



Solano Local Agency Formation Commission

675 Texas St. Ste. 6700 • Fairfield, California 94533
(707) 439-3897 • FAX: (707) 438-1788

STAFF REPORT

DATE: February 11, 2022

TO: Local Agency Formation Commission

FROM: Jeffrey Lum, Analyst II

SUBJECT: **LAFCO Project No. 2021-20 Dissolution of Reclamation District 2043**

Recommendation:

Staff recommends that the Commission approve LAFCO Project No. 2021-20 by taking the following actions:

- 1) Adopt LAFCO Resolution No. 22-03, setting forth the Commission's determinations and approval of the dissolution of Reclamation District 2043.

Background:

Senate Bill (SB) 448 (Wieckowski) was passed in 2017 to streamline the process for LAFCOs to dissolve special districts that are inactive. The legislation requires the State Controller's Office (SCO) to create a list of inactive districts and notify LAFCOs of the list. The Commission is then required to initiate dissolution of inactive districts by resolution within 90 days of receiving the notification from SCO unless the Commission determines the special district(s) does not meet the criteria outlined in the inactive district definition.

Government Code (GC) §56042 defines an inactive district as a district that meets all the following:

- a) The district is a special district as defined in Section 56036;

Per Section 56036 a special district is defined as "an agency of the state, formed for general law or special act, for the performance of governmental or proprietary functions within limited boundaries and in areas outside the boundaries when authorized by LAFCO pursuant to GC Section 56133."

- b) The special district has had no financial transactions in the previous fiscal year;
- c) The special district has no assets and liabilities;
- d) The special district has no outstanding debts, judgments, litigation, contracts, liens, or claims.

Discussion:

RD 2043

On November 15, 2021, the Commission received notification from the SCO identifying Reclamation District (RD) 2043 as an inactive district in Solano County.

RD 2043 was formed in August 1919 under the California reclamation district. The District covers reclaimed marshland that is diked to a sufficient height to prevent overflow of the lands. A single levee surrounds the District. Tidal action does permit the entry of fresh water to the lands during the spring and early summer. Interior drainage canals lead to two floodgates connected to each other through the drainage system. RD 2043 is generally located in Suisun Marsh between the Southern Pacific Railroad lines and Suisun Slough, consist of a single Assessor Parcel Number (APN): 0046-080-030 totaling at 472.65 acres. A vicinity map of RD 2043 is shown below in Figure 1.1.

