intertie Project "Alternatives" Study well grounded, articulately expressed, and compelling. On behalf of the Butte County public, I want to express our appreciation for your professional competence and diligence.

RLH

From:Costa, ShannonTo:Lucas, SteveSubject:FW: Tuscan Water DistrictDate:Tuesday, September 7, 2021 7:30:56 AMAttachments:image001.png

fyi

Shannon Costa

Local Government Planning Analyst Butte Local Agency Formation Commission 1453 Downer Street, Suite C Oroville, CA 95965 530.538.7151



From: Stephen Tchudi <stevetchudi@gmail.com>
Sent: Saturday, September 4, 2021 9:30 AM
To: LAFCOinfo <LAFCOinfo@buttecounty.net>
Subject: Tuscan Water District

ATTENTION: This message originated from outside **Butte County**. Please exercise judgment before opening attachments, clicking on links, or replying.

I write to oppose the approval of the proposed Tuscan Water District.

I watched and listened to the entirety of the recent Water Commission hearing. Numerous speakers spoke of "the problem" of water overdraft in the county, but everyone tiptoed around the elephant in the room, the question: "Why is there a 'problem' of overdraft?"

Statistics provided by Steve Schoonover in the September 3 *Enterprise Record* reveal the answer: "About 250,000 acre-feet — more than 8 billion gallons — are pumped from below ground in the Vina Sub-Basin.

The region includes Chico, although the California Water Service's Chico Division uses less than 20,000 acre-feet in an average year."

The source of the overdraft is agricultural uses, just as it is in Southern California (read *The Dreamt Land* by Mark Arax). To put a water district proposed by the Agricultural Users of Butte County in charge of a new district is the fox guarding the henhouse.

SGMA is the legal entity charged with identifying and remediating "the problem." Let SGMA do its work. Do not give control of Butte County water to the proposed Tuscan Water District.

Respectfully, Stephen Tchudi TurkeyTail Farm 10846 Nelson Bar Road Yankee Hill, California 95965-9733 N 39 deg. 41.797 min.; W 121 deg. 33.361 min., elev. 1288 ft. Phone:530-781-4676 <u>SteveTchudi@gmail.com</u>

From:	Susan Schrader
To:	Lucas, Steve; Stover, Joy
Subject:	The Tuscan Water District proposal
Date:	Thursday, November 18, 2021 10:27:41 AM

To the LAFCO Board,

I live near the green line in Chico and I am a domestic well owner. I worry about the effects of the drought and climate change on all the inhabitants of our county - people, trees, and wildlife. I appreciate the value that agriculture brings to our community and know that they, too, are concerned about water supplies in the future. But I don't think the formation of a private entity, the Tuscan Water District, TWD, is the right thing to do.

First of all, it's a closed community and dominated by the largest industrial farms as the voting structure is one vote for every acre of land owned. They claim they just want to save our groundwater, but it's for their use. I'm doubtful of any concern for the domestic well owners, the urban forest, or the wildlife. These last three depend on the shallow aquifer and the farmers have deep wells that can draw from the deep aquifer. They could choose to draw down the aquifer to make room to bring in surface water say, from Paradise, and in the process cause domestic wells to go dry and the flora and fauna of our environment to suffer. In addition, that surface water would belong to whatever entity put it in the ground and it is no longer under groundwater law as that water is surface water in storage. It could be sold.

The TWD wants to undertake projects like building a water pipeline system to move water around; however, those pipes could just as easily move water out of the aquifer if the state declares an emergency and demands the water be moved to another county. I suppose the farmers would be paid for that water.

In closing, I urge you not to vote for the formation of the TWD. The Vina GSA has the authority to manage the aquifer and it is a public agency. It is open to the public, has to post its meeting schedule, and respond to the community's concerns. I think the TWD is an attempt to place our precious public resource, upon which we all depend, in the hands of a private entity controlled by big AG. There are too many unknowns about climate change and the drought and what steps will need to be taken to deal with these challenges. I think an approach that takes into account all the stakeholders is the correct way to go.

I request that this email be distributed to all board members and entered into the public record.

Warm Regards,

Susan Schrader 1660 Bidwell Ave. Chico, CA. 95926 Susan,

This is a group of people that wants to be able to sustain the water under their land for future generations. This is not a plan to export ground water nor is it a plan to hurt other property owners. The export of ground water is prohibited by county law. Per the law this district is being formed. Factually correct information might change your mind. Please talk to the applicants directly. The worst political agendas are those that create a false narrative and work off the fear of the public.

Regards

Bill

From: Susan Schrader <jazzimpressionschico@yahoo.com>
Sent: Wednesday, August 25, 2021 3:47 PM
To: Clerk of the Board <clerkoftheboard@buttecounty.net>
Subject: Tuscan Water District

ATTENTION: This message originated from outside **Butte County**. Please exercise judgment before opening attachments, clicking on links, or replying.

