

# **Solano Local Agency Formation Commission**

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

# STAFF REPORT

DATE: February 15, 2023

TO: Local Agency Formation Commission

FROM: Rich Seithel, Executive Officer

SUBJECT: LAFCO Project No. 2023-02 Inactive Special District List/ RD 2034

# Recommendation:

CONSIDER and ADOPT the LAFCO Resolution determining that Reclamation 2034 (RD 2034) is not an inactive District, and;

DIRECT staff to inform the State Controller's Office of the Commission's determination.

# **Executive Summary:**

In November 2022, the Solano Local Agency Formation Commission (LAFCO) received a Notice of Inactive Special District from the State Controller's Office (SCO) (Attachment A) that identifies RD 2034 as an "inactive district" and, as such, should be dissolved. If the Commission finds that the District is "inactive" the Commission is required to initiate RD 2034's dissolution using a streamlined process (SB 448)<sup>1</sup>. However, if the Commission finds that RD 2034 is NOT "inactive", the Commission is required to notify the SCO that it determines that the District does not meet the dissolution criteria.

In order to determine whether RD 2034 is inactive, the Commission must determine that the following four criteria are met (GC §56042):

- 1. That the district is a special district as defined in Section 56036<sup>2</sup>.
  - ✓ RD 2034 is an Independent Special District within the unincorporated area of Solano County. The District was formed under the general reclamation district laws of the State of California with the petition for formation being approved by the Solano County Board of Supervisors on April 7, 1919

# Commissioners

John Vasquez, Chair ● Nancy Shopay, Vice-Chair ● Ron Kott ● Mitch Mashburn ● Steve Bird

# **Alternate Commissioners**

Robert Guerrero • Alma Hernandez • Wanda Williams

<sup>&</sup>lt;sup>1</sup> Requires LAFCO to hold one public hearing on the dissolution of an inactive district. Prohibits the dissolution of an inactive district from being subject to protest and election requirements or determinations by LAFCO.

<sup>&</sup>lt;sup>2</sup> Per GC§ 56036 a "District" or "special district" are synonymous and 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 §56133.

- 2. That the special district has had no financial transactions in the previous fiscal year.
  - ✓ According to the SCO and Solano County ACO, RD 2034 reported no financial transactions in the previous year.
- 3. That the special district has no assets and liabilities.
  - \* Staff has been advised that there are two agreements in the District's name that invalidate the inactive status: 1. a maintenance agreement with Solano Irrigation District Attachment B), and 2. 1950 Grant of Easements to RD 2034³ (Attachment C). These agreements create liabilities and obligations. In addition, the District has provided evidence that they have an active bank account that is considered an asset (Attachment D.)
- 4. The district has no outstanding debts, judgments, litigation, contracts, liens, or claims.
  - **x** The two agreements and the bank account identified above violate the terms of this requirement.

In conclusion, based on RD 2034 not satisfying the four requirements outlined in GC § 56042, staff recommends that the Commission: 1. determine that RD 2034 is not inactive, 2. adopt the attached LAFCO Resolution (Attachment C) determining that RD 2034 is not inactive, and 3. direct staff to inform the State Controller's Office of the Commission's determination.

# Attachments:

Action Item: Resolution Making Determination that Reclamation District 2034 Does Not Meet Warrants of Inactive District Status as Identified by the State Controller's Office

Attachment A – Letter from State Controllers' Office Attachment

Attachment B – Maintenance agreement with Solano Irrigation District

Attachment C – Grant of Easement

Attachment D – Bank statement

Attachment E – Letter from SID Regarding Dissolution

Attachment F - Vicinity Map for RD 2034

<sup>&</sup>lt;sup>3</sup> In 1950, meeting minutes show that the District Board of Trustees took formal action to acquire and record grant deeds from the respective property owners for the "rights-of-way for the construction, development, maintenance, operation and use of levees, drainage ditches, canals, and other waterways and borrow pits and any other reclamation works and roads upon, along and over those parcels of lands."