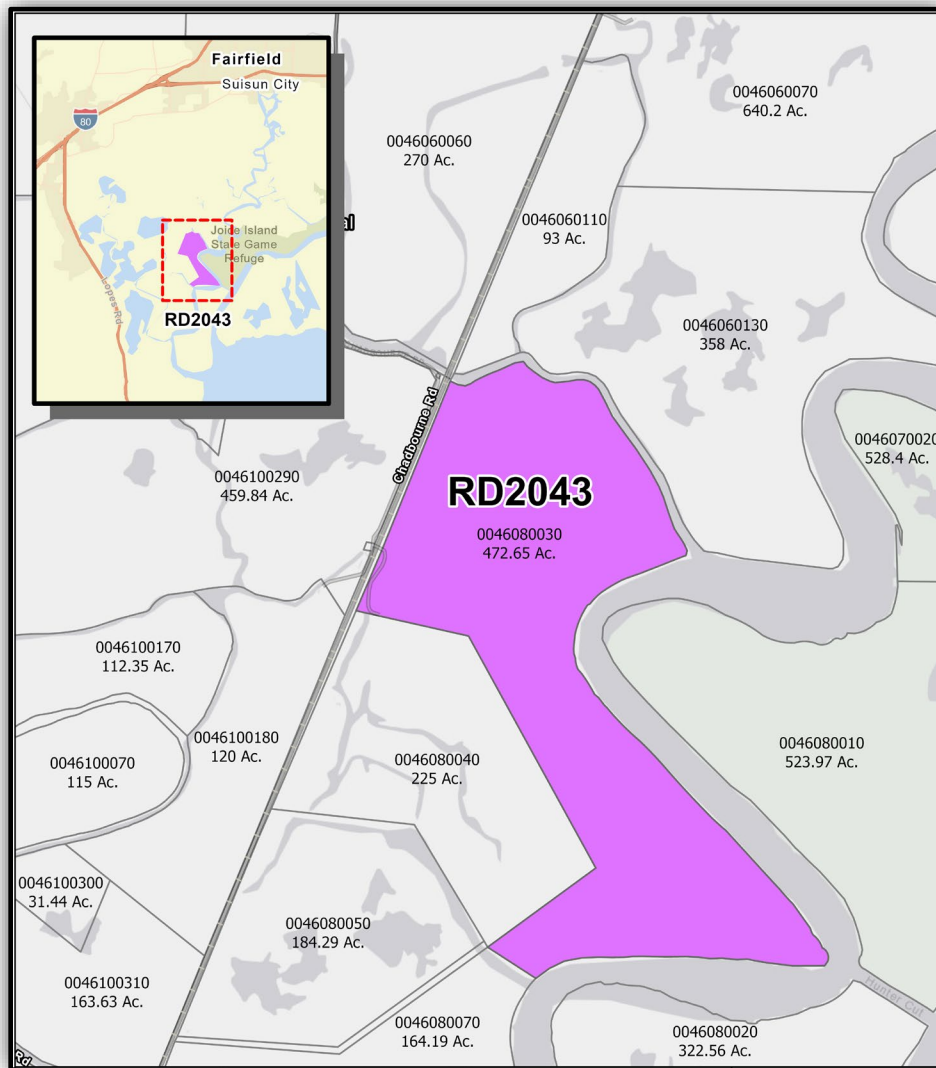


Figure 1.1: Vicinity Map of RD 2043

In March 2020, the Commission contracted with Milani and Associates' to conduct a municipal service review (MSR) for Levee and Reclamation Districts and adopted an MSR which determined that:

1. RD 2043 qualifies as an inactive district outlined in GC §56042.
2. RD 2043 jurisdiction boundary overlaps with RD 2142, creating redundant services. A boundary map of RD 2043 and 2142 is shown below in Figure 1.2.
3. LAFCO staff should compile necessary information to work with SCO in dissolving the District.