Honorable Supervisor,

I do not want the Tuscan Water District to go forward. First of all, a private entity not accountable to the larger community for how groundwater is managed is a dangerous precedent. For instance, farmers have deeper wells than domestic well users, and if they decide to pump the aquifer down, domestic wells dry up and trees in Bidwell park and our urban forest will wither and die. This will be of little concern because their interests lie with whatever is good for farmers. Second, secret meetings with no public scrutiny or input is scary. We would have to live with whatever decisions they make about our public resource – groundwater without us allowed to weigh in on their plan. Third, they can undertake "improvement" projects and then put a tax on your assessment for which you will be responsible to pay. Last, and most important, the proposed system of one acre + one vote is undemocratic and favors the power of larger farms. Larger farms can also make things harder for smaller farmers because they won't need their vote. Lastly, two of the larger farms are owned by out of county corporations. These are not all family farms.

Respectfully,

Susan Schrader 1660 Bidwell Ave. Chico, CA. 95926

Sent from Mail for Windows

From:	Susan Tchudi
To:	Lucas, Steve
Subject:	Tuscan Water District
Date:	Saturday, September 4, 2021 10:02:07 AM

Dear LAFCO Commissioners:

Below is a letter I sent to the Butte County Water Commission and to the ER editor. After having attended the Water Commission meeting, I have three additional comments to add regarding my opposition to the Tuscan Water District:

 Water is a public resource. Public entities--not private ones--should be making decisions about what happens to our water. The process should be democratic, open, and fair. I am astounded that any small farmer or Butte County water user would entrust corporate landowners with the protection and purveyance of our county's water.
 A number of the proponents who spoke in favor of the Tuscan Water District proffered the opinion that the TWD would bring water to Butte County. This is wildly misguided. Water is getting scarcer and scarcer. Even if the PID were approved, the water is still limited. The TWD cannot manufacture new water. Corporate entities are not, by and large, known for their altruism. I don't have confidence that they will put the protection of small farmers and landowners above their own interests with limited water.

3. I own a small 40 acre farm in Butte County. While our water will not be affected by the creation of the Tuscan Water District, I know farmers who will be affected. To repeat a tired (but true) cliche: Water is life. Without water, we're dead.

Butte County Residents should contact the Butte County Water Commission (by September 1), LAFCO (by September 8), and the Board of Supervisors and entreat them NOT to approve the Tuscan Water District Application. Those who wish to create the TWD are a group of about 75 farms--the top ones being corporate farms--proposing a one acre/one vote governing structure, giving them the power to elect all of the trustees. This is clearly undemocratic. The thousands of small landowners and farmers would be at the whim of a few large controllers of the water.

Moreover, the two largest landowners--Farmland Reserve owned by The Mormon Church (23 percent of the acreage in the proposed district); and Rancho Esquon, owned by the Hofmann family, a San Francisco Bay Area developer (17 percent)--are not locals and cannot be assured to have local farmer's interests at heart. We need a Water District whose top priority is the health of our aquifer and of our local people.

Finally, many of us are suspicious about their scheme to use water banking, which will involve drawing down water to get water. In the meantime, groundwater dependent water users' wells may go dry and our urban forest will be threatened.

There are alternatives. There are other Groundwater Sustainability entities that are currently working on Groundwater Sustainability Plans, and they should be given the opportunity to develop fairer, more transparent, and more equitable water plans for the benefit of all the county, not just the rich few.

Thank you for your consideration.

Susan Tchudi TurkeyTail Farm Yankee Hill, CA <u>susantchudi@gmail.com</u> 530-781-4122 From:Suzette WelchSubject:Tuscan Water DistrictDate:Tuesday, August 31, 2021 5:00:18 PM

ATTENTION: This message originated from outside **Butte County**. Please exercise judgment before opening attachments, clicking on links, or replying.

The Tuscan Water District is a proposal by 25 of the richest farmers in Butte County. The Tuscan District seeks to bring surface water into the Tuscan Aquifer to make up for the amount being pumped from the aquifer. Perhaps this water would be bought from the Paradise Irrigation District and piped down to Chico to be pumped into the Tuscan Aquifer. Water which in future will be needed in Paradise as it rebuilds. Opponents question the need for a new district to do that, saying other agencies have the authority and wherewithal to provide any services a new water district could provide.

If approved the Tuscan Water district would enable a small group of rich corporate farmers to control one of the richest aquifers left in Calif. Thus they will be able to take as much water as they want and export water to corporate farms in other parts of Calif. I urge you not to approve the formation of the Tuscan Water District.

Suzette Welch 13 Hilda Way, Chico, Ca. 95926 530 570-3240

From:	Suzette Welch
To:	Lucas, Steve
Subject:	Tuscan Water District
Date:	Sunday, October 24, 2021 10:24:46 AM

I urge you not to approve the Tuscan Water District. This district is not in the best interest of a majority of the people who live over the Tuscan Aquifer. It is simply a plan devised by a group of large agricultural interests, some of whom are not living in this area, to take charge of the Aquifer. The Vina GSA has the power and authority to do any projects which are needed so there is no need for another group to be formed.

If the Tuscan Water District projects import water from Paradise and Oroville providing recharge for the Tuscan Aquifer, they then have control over the aquifer, and from that time on a small group of wealthy farmers will have total control of the water.