# **LAFCO RESOLUTION NO. 23-XX**

# RESOLUTION MAKING DETERMINATION THAT RECLAMATION DISTRICT 2034 DOES NOT MEET WARRANTS OF INACTIVE DISTRICT STATUS AS IDENTIFIED BY THE STATE CONTROLLER'S OFFICE

**WHEREAS**, the Local Agency Formation Commission (LAFCO) of Solano County desires to make a determination on the inactive/active status of Reclamation District 2104 pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 commencing with Government Code Section 56000; and,

**WHEREAS**, in accordance with Government Code Section (GC§) 56375(a)(2)(G), LAFCO may initiate dissolution of an inactive special district pursuant to GC§ 56879; and,

**WHEREAS,** GC Section 56042 defines "inactive district" as a special district with no assets, liabilities, outstanding debts, judgements, contracts, or claims; and,

WHEREAS, in a letter dated November 11, 2022, the State Controller's Office (SCO) notified Solano LAFCO that Reclamation District (RD) 2104 appears to be inactive and should be dissolved through an expedited process pursuant to GC § 56879, unless the Commission determines the District does not meet the criteria set forth under GC § 56042; and,

**WHEREAS**, LAFCO staff has been advised that there are two agreements in the District's name concerning: a maintenance agreement with Solano Irrigation District, and a 1950 Grant of Easements to RD 2034, as well as an active bank statement; and,

**WHEREAS**, the Commission has considered the evidence set forth in attachment 1 and 2; and,

**WHEREAS**, the Commission hereby determines that said District does not meet the inactive district status as defined; and,

**NOW, THEREFORE, BE IT HEREBY DETERMINED AND ORDERED** that Reclamation District 2034 is not an inactive district pursuant to GC § 56042 based on the following evidence:

- There are two agreements in the District's name that invalidates the inactive status:
  - A maintenance agreement with Solano Irrigation District, and
  - 1950 Grant of Easements to RD 2034, and the District has demonstrated an asset in a bank statement.

[CONTINUED NEXT PAGE]

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The foregoing resolution was duly passed and adopte Commission of Solano County at a regular meeting, the following vote:	
AYES: NOES: ABSENT: ABSTAIN:	
	Nancy Shopay, Chair Solano Local Agency Formation Commission
ATTEST:	
Christina Love, Clerk to the Commission	



November 1, 2022

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 2020-21 FTR. The list of inactive California special districts may also be found at: https://www.sco.ca.gov/ard\_local\_rep\_freq\_requested.html.

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Rich Seithel November 1, 2022 Page 2

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,

PHILLIP PANGILINAN

Manager

Local Government Reporting Section

Enclosure

Source: Special Districts Financial Transactions Reports, Fiscal Year 2020-21 List of Inactive Districts per Chapter 334, Statutes of 2017 (SB 448) California State Controller's Office

#	District Name	City	County
-	1 Willow Springs Water District	Plymouth	Amador
2	2 County Service Area No. 6 (Calaveras)	San Andreas	Calaveras
က	3 County Service Area No. 3 (Colusa)	Colusa	Colusa
4	4 Kern Valley Resource Conservation District	Bakersfield	Kern
Ω	5 Canby Community Services District	Canby	Modoc
ဖ	6 County Service Area No. 32 (Santa Barbara)	Santa Barbara	Santa Barbara
7	7 County Service Area No. 54 (Santa Cruz)	Santa Cruz	Santa Cruz
Φ	8 Fall River Valley Irrigation District	Redding	Shasta
တ	9 Reclamation District No. 2034	San Ramon	Solano
10	10 Reclamation District No. 2043	Fairfield	Solano
7	11 Reclamation District No. 2134	Roseville	Solano
12	12 Meridian Cemetery District	Yuba City	Sutter
13	13 County Service Area No. 56 (Yuba)	Marysville	Yuba
4	14 County Service Area No. 57 (Yuba)	Marysville	Yuba
15	15 County Service Area No. 58 (Yuba)	Marysville	Yuba
9	16 River Highlands Community Service District	Marysville	Yuba
17	17 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 01, 2022 , at Sacramento, California		o, California.
		Signature	Darele Miles
		Printed Name:	Derek Miller

# MAINTENANCE AGREEMENT

THE SOLANO IRRIGATION DISTRICT, hereinafter referred to as "Irrigation District", and RECLAMATION DISTRICT 2034, hereinafter referred to as "Reclamation District" do enter into the following agreement:

WHEREAS, there exists a generally unfavorable drainage problem in the area bounded by Chadbourne Road, Interstate Highway No. 80, and Suisun Creek in Lower Suisun Valley; and