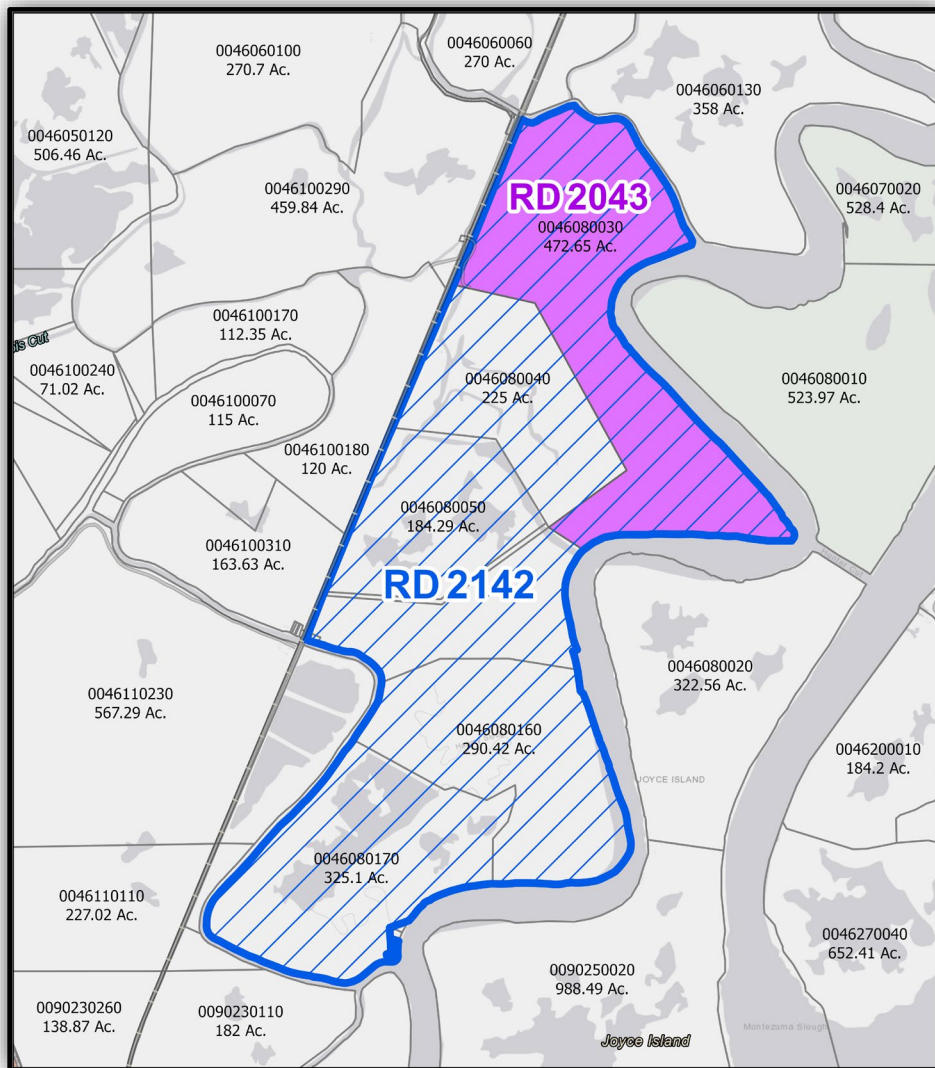


Figure 1.2: Map Showing Jurisdiction Boundary Overlap Between RD 2043 and 2142

Currently, according to the information provided by the County Auditor's office on January 4, 2022, RD 2043 has no financial transactions in the previous year, assets and liabilities, outstanding debts, contracts, liens or claims.

Pursuant to GC §56042 and §56879, staff determines that RD 2043 status remain inactive district and recommends the Commission dissolve the District.

Environmental Determination

The dissolution of RD 2043 is exempt from the California Environmental Quality Act (CEQA) under section 15320 "Changes in organization of local agencies." The dissolution of a district that provides no services would have no direct or reasonably foreseeable indirect impact on the environment and is therefore not considered to be a project.

It is recommended that the Commission find the subject dissolution exempt from CEQA pursuant to Guidelines Section 15320 where the changes do not change the geographical area in which previously existing powers are exercised.