If Tuscan Water District decides it is in their best interest to sell water out of the area or pump more water than the aquifer is able to replace then our local environment will suffer. If the aquifer is pulled down below the level of the roots of shrubs and trees we will then see all of our vegetation die. This is a worst case scenario but you only need to look at Owens Valley and Mono Lake to see what some people will do for money, power, and water.

So I urge you to put a stop to the Tuscan Water District.

Suzette Welch

13 Hilda Way, Chico, CA. 95926 530 570-3240

Please include my letter in the Public Record

Steve Lucas, slucas@buttecounty.net LAFCO 1453 Downer St Oroville, CA 95965-4950

I oppose the formation of the Tuscan Water District, as presented by Silmaril Group and McGowan Farming, et al.

This plan is not in the best interest of our community.

Our small farmers are increasingly important to the health of our community. As we have seen during the Covid pandemic, large farms suffered from many problems. Inability to sell product (milk and potatoes were dumped!), big meat processors struggled (Tyson's chairman said "the food supply chain is breaking."), and on.

Our many small farmers produce food throughout the surges of the pandemic, and continue to do so.

Turning control of our water resources to an outfit that thinks the <u>larger the</u> <u>landownership</u>, the bigger the vote is, not a viable option. No matter how many acres of land they own.

Acres do not vote; people vote.

Sincerely Carla Resnick Butte County, California

Butte LAFCo AUG 3 0 2021 Oroville, CA

Jeffrey F. Obser 1702 Crouch Avenue Chico CA 95928

August 26, 2021

Steve Lucas LAFCO 1453 Downer St. Oroville, CA 95965-4950

Dear Mr. Lucas:

Please enter into the public record my opposition to the Tuscan Water District's formation.

I am the owner of a three-acre homestead west of Chico, dependent on the groundwater whose future is slated to be handed over to large agricultural interests if a privatized, big-ag control board decides the future of the water beneath my and my neighbors' homes.

The county still has years to firm up its plans for groundwater management under the SGWA. Please advocate a publicly accountable, county-administered water agency to balance the needs of big outside growers with those of residents and family farmers.

I understand that big stakeholders in the valley's agricultural economy will have an outsized say in how our diminishing groundwater is to be managed going forward no matter what kind of systems are in place.

But giving control of Tuscan to just a few firms, some of which are based elsewhere and have no particular stake in our community, is obviously going to privilege and empower unaccountable parties at the expense of residents and small farmers whose stake in this area does not consist only of money.

Jeffley 🖡 Qosei

AUG 30 2021 Oroville, CA

From:	Ty Mendoza
То:	Lucas, Steve
Subject:	Public Comment on Proposal of Tuscan Water District
Date:	Tuesday, August 31, 2021 5:14:47 PM

Hello,

My name is Ty Mendoza, I was born and raised here in Butte County and have remained living here for the entire 30 years of my life. And I intend to keep living here into the foreseeable future.

I am extremely concerned at the news of the newly proposed Tuscan Water District (TWD) and strongly OPPOSE this proposal from being approved. This proposal would be a knife in the heart for Butte County and all of its constituents for a future where water is an accessible resource.

Butte County residents deserve the right to have a say in what gets done with the water resource in our region. Butte County residents deserve full transparency in any kind of entity that manages a public resource. It is absolutely essential to the preservation and prosperity of the communities that make up Butte County that the power and decision on water management is a PUBLIC CONVERSATION & ISSUE.

I say NO on allowing corporate entities controlling power of our vital groundwater resource.

I say NO to allowing 25 large landowners to decide what fees are imposed on Butte County residents' water resources.

And I say NO to the 1-vote for 1-acre proposal. This essentially cuts every non-land owning constituent of Butte County from the conversation on what happens to our water resource.

I highly recommend you take an evening and watch the documentary called Water & Power: A California Heist and learn what has happened to the communities in Kern County that privatized their water district. What is showcased in that documentary is exactly what is taking place here in Butte County.

Water & Power : A California Heist https://www.imdb.com/title/tt6290202/

For the prosperity and wellbeing of this county and its communities, it's crucial that we do not allow corporate control of our regional water resource. Water is a Public Resource and needs to stay that way.

Thank you for your time.

Ty Mendoza 695 E 18th St. Chico CA 95928

From:	<u>Vita Segalla</u>
To:	Lucas, Steve
Subject:	proposed Tuscan water district
Date:	Saturday, August 28, 2021 4:32:41 PM

Hello -

I am a resident of Chico, CA, Butte County and am writing in opposition of the proposed Tuscan water district. This is an out and out water grab/steal by a few corporate figures who stand to gain financially at the expense of the small farmer and citizen of Butte county.

Everyone has seen the result in other areas when water is pulled from the existing aquifer causing lack of water and subsidence. We need to think about the future of this area in regards to water conservation to maintain a desirable availability of water in the face of climate change and future development on all levels. Please block this move in every way!

Please add my comments to the official record.

Thank you -Vita Segalla 1448 Normal Ave Chico, CA 95928