WHEREAS, the Irrigation District has prepared construction plans for the improvement and relocation of portions of the existing drainage channels which flow into a drain ditch constructed by the Reclamation District and shown on the accompanying location map and Dwg. No. M-2-275; and

WHEREAS, the Irrigation District will benefit from the aforesaid improvement of drainage facilities through the improvement of drainage on private property within the boundaries of the Irrigation District; and

WHEREAS, the Reclamation District will benefit from the aforesaid improvement of drainage facilities through the removal of surface water which aggravates the present high ground water condition along the north boundary of the Reclamation District,

NOW THEREFORE, it is hereby agreed as follows:

1. The Solano Irrigation District will provide the necessary labor and equipment for weed control work in the Reclamation District drain ditch from a point immediately east of Suisun Creek to the tide gates, as indicated on the

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OFFICIAL RECORDS P...
BOOK 1474 PAGE 248

FD. Bocerder

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Solano Irrigation District Map No. M-2-275. The Reclamation District will pay the cost of any chemicals which may be required for control of aquatic growth within the channel.

- 2. The Solano Irrigation District agrees to share in the cost of maintenance and repair of the ditch and levee along the Reclamation District's drain between the intersection of the Reclamation District drain with the Raines Drain as shown on the attached map, and the tide gates located east of Chadbourne Road. The Irrigation District's share of this cost shall not exceed 50% of the total, said participation by the Irrigation District in the maintenance and repair costs will be subject to advance approval by both districts of the extent and nature of the work to be performed and of the actual cost to be pro-rated to each district.
- 3. The Solano Irrigation District will install an additional flap gate at the tide gate location marked on the attached location map, M-2-275, to reduce the differential head across the present structure at high tides. The Irrigation District will also construct a concrete lined surface on the upstream and downstream slopes of the existing earth dam after additional pipe and flap gate have been installed. Cost of all modifications and additions described in this paragraph will be paid by Solano Irrigation District.
- 4. Both parties hereby agree that the tide gate structure east of Chadbourne Road will be jointly maintained by both parties with the cost of such maintenance to be shared equally.

IN WITNESS WHEREOF, the parties hereto have hereunto affixed their names this  $\sqrt{8}$  day of  $\sqrt{1}$ ,  $\sqrt{19}$ 

RECLAMATION DISTRICT 2034

WITNESS:

President

Bv:

Secretary

SEAL

SOLANO IRRIGATION DISTRICT

President

By:

Secretary

WITNESS ACKNOWLEDGEMENT

STATE OF CALIFORNIA) ss.

On this 18th day of September, 1967, before me, the undersigned, a Notary in and for said County and State personally appeared Arthur D. Taber, known to me to be the person whose name is subscribed to the within agreement as a witness thereto, who being duly sworn, says: that his place of residence is Solano County, California, that he was present and saw Fred A. Chadbourne and Harry W. Chadbourne, personally known to him to be the persons whose names are subscribed to the within agreement, executed the same; and that affiant subscribed his name thereto as a witness to said execution.

WITNESS MY hand and Official Seal.

JOANN SEGURA
NOTAGE PUBLIC CALIFORNIA
PRINCIPAL OFFICE IN
SOLANO COUNTY

Notary Public in and for said County and State.

My Commission expires: March 25, 1968

# ACKNOWLEDGEMENT

STATE OF CALIFORNIA COUNTY OF SOLANO

siding therein, duly commissioned and sworn, personally appeared W. Morris Dally, President and J. E. Wiggins, Secretary, known scribed to the within instrument, and they acknowledged to me Segura, a Notary Public in and for said County and State, reto me to be the persons described in and whose names are sub-On this 18th day of September, 1967, before me, Joann that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

NOTAKE PUBLIC CALIFORNIA PRINCIPAL OFFICE IN SOLAND COUNTY JOANN SEGURA

March 25, 1968

My Commission expires:

and State

Notary Public in and for said County

## RESOLUTION

THETEAS, therefore this day been presented to the Trustees Recludation District No. 2034 the deed of George J. Temasini, Juanita Temasini, Fred A. Temasini and Ruth Corsen to Recularation District No. 2034 of a right of say for the construction, development, maintenance, operation and use of levere, draining ditches, cantle, water ways and torrow pits, and any other recularation works and roads upon, along and over three atrips or parcels of land situated within said reclamation district in the Gounty of Solano, State of California, which deed is dated 12th day of January, 1960.

