



Solano Local Agency Formation Commission

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Staff Report

DATE: October 19, 2020
 TO: Local Agency Formation Commission
 FROM: Michelle McIntyre
 SUBJECT: **2020-05 7804 Olivas Lane Annexation to the Rural North Vacaville Water District (RNVWD)**

Staff Recommendation:

Staff recommends the Commission to approve the proposed change of organization via adoption of the attached draft LAFCO Resolution 20-08. The proposed Resolution includes the following actions:

- 1) Approve the annexation of 7804 Olivas Lane (APN 105-020-240) to the RNVWD.
- 2) Review and consider the Notice of Exemption (NOE) as the Responsible Agency pursuant to the California Environmental Quality Act (CEQA).
- 3) Waive the conducting authority proceedings pursuant to Government Code (GC) Section 56662.

Executive Summary:

The RNVWD has submitted an annexation request for the purpose of providing potable water service to 7804 Olivas Lane, a 2.5-acre parcel located north of the City of Vacaville in unincorporated Solano County. Currently, the property owner has a private well, however; the well is now insufficient to meet their potable water needs. Should the Commission approve the proposed annexation, the property owner intends to purchase one water connection from the District.

Based on the District's most recent municipal service review (MSR), the District has the capability and the capacity to extend service to the subject property. Solano LAFCO reviewed the District's existing Sphere of Influence (SOI) in 2016 which included the subject parcel in the approved SOI. Furthermore, in 2017, the California State Water Resources Control Board issued the latest Sanitary Survey Findings for RNVWD. The Report states the following conclusion: "RNVWD continues to be capable of meeting the requirements of the California Safe Drinking Water Act and provides a reliable and adequate supply of drinking water. The water system complies with regulations and permit conditions."

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Staff

Rich Seithel, Executive Officer • Michelle McIntyre, Sr. Analyst • Jeffrey Lum, Analyst II • P. Scott Browne, Legal Counsel

The property is within the Solano County's land use jurisdiction and is designated of Rural Residential (RR) in the County's General Plan. The property has a zoning of RR 2.5; the minimum acreage is 2.5 acres; therefore, under the County's zoning ordinance the property cannot be subdivided. Furthermore, there are no plans for city annexation and the property is not located within the City of Vacaville's sphere of influence or general plan area. No other new municipal services will be extended to the property.

The subject property is presently developed with an existing single-family resident; however, the subject proposal area is considered legally uninhabited because there are fewer than 12 registered voters. The property owner has submitted a letter to the Commission consenting to the annexation and since there is 100% consent to the subject proceeding, the Commission is able to waive notice, hearing, and the conducting authority/protest proceeding.

The following staff report is divided into discussions of the following areas: project description, RNVWD's profile, project analysis which considers CEQA, statutory and policy considerations of both the factors under CKH and the Commission's adopted Standards. Following the analysis section, the staff report concludes with the conducting authority/protest proceeding discussion, summary of findings and determinations, and conditions of approval.

Project Description:

The RNVWD proposes to annex to their service area one 2.5-acre parcel located on 7804 Olivas Lane north of the City of Vacaville in unincorporated Solano County, (APN 105-020-240). A proposed map and geographic description are attached to the LAFCO resolution as Attachment A, Exhibit A.

Application for this change of organization is made subject to GC Section 56650 et seq. by RNVWD Resolution 2020-45 (Attachment B). The single subject parcel is legally uninhabited per GC Section 56046, the landowner has submitted a letter to the Commission consenting to the change of organization, the project consists only of an annexation, therefore; the proposal is exempt from the requirements for notice and public hearing.

District Profile:

The RNVWD was formed in 1996 as a community services district (CSD) to provide potable water and water for fire suppression in the Stieger Hills and English Hills areas in unincorporated Solano County north of the City of Vacaville. RNVWD is managed by an elected Board of Directors whom reside within the District. The water operation is managed by RG West Builders while the physical operation and maintenance of the water system is contracted to Solano Irrigation District (SID). SID provides all required functions to keep the system in running order. RNVWD is funded solely by fees and charges for services it provides; it does not receive property tax revenues.