Public Hearing Notice

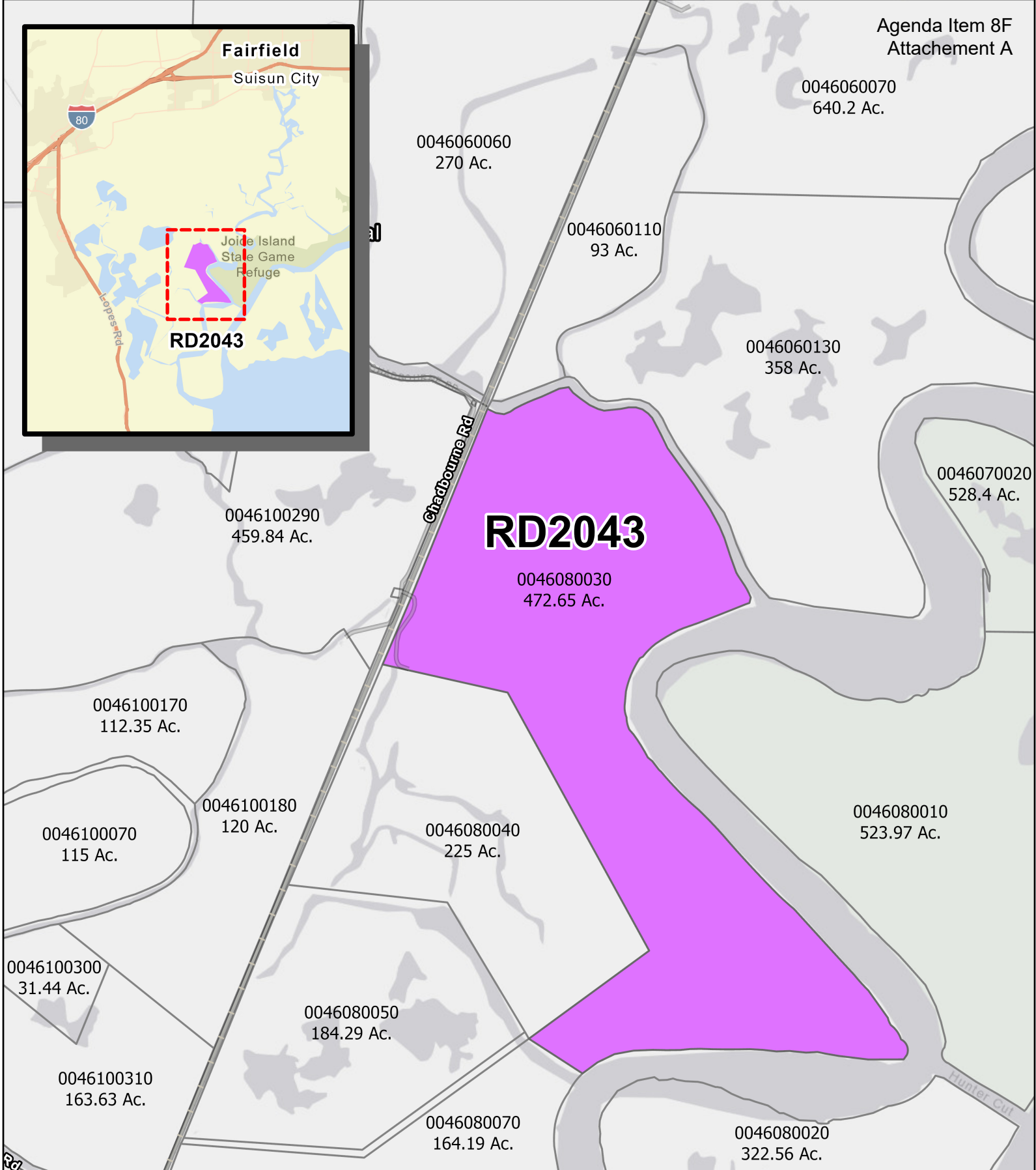
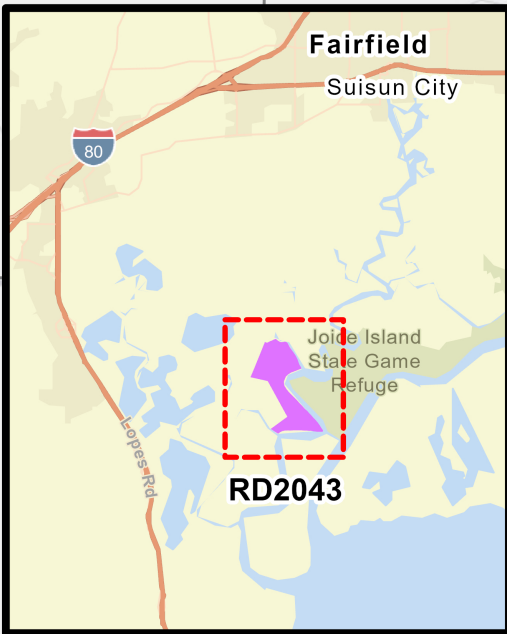
Pursuant to Government Code Section 56879(c), the Commission's action associated with this dissolution must occur following a public hearing. LAFCO has provided individual notice to one landowner within RD 2043 boundary in accordance with State law and adopted Commission policies. (See attachment D for copy of the notice). There are no registered voters reside within RD 2043 according to the information provided by the Registrar of Voters Office on January 6, 2022. To date, no written comments in support or opposition have been received regarding the consideration of this project.

Conclusion

RD 2043 meets all the inactive district criteria set forth in GC §56042. Pursuant to GC §56879, within 90 days of receiving SCO notice, the Commission is required to initiate dissolution of RD 204 by resolution. Staff recommends the Commission adopt LAFCO Resolution No.22-03 setting forth the Commission's determinations and approval of the dissolution of RD 2043.

Attachments:

- Attachment A – Vicinity Map of RD 2043
- Attachment B – Letter from State Controllers' Office
- Attachment C – Government Code Sections 56042 and 56879
- Attachment D – Notice of Hearing to Landowners and Registered Voters
- Attachment E – Draft LAFCO Resolution No. 22-03

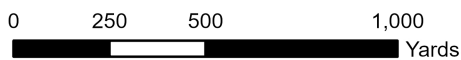


Vicinity Map for RD 2043

 RD2043



Disclaimer: The information shown is intended to be used for general display only and is not to be used as an official map.