NOW THEREFORE, be it resolved that asid good be, and the same is hereby accepted, on behalf of Reclamation District No. 2004, the Grantee in said deed.

I, the undersigned, the duly qualified, appointed and acting decretary of Reclication District No. 2034, and of the Board of Trustees and Trustees of said Polamation district, do hereby certify that the Opregoing is a true copy of a resolution duly and regularly adopted by said Board of Trustees at a meeting thereof duly called and held at the office of said Trustees, in the County of Solano, State of California, on the 18th day of January 1950, at which meeting all of the Trustees of said district were present and voting; and I do further certify that the foregoing deed to which this resolution is attached is the deed to which resolution refers.

IN NITHESS THEREOF, I have herounto set my tand and the seal of this district this 18th day of January 1950.

SEAL

Alice M. Chadbourns
Secretary as aforesaid.

Recorded at the request of Reclamation Dist. at 54 minutes gast 1 o'clock P.M., FEB 10 1950

Copied J. S.

Compared Or

M. E. SUCKINGHAM, County Recorder by WALTER D. STEDERS, Deputy

### GRANT OF EASEMENT

THIS INDESTURE between GEORGE J. TOWNSINI, JUANITA TOWNSINI, PRED TOWNSINI, PRUTH CORSCN SWI ANITA Y. PULLER, as Grantors, to RECLARATION DISTRICT NO. 2034, a reclaration district organized and existing under and by virtue of the laws of the State of California, within the County of Solano in said State, as Grantee,

That the said Grantors do by these presents grant to asid Grantee a right of way for the construction, development, maintenance, operation, and use of levers, drainage ditches, camels and other water ways and borrow pits, and any other reclamation works and roads, upon, along and over that dertain parcel of land that is situted in the County of Soleno, State of California, and that is particularly described as follows, to-wit:

A strip of land ninety feet in width and lying thirty feet on each side of the following described conter lines

\*\*BEDIFFIED at a point on the line between Sections 8 and 17, and point being West 1:00 feet more or less from the corner between Sections 8, 9, 16 and 17, and proceeding, thence Borth 1225 feet more or less; thence Morth 58° 45° East 9410 feet more or less (excluding that portion of said ditch on County Road No. 579), and ending at a point approximately 510 feet scuthwesterly from the northeast corner of that certain 172.7 acre tract of land owned by Fred Chadbourne in Sections 9 and 10.

all in Sections 8, 9 and 10, Township 4 North, Bange 2 West, M. D. B. & M.

Rook 519 Page 324 IN WITHESS SHEETER, the Grenters have executed these presents upon this 12th day of January,

1050

GECROE J. TOMASINI

JUANITA TOMASINI

PRED TOMASINI

RUTH CORSON

ANITA M. PULLER

STATE OF CALIFORNIA

On this 12th day of January in the year one thousand non hundred and Pifty before me.

Doroth: B. Balch a Notary Public in and for the Abid County of Solano, State of California, residing therein, duly commissioned and syom, personally appeared George J. Tomesini, Juanita Tomasini, Pred Temasini, Ruth Corson and Asim M. Puller known to me to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the Tame.

IN MITHESS WHIMEOP, I have hereunto set or hand and affixed my official seel, in the said County of Solano the day and year in this certificate first above written.

- -

Dorothy B. Balch

Wotary Public in and for the soid County of Solano
State of California

My Commission Expires Oct. 13, 1953

RESOLUTION

THERFAS, there has this day been presented to the Trustees of Replemation District No. 2034, the deed of George G. Tomasini, Juanita Tomasini, Fred Tomasini, Ruth Corson and Anita T. Fuller, to Reclamation District No. 2034 of a right of way for the construction, development, maintenance, operation and use of levees, drainage ditches, canals, mater ways and borrow pits, and any other replemation with and leads upon, along and over a certain parcel of land situated within said locassion district in the County of Scharb, State of California, which deed is dated 12:May of January, 1950.

HOW THEREFORE, be it resolved that said deed be, and the chare is hereby accepted, on behalf of Reclemation District No. 2034, the Grantes in said deed.