RNVWD's water distribution system was constructed to support a maximum of 533 water service connections. Presently, RNVWD serves 399 customers (these are customers with active water connections). The balance of 134 connections are not active but have been allocated. Of the 134 inactive connections, 115 connections or water rights are owned by various property owners within the District who purchased extra connections/water rights. The District owns the balance or 19 water rights. As stated above, the landowner intends to purchase one connection from the District upon approval of the subject annexation.

PROJECT ANALYSIS:California Environmental Quality Act (CEQA):

The District, as the Lead Agency, has determined the proposal to be exempt from CEQA pursuant to Section 15061(b)(3) because there is not a possibility of causing a significant effect on the environment for the following reasons:

- The proposal does not increase the total number of connections to the District,
- the proposal area is located within the District's existing approved Sphere of Influence, and
- the proposal area is in proximity of a meter and backflow connection point.

The RNVWD has filed a Notice of Exemption (NOE) pursuant to CEQA and is provided for the Commission's review and consideration as Attachment C. As the responsible agency, staff recommends the Commission review, consider, and subsequently file a NOE upon approval.

Statutory and Policy Considerations:

Per the requirements of the Cortese-Knox-Hertzberg (CKH) Act, the Commission is required to consider seventeen Factors (a-q) pursuant to GC Section 56668. Additionally, the Commission must consider its adopted policies (Standards per Section 56375(g)) when reviewing an application for a change of organization or reorganization. The following subsections first considers the Factors followed by the Commission's adopted Standards:

GC §56668 – Factors to be Considered in Review of a Proposal:

CKH requires the Commission to consider seventeen (a-q) specific Factors when reviewing proposals for a change of organization. Below are the Factors followed by staff's analysis:

a. Population and population density; land area and land use; assessed valuation; topography, natural boundaries, and drainage basins; proximity to other populated areas; and the likelihood of significant growth in the area, and in adjacent incorporated and unincorporated areas, during the next 10 years.

Under the County's adopted General Plan, land use designation is Rural Residential (RR) with a zoning of RR 2.5; the minimum acreage is 2.5 acres. This is consistent with the other properties within the general vicinity south of Skyhawk Lane and east of Olivas Lane.

The assessed valuation of the property is \$77,457 at the last assessment roll. The topography of the project area is hilly with elevation ranging from approximately 220 to 250 feet above sea level sloping west away from the existing private residence. There are no natural boundaries or drainage basins within the proposal area. There are no plans for city annexation of the proposal area because the property is not located within the City of Vacaville's SOI or general plan area. Given Measure T and the County's adopted General Plan, no significant growth is anticipated in the adjacent unincorporated area during the next ten years.¹

¹ On November 4 2008, Solano voters passed Measure T, which was an amendment to Solano County's 1994 Orderly Growth Initiative that updated certain provisions of the Solano County General Plan related to agriculture and open space policies and land use designations, and extended the amended initiative until December 31, 2028. By passing Measure T, the voters required that the County would maintain the current development strategy of city-centered growth (among other directives).

b. The need for organized community services; the present cost and adequacy of governmental services and controls in the area; probable future needs for those services and controls; and probable effect of the proposed incorporation, formation, annexation, or exclusion and of alternative courses of action on the cost and adequacy of services and controls in the area and adjacent areas.

The proposal will allow the property owner to purchase potable water connection from the District. No other new municipal services will be extended to the property.

Fire Protection and Emergency Medical Service

The Vacaville Fire Protection District is currently responsible for providing fire protection to the affected territory. No service change will occur because of approval of the change of organization.

Law Enforcement Service

The Solano County Sheriff's Office is the agency responsible for providing law enforcement services to the affected territory. No service change will occur.

Sewer Service

The property has on-site sewage disposal in accordance with County code standards and requirements.

Water Service

The subject area is historically considered to be in a water scarce area. Per the District, the property's onsite well is insufficient to meet the potable water needs of the homeowner. If approved for annexation, the property owner intends to purchase one water connection to receive potable water service.