BETTY T. YEE
California State Controller

November 4, 2021

Rich Seithel
Solano LAFCO
675 Texas St. Suite 6700
Fairfield, CA, 94533

SUBJECT: Notification of Inactive Special Districts in County

Dear Rich Seithel:

Chapter 334, Statutes of 2017, also known as Senate Bill (SB) 448, added various provisions to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 regarding special districts that are inactive. It requires the State Controller's Office (SCO) to create a list of inactive special districts based on information in the special district's Financial Transactions Report (FTR), to publish the list of inactive special districts on its website annually, and to notify the local agency formation commission in the county or counties in which the inactive special district is located.

Pursuant to Government Code (GC) section 56042, an "inactive special district" must:

- Meet the definition set forth in GC section 56036;
- Have no financial transactions in the previous fiscal year; and
- Have no assets, liabilities, outstanding debts, judgments, litigation, contracts, liens, or claims.

Pursuant to GC 56879, within 90 days of receiving this notice, the Commission is required to initiate dissolution of inactive special districts by resolution, unless the Commission determines that a district does not meet the criteria set forth in GC 56042. Additionally, the Commission is required to notify SCO if it determines that district does not meet the dissolution criteria in GC 56042. Once the dissolution process is complete, please inform SCO using the contact information on page 2.

Enclosed is a copy of the list of inactive California special districts. The list is determined by financial data in each special district's fiscal year 2019-20 FTR. The list of inactive California special districts may also be found at: https://www.sco.ca.gov/ard_local_rep_freq_requested.html.

Rich Seithel
November 4, 2021
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If you have any questions or need to notify us of a special district's status, please contact Derek Miller by telephone at (916) 322-5579, or by email at dmiller@sco.ca.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Phillip Pangilinan". The signature is fluid and cursive, with the first name "Phillip" and last name "Pangilinan" clearly distinguishable.

PHILLIP PANGILINAN
Manager
Local Government Reporting Section

Enclosure

California State Controller's Office
 List of Inactive Districts per Chapter 334, Statutes of 2017 (SB 448)
 Source: Special Districts Financial Transactions Reports, Fiscal Year 2019-20

#	District Name	City	County
1	Willow Springs Water District	Plymouth	Amador
2	County Service Area No. 5 (Calaveras)	San Andreas	Calaveras
3	County Service Area No. 6 (Calaveras)	San Andreas	Calaveras
4	County Service Area No. 7 (Calaveras)	San Andreas	Calaveras
5	County Service Area No. 10 (Calaveras)	San Andreas	Calaveras
6	County Service Area No. 11 (Calaveras)	San Andreas	Calaveras
7	County Service Area No. 3 (Colusa)	Colusa	Colusa
8	Century Ranch Water District	Colusa	Colusa
9	Hazel Court County Service Area (Colusa)	Colusa	Colusa
10	Kern Valley Resource Conservation District	Bakersfield	Kern
11	County Service Area No. 3 (Mendocino)	Ukiah	Mendocino
12	Canby Community Services District	Canby	Modoc
13	County Service Area No. 32 (Santa Barbara)	Santa Barbara	Santa Barbara
14	County Service Area for Library Services (CSA-1)	San Jose	Santa Clara
15	Fall River Valley Irrigation District	Redding	Shasta
16	Reclamation District No. 2034	San Ramon	Solano
17	Reclamation District No. 2043	Fairfield	Solano
18	Meridian Cemetery District	Yuba City	Sutter
19	County Service Area No. 60 (Tuolumne)	Sonora	Tuolumne
20	County Service Area No. 56 (Yuba)	Marysville	Yuba
21	County Service Area No. 57 (Yuba)	Marysville	Yuba
22	County Service Area No. 58 (Yuba)	Marysville	Yuba
23	River Highlands Community Service District	Marysville	Yuba
24	Royal Pines County Service Area (Yuba)	Marysville	Yuba

Proof of Service by Mail

I declare: I am a citizen of the United States, over the age of 18 years, and not a party to this action. My business address is State Controller's Office, 3301 C Street, Suite 740, Sacramento, California 95816.

On the date set forth below, I served the following entitled document:

Notification of Inactive Special Districts in County

by placing a true copy thereof in a sealed envelope addressed to the person(s) named below at the address(es) shown and by placing said envelope for collection and mailing, following our ordinary business practices. I am readily familiar with this business's practice for collecting and processing correspondence for mailing. On the same day that correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Service, in a sealed envelope with postage fully prepaid.

