

**MEMORANDUM
LOCAL AGENCY FORMATION COMMISSION**

TO: Local Agency Formation Commission

FROM: Stephen Lucas, Executive Officer

SUBJECT: LAFCo File 21-06 - Tuscan Water District Formation - Impartial Analysis

DATE: May 25, 2022 for the meeting of June 2, 2022

The County of Butte met on April 26, 2022, and adopted a resolution calling for a mailed ballot election to be completed September 20, 2022, and directed the County Elections Official to conduct the election.

Government Code §57144 requires the Executive Officer to submit to the Commission, for its approval or modification, an impartial analysis (Attachment 1) of the proposed change of organization. This analysis cannot exceed 500 words in length in addition to the general description of the boundaries.

The attached impartial analysis has been reviewed by Legal Counsel and staff recommends the Commission approve the analysis as prepared.

ACTION REQUESTED: Consider, provide any modifications and approve impartial analysis and direct the Executive Officer to submit to the Butte County Clerk-Recorder.

Attachment: 1. DRAFT TWD Formation Impartial Analysis

**BUTTE LOCAL AGENCY FORMATION COMMISSION
IMPARTIAL ANALYSIS OF THE
FORMATION OF THE TUSCAN WATER DISTRICT**

A “yes” vote on the formation and revenue question will confirm the decision of the Butte Local Agency Formation Commission (LAFCo) to form an independent special district to be called the Tuscan Water District (District). A “no” vote on the formation and revenue assessment indicates opposition to the formation proposal. Landowner voters may also select up to nine (9) persons to be the new board of directors.

The District is established pursuant to Division 13 of the California Water Code as a California Water District, is approximately 97,625 acres in size, and contains 3,138 parcels primarily in agricultural production.

The District is generally bound by the Tehama County line to the north, State Route 99 and the City of Chico jurisdictional boundary to the east, Grainland Road to the south, and the Sacramento River on the west, in the unincorporated area of northwest Butte County.

The District will represent landowners for the purpose of working 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 administration of Groundwater Sustainability Plans (GSP) for the Vina and Butte sub-basins.

The District is authorized to exercise all powers of a California Water District except, shall not have the power to transfer water underlying the District outside the Vina or Butte Subbasins; provide water for domestic purposes; or provide sewage treatment or stormwater drainage services.

The District will be governed by a nine member Board of Directors initially elected at-large by landowners by a one acre equals one vote formula. Following formation, the Board will be elected by divisions established by the LAFCo utilizing a one dollar of land assessment equals one vote formula.

District operations will be funded through a landowner voter approved revenue measure of \$10.00 per acre of land with a maximum revenue source of \$976,250 annually. The District may establish fees and collect fees for specified projects and in accordance with applicable law.

The District is required to enter into an agreement with the Vina and Rock Creek GSA’s within one year to establish their role in stabilizing the Vina groundwater basin. If an agreement cannot be reached, the District shall be dissolved.

All District projects related to the direct or indirect management of groundwater resources, cannot be initiated until and unless, the GSA Board reviews and determines that the projects are consistent with the applicable GSP.

Any District proposal for the use or transfer of groundwater shall be reviewed by the Butte County Department of Water and Resource Conservation and approved by the Butte County Board of Supervisors.

The District shall annually review the assessable land within the district. If at least 50 percent of the District land is devoted to and developed for residential, industrial, or nonagricultural commercial use, the registered voters within the district may petition for a change in the voting procedure from a landowner-voting district to a resident-voting district.

The district formation is subject to the terms and conditions in Butte LAFCo Resolution No. 11 2021-22.
S/Stephen Lucas, Executive Officer, Butte Local Agency Formation Commission