In 2017, the California State Water Resources Control Board issued the Sanitary Survey Findings for RNVWD and makes the following conclusion, "RNVWD continues to be capable of meeting the requirements of the California Safe Drinking Water Act and provides a reliable and adequate supply of drinking water. The water system complies with regulations and permit conditions."²

c. The effect of the proposed action and of alternative actions, on adjacent areas, on mutual social and economic interests, and on the local governmental structure of the county.

Per the District and the property owner, the private well is producing insufficient water; therefore, there are no other viable alternatives for municipal water in the area. The change of organization cannot have a negative effect on the RNVWD as the proposal does not increase

² Section 2.2.2 Adequacy of Supply of the report states the following:

RNVWD is required to have sufficient source capacity and storage to meet the Maximum Daily Demand (MDD) per Title 22, Section 64554 of the California Code of Regulations (22 CCR §64554). In 2015, RNVWD reached its historical MDD of 2.084 Acre-feet or 0.6794 million gallons per day (MGD) on August 20. The total production capacity of the active Well 01 is approximately 0.648 MGD. Additional emergency source capacity from standby Well 02 supplies 0.648 MGD for a maximum of five consecutive days and fifteen total days per year, per 22 CCR §64414(c). RNVWD also has a storage capacity of 0.6 MG, which is greater than the MDD when combined with production available. RNVWD has sufficient water available to meet its MDD and can comply with the Waterworks Standards based on use of the Well 01 reliable source, storage, and Well 02 emergency supply capacity.

the number of connections available in the district. Nor does the proposal influence the structure of the County.

d. The conformity of both the proposal and its anticipated effects with both the adopted commission policies on providing planned, orderly, efficient patterns of urban development, and the policies and priorities in Section 56377.

The subject proposal has no effect on the Commission's policy with respect to providing planned, orderly, and efficient patterns of urban development. The property has an existing single-family residence and annexation of the subject property to the District does not entitle the property owners additional development rights they would not otherwise be entitled to under the County's General Plan and Zoning Ordinance. This factor is not applicable to the subject proposal.

e. The effect of the proposal on maintaining the physical and economic integrity of agricultural lands, as defined by Section 56016.

Should the Commission approve the change of organization, there are no effects on agricultural lands. Pursuant to GC Section 56016 "agricultural lands" means land currently used for producing an agricultural commodity for commercial purposes, land left fallow under a crop rotational program, or land enrolled in an agricultural subsidy or set-aside program. The subject property is not used for any of these purposes; therefore, this factor is not applicable to the subject proposal.

f. The definiteness and certainty of the boundaries of the territory, the nonconformance of proposed boundaries with lines of assessment or ownership, the creation of islands or corridors of unincorporated territory, and other similar matters affecting the proposed boundaries.

A map and geographic description (Attachment A, Exhibit A) have been prepared which identifies the boundaries of the affected territory in accordance with the requirements of the State Board of Equalization, the Solano County Surveyor, the County Assessor's Office, and LAFCO. These two documents, which have been reviewed by the County Surveyor, provide certainty regarding the exact boundary of the affected territory.

g. A regional transportation plan adopted pursuant to Section 65080.

Solano County has an adopted a Regional Transportation Plan (RTP), however; the proposed change of organization has no impacts on the RTP.

h. The proposal's consistency with city or county general and specific plans.

The subject proposal is within the land use jurisdiction of Solano County. The County's General Plan designates the affected territory as rural residential. The County's General Plan allows for Rural Residential zoning to apply to areas appropriate for rural, low density, single-family homes, where agriculture is not the sole land use and commercial agricultural production capability is low. The proposal will not result in a change in land use. The proposal, to annex the property to RNVWD's service area, will have no effect on the property's consistency with the County's General Plan.

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

The RNVWD is the nearest agency capable of providing potable water to the property. The property is north of the City of Vacaville and Solano Irrigation District boundaries, however; the parcel is not located in their spheres of influence.

j. The comments of any affected local agency or other public agency.

LAFCO staff notified affected agencies and as of the writing of this report have not received comments.

k. The ability of the newly formed or receiving entity to provide the services that are the subject of the application to the area, including the sufficiency of revenues for those services following the proposed boundary change.