Name: Rich Seithel
Solano Local Agency Formation Commission

Address: Solano LAFCO
675 Texas St. Suite 6700
Fairfield, CA 94533

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on November 04, 2021, at Sacramento, California.

Signature: Derek Miller

Printed Name: Derek Miller

(b) Both within the territory ordered to be annexed or detached and within all or any part of the district which is outside of the territory.

District annexation

56877. When a change of organization or a reorganization includes the annexation of inhabited territory to a district and the assessed value of land within the territory equals one-half or more of the assessed value of land within the district, or the number of registered voters residing within the territory equals one-half or more of the number of registered voters residing within the district, the commission may determine as a condition of the proposal that the change of organization or reorganization shall also be subject to confirmation by the voters in an election to be called, held, and conducted within the territory of the district to which annexation is proposed.

Inactive special district list

56879. (a) On or before November 1, 2018, and every year thereafter, the Controller shall create a list of special districts that are inactive, as defined in Section 56042, based upon the financial reports received by the Controller pursuant to Section 53891. The Controller shall publish the list of inactive districts on the Controller's internet website. The Controller shall also notify the commission in the county or counties in which the district is located if the Controller has included the district in this list.

**Inactive special district:
dissolution**

(b) The commission shall initiate dissolution of inactive districts by resolution within 90 days of receiving notification from the Controller pursuant to subdivision (a), unless the commission determines that the district does not meet the criteria set forth in Section 56042. The commission shall notify the Controller if the commission determines that a district does not meet the criteria set forth in Section 56042.

(c) The commission shall dissolve inactive districts. The commission shall hold one public hearing on the dissolution of an inactive district pursuant to this section no more than 90 days following the adoption of the resolution initiating dissolution. The dissolution of an inactive district shall not be subject to any of the following:

- (1) Chapter 1 (commencing with Section 57000) to Chapter 7 (commencing with Section 57176), inclusive, of Part 4.
- (2) Determinations pursuant to subdivision (b) of Section 56881.
- (3) Requirements for commission-initiated changes of organization described in paragraph (3) of subdivision (a) of Section 56375.
- (4) **Sections 99 and 99.01 of the Revenue and Taxation Code. (Amended by Stats. 2021, Ch. 31)**

56879.5. This article shall not apply to a special district formed by

special legislation that is required by its enabling statute to obtain funding within a specified period of time or be dissolved. That district shall not be subject to this article during that specified period of time.

CHAPTER 6. COMMISSION DECISION

Article 1. Determinations

Adoption of resolution

56880. At any time not later than 35 days after the conclusion of the hearing, the commission shall adopt a resolution making determinations approving or disapproving the proposal, with or without conditions, the plan of reorganization, or any alternative plan of reorganization as set forth in the report and recommendation of a reorganization committee. If the commission disapproves the proposal, plan of reorganization, or any alternative plan of reorganization, no further proceedings shall be taken on those proposals or plans.

Resolution making determinations

56881. The resolution making determinations shall also do all of the following:

(a) Make any of the findings or determinations authorized or required pursuant to Section 56375.

(b) For any proposal initiated by the commission pursuant to subdivision (a) of Section 56375, make both of the following determinations:

(1) Public service costs of a proposal that the commission is authorizing are likely to be less than or substantially similar to the costs of alternative means of providing the service.

(2) A change of organization or reorganization that is authorized by the commission promotes public access and accountability for community services needs and financial resources.

Short-form designation

(c) If applicable, assign a distinctive short-term designation to the affected territory and a description of the territory.

Protest proceedings

(d) Initiate protest proceedings pursuant to Part 4 (commencing with Section 57000) in compliance with the resolution.

Mailed copy of resolution making determinations; recipients

56882. The executive officer shall mail a copy of the resolution adopted by the commission making determinations addressed to each of the following persons or entities:

(a) The proponents, if any, where the proceedings for change of organization were initiated by petition.

(b) Each affected local agency whose boundaries would be changed by the proposal.