Is the undersigned, the duty qualified, appointed and acting Secretary of Raclamation District, So. 2034, and of the Board of Trustees and Trustees of said reclamation district, do hereby certify that the foregoing is a true copy of a resolution duly and regularly adopted by said Board of Trustees at a meeting the soft duly called and held at the office of said Trustees, in the County of Soleno, State of California, on the 18th day of January 1850, at which meeting all of the Trustees of said district were present and voting; and I do further cartify that the foregoing deed to which this resolution is attached in the deed to which this resolution refers.

IN SITEESS WHEREOF, I have hereunto set my hand and the seel of this district this 18th day of January, 1950.

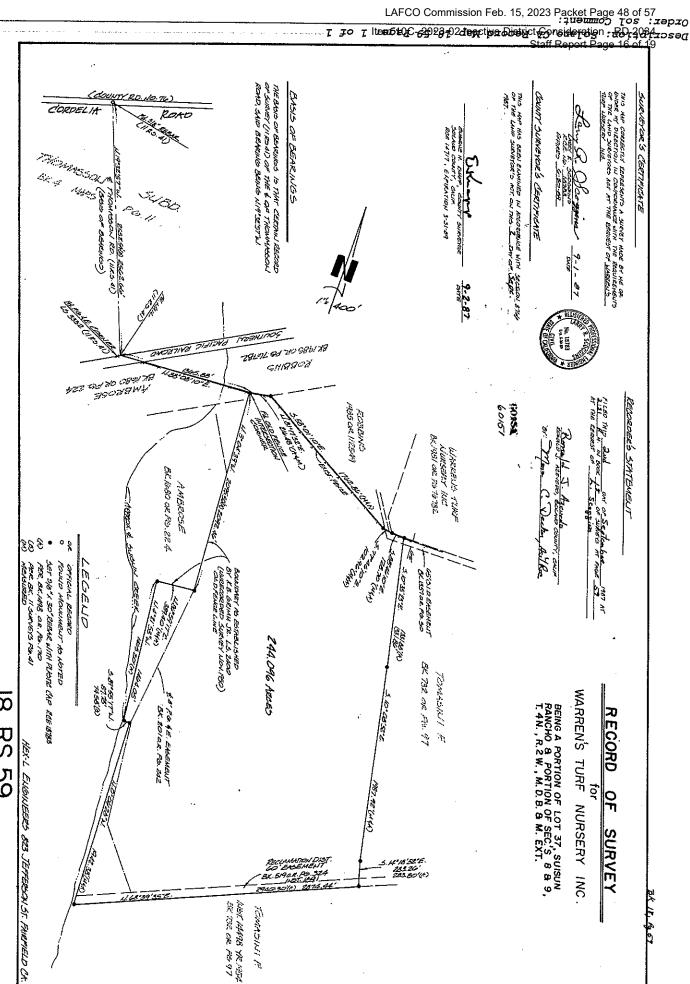
SEAL

Alice E. Chadtourns-Secretary as aforesaid

Recorded at the request of Reclamation Dist. at 55 minutes past 1 ofclock P.K., PEB 10 1850

Compared O. 9

H. E. BUCKINGHAM, County Recorder by WALMER D. SUMMERS, Deputy



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# ATTACHMENT D

**INTERIOR BANK** 

Phone: 800-359-BANK (2265) Website: www.fremontbank.com LAFCO Commission Feb. 15, 2023 Packet Page 49 of 57

Item 10C- 2023-02 Inactive District Consideration F. RD 2034

STATEMENT DATE

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12/30/2022

568.679245.FB12302022.DDA.D10

RECLAMATION DISTRICT NO 2034 34 ALAMO SQUARE SUITE 200 ALAMO CA 94507



# Bringing communities together

Thank your for another wonderful year!

We'd like to take this time to thank you for the amazing year our communities had. The Foundation is pleased to have been able to support the communities we serve. We appreciate your support by banking locally with us.

	<b>Business Plus Checking ACCO</b>	UNT 1	917235		
Balance Last Statement	Credits		Debits	Balance Thi	s Statement
\$ 2,443.27	(0) \$ 0.00	(1)	\$ 12.00		\$ 2,431.27
Minimum Balance				Aver	age Balance
\$ 2,443.27					\$ 2,443.27
Description		Ti	ansaction Amoun	t Date	Balance
BALANCE LAST STATEMENT