Based on the District's most recent MSR and SOI update which was reviewed and adopted by the Commission on April 16, 2016, the RNVWD has adequate service capacities and financial resources to serve the affected property. The District is limited to 533 connections that it can serve. When a new customer requests services, it must first annex to the District and subsequently purchase supplemental or inactive connection. The RNVWD intends to sell the property owner one of their existing 19 supplemental water connections upon annexation approval. Furthermore, RNVWD is an enterprise district and will be able to collect fees for the active connection to fund the District's services and related activities.

l. Timely availability of water supplies adequate for projected needs as specified in Section 65352.5.

The municipal service review and sphere of influence update for the RNVWD indicates there is enough water supply to serve the proposed annexation territory. The affected territory will be able to receive potable water for its needs from the RNVWD upon approval of the change of organization and the purchase of the water connection.

m. The extent to which the proposal will affect a city or cities and the county in achieving their respective fair shares of the regional housing needs as determined by the appropriate council of governments consistent with Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7.

The proposed annexation to the RNVWD will have no effects on the Regional Housing Needs Allocation (RNHA) as there are no additional residences as part of this proposal. There is an existing single-family resident within the proposal area.

n. Any information or comments from the landowner or landowners, voters, or residents of the affected territory.

Staff has received the consent of the property owner for the change of organization proposal.

o. Any information relating to existing land use designations.

The County General Plan designates the affected territory as Rural Residential and Solano County has land use jurisdiction.

p. The extent to which the proposal will promote environmental justice. As used in this subdivision, "environmental justice" means the fair treatment and meaningful involvement of people of all races, cultures, incomes, and national origins, with respect to the location of public facilities and the provision of public services, to ensure a healthy environment for all people such that the effects of pollution are not disproportionately borne by any particular populations or communities.

There is no evidence that annexation will have any measurable effect to promote or discourage environmental justice.

q. Information contained in a local hazard mitigation plan, information contained in a safety element of a general plan, and any maps that identify land as a very high fire hazard zone pursuant to Section 51178 or maps that identify land determined to be in a state responsibility area pursuant to Section 4102 of the Public Resources Code, if it is determined that such information is relevant to the area that is the subject of the proposal.

As previously noted, the subject property has been developed with a single-family residence. Annexation of the subject property to the District will not entitle the landowners additional development rights not already allowed under the County's General Plan and Zoning Ordinance. This factor is not relevant to the district annexation proposal.

GC §56375(g) Adopted Standards:

LAFCOs are required to adopt written procedures or Standards for the evaluation of proposals including written definitions consistent with existing state law. The following is an analysis of the proposal's consistency with the Commission's adopted Standards 1-11.

Standard	Policy Consistency	Analysis
1. Consistency with Sphere of Influence (SOI) Boundaries	Consistent	All changes of organizations must be consistent with the SOI of the affected agency. The subject parcel is within the District's current sphere. Solano LAFCO approved a SOI for the District on April 11, 2016 which includes the subject parcel. Through approval of the proposed annexation, the District's SOI will be amended to reflect said annexation. Therefore, the proposal meets this standard.
2. Change of Organization and Reorganization to the Limits of the SOI Boundaries	Not applicable	The project area is not in an area designated as open space. The Solano County General Plan designates this property as Rural Residential; it is not a park, recreation facilities, protected open space, reservoirs, or detention basins. Therefore, this Standard is not applicable.
3. Consistency with City General Plan, Specific Plan, Area-Wide Plan, and Zoning Ordinance	Not applicable	This standard is not applicable as this proposal is not a proposed city annexation.
4. Consistency with the County General Plan of Proposed Change of Organization or Reorganization Outside of a City's SOI Boundary	Consistent	The change of organization request is for a district annexation; there is no anticipated change in land use. Furthermore, the County has designated the proposal as Rural Residential 2.5-acres minimum and the subject property is 2.5-acres. Therefore, this Standard is not applicable.
5. Requirement for Pre-Approval	Consistent	RNVWD's Board adopted Resolution No. 2020-45 (Attachment B), requesting LAFCO initiate proceedings for the reorganization, adopted on August 11, 2020. Standard met.
6. Effect on Natural Resources (California Environmental Quality Act – CEQA)	Consistent	Acting as the lead agency pursuant to CEQA, the District adopted and filed a Notice of Exemption (NOE). Staff recommends the Commission adopt and file the NOE as the responsible agency following approval of the annexation.
7. Establishing Proposal Boundaries, Map and Geographic Description Requirements, Other Required Map Exhibits	Consistent	No irregular or overlapping boundaries will be created as a result of the proposed change of organization. The attached map and geographic description have been reviewed and corrected by the Solano County Surveyor.
8. Likelihood of Significant Growth and Effect on Other Territory	Not applicable	This Standard is not applicable since the proposal does not include a conversion of open space land to urban use. In addition, no further development of the property is being proposed.
9. Protection of Prime Agricultural Land	Not applicable	As noted, the subject property has been developed with a single-family residence.
10. Provision and Cost of Community Services	Consistent	Upon annexation, the property owner will purchase a water connection from the RNVWD. No other services proposed.
11. Effect on Adjacent Areas, Mutual Social and Economic Interests, and on Local Governmental Structure	Consistent	No negative affect to other agencies. As previously noted, there is no tax base exchange as a result of the approval; however, the District will be able to collect fees and charges for their services. This Standard has been met.