Correction of clerical errors or

56883. The executive officer may, before the completion of a



Solano Local Agency Formation Commission

675 Texas St. Ste. 6700 • Fairfield, California 94533
(707) 759-3439 • FAX: (707) 438-1788

January 4, 2021

NOTICE OF HEARING

Notice is hereby given that the Solano Local Agency Formation Commission (LAFCO) will hold a hearing at **10:00 a.m. on Monday February 14, 2022** or as soon thereafter as possible, in the Board of Supervisors Chambers, County Administration Building, 675 Texas Street, Fairfield, CA, to consider the following item:

LAFCO Project No. 2021-20 Dissolution of Reclamation District 2043

Actions include adopting the draft Resolution (No.22-03 and approving the dissolution of Reclamation District 2043)

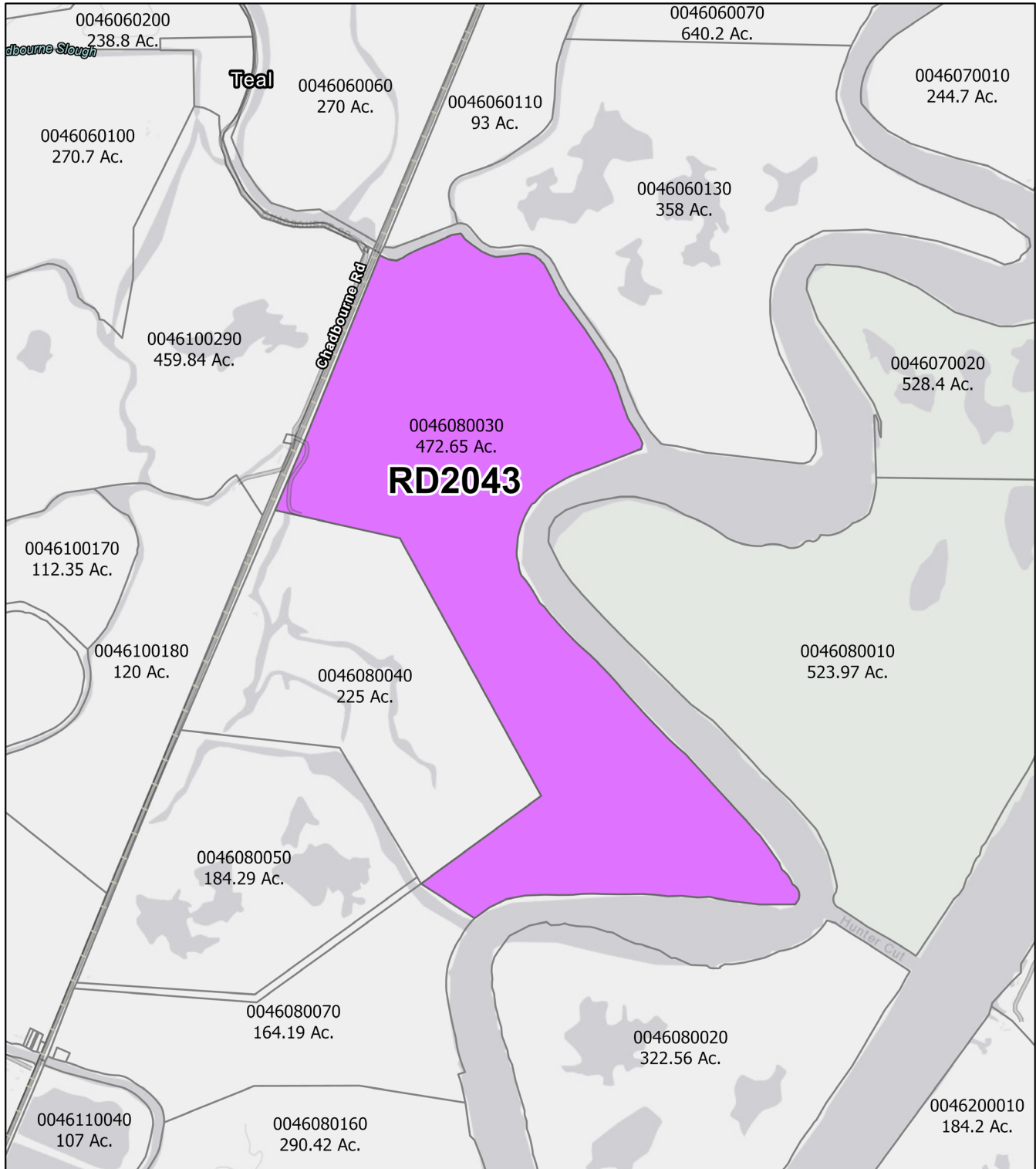
Reclamation District 2043 (RD 2043), consist of a single Assessor Parcel Number (APN): 0046-080-030 totaling at 472.65 acres, is generally located in Suisun Marsh between the Southern Pacific Railroad lines and Suisun Slough. A vicinity map of RD 2043 is shown behind this notice.