Conducting Authority (Protest Hearing) Proceeding:

The proposal area is considered legally uninhabited per GC Section 56079.5 (there are fewer than 12 registered voters in the proposal area). Furthermore, the property owner has submitted a letter to the Commission consenting to the annexation. Therefore, staff recommends the Commission waive the conducting authority proceeding pursuant to GC Section 56662(d).

Summary of Findings and Determinations:

Staff recommends the following findings and determinations based on project research and analysis included in prior sections of this document, State law, and the Commission's adopted policies:

1. The RNVWD is the nearest agency capable of providing potable water to the property. The property is located within the RNVWD's sphere of influence which was reviewed and adopted by the Commission on April 16, 2016.
2. The proposal will allow the property to purchase one potable water connection and receive potable water services from RNVWD. No other new municipal services will be extended.
3. The RNVWD's most recent municipal service review and sphere of influence update found the RNVWD has adequate service capacities and financial resources to serve the affected property.
4. The RNVWD is an enterprise district and will be able to collect fees for the active connection to fund the District's services and related activities.
5. The annexation will not have a negative effect on RNVWD or their service area as the proposal does not increase the number of connections. Upon annexation, the property owner will be able to purchase one of 134 available supplemental/inactive connections.
6. No base tax exchange will occur because of this proposal; the RNVWD does not receive property tax revenue.
7. The proposal area is uninhabited, the property owners have submitted a letter to the Commission consenting to the annexation, and therefore; the Commission waives the notice, hearing, and conducting authority proceeding.
8. The proposal is exempt from CEQA pursuant to Section 15061(b)(3); general rule exemption.
9. The subject property is developed with an existing single-family residence; therefore, there are no effects to Commission's policy with respect to providing planned, orderly, and efficient patterns of urban development.
10. The map and geographic description prepared for the subject proposal have been reviewed by the County Surveyor and these two documents provide certainty regarding the exact boundary of the affected territory.
11. The proposal is within the land use jurisdiction of Solano County and will have no effect on the property's consistency with the County's General Plan.

Terms and Conditions of Approval per GC Sections: 56885, 56885.5, and 56886:

Staff recommends the Commission approve the proposed change of organization with the following terms and conditions of approval:

1. The Commission orders the change of organization without election as provided by GC Section 56885.5.
2. Immediately following LAFCO approval, the property owner shall submit warrants to LAFCO for 1) the CA State Board of Equalization totaling \$350.00 and 2) the Solano County Assessor Recorder totaling \$109.00.
3. The effective date of the change of organization shall be the date of the recordation made with the County Recorder of the Certificate of Completion per GC Section 57202.

Attachments:

A – Proposed Change of Organization Resolution

Exhibit A - Map and Geographic Boundary Description

B – Resolution from the RNVWD requesting the Change of Organization

C – CEQA Notice of Exemption