On November 4, 2021, the Commission received notification from the State Controller Office identifying RD 2043 as being an inactive district in Solano County. Pursuant to Government Code (GC) 56879, the Commission is required to initiate dissolution of inactive district by resolution within 90 days of receiving notification from the State Controller Office, unless the Commission determines that a district does not meet the criteria set forth in GC 56042.

All interested parties will have an opportunity to speak to the Commission at the hearing, and may submit written testimony prior to the hearing. Persons with disabilities may contact LAFCO staff at 707-759-3439 prior to the hearing to arrange for necessary accommodation so they may fully participate in the proceeding.

Note that if you or your agent have made a contribution of \$250 or more to any Commissioner or Alternate during the 12 months preceding the decision, you and the Commissioner are obligated to disclose the contribution and in the proceeding that Commissioner or Alternate must disqualify himself or herself from the decision. However, disqualification is not required if the Commissioner or Alternate returns the campaign contribution within thirty (30) days of learning both about the contribution and the fact that you are a participant in the proceedings.

Copies of the agenda and staff report will be available five days prior to the hearing date on the LAFCO website at www.solanolaftco.com or at the LAFCO office during business hours.

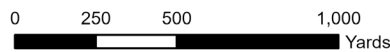


Vicinity Map for RD 2043

 RD2043



Disclaimer: The information shown is intended to be used for general display only and is not to be used as an official map.



LAFCO RESOLUTION NO. 22-03

**RESOLUTION INITIATE PROCEEDINGS FOR THE DISSOLUTION OF RECLAMATION
DISTRICT 2043 (RD 2043)
(LAFCO PROJECT 2021-20)**

WHEREAS, the Local Agency Formation Commission of Solano County initiated a proposal pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH), commencing with section 56000 of the California Government Code, for the dissolution of Reclamation District 2043; and

WHEREAS, in accordance with Government Code 56375(a)(2)(G), LAFCO may dissolve an inactive district pursuant to section 56879; and

WHEREAS, the California State Controller has notified the Commission pursuant to Government Code Section 56879 on November 15, 2021 that the Reclamation District 2043 is an inactive special district; and

WHEREAS, the Commission pursuant to Government Code Section 56879 shall initiate the dissolution of RD 2043 within 90 days of the receipt of the notice from the State Controller's Office unless the Commission finds that RD 2043 is not inactive as defined in Government Code 56042; and

WHEREAS, the Commission has received, heard, discussed and considered all oral and written testimony related to the proposal, including but not limited to comments and objections, the staff report and recommendation, the environmental document and determination; and

WHEREAS, the Commission has considered and made findings with respect to the reorganization's compliance with Solano LAFCO's "Standards for Evaluation of Annexation Proposals"; and

WHEREAS, the Commission does hereby make the following findings and determinations regarding the proposal:

1. Compliance with Government Code Section 56879 has been met by completing the dissolution of RD 2043 because the State Controller's Office has identified RD2043 as an inactive district. Within 90 days of receiving such determination, LAFCO is required to initiate the dissolution of inactive special districts by resolution. The State Controller's notification was received on November 15, 2021, as shown in Exhibit A.
2. The Commission's determinations on the proposal incorporate the information and analysis provided in staff written report presented on February 14, 2022.
3. The Commission serves as the lead agency under the California Environmental Quality

Act (CEQA) in considering the impacts of the proposal and that the Commission independently finds the action is a project under CEQA, but exempt from further CEQA review under the California Public Resources Code Section 15320.

4. The Commission finds that RD 2043 is an inactive district defined in Government Code 56042 and hereby initiates the dissolution of RD 2043.

The foregoing resolution was duly passed and adopted by the Local Agency Formation Commission of Solano County at a regular meeting, held on the 14th day of February 2022, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST:

John Vasquez, Chair
Presiding Officer Solano LAFCO

Jeffrey Lum, Clerk to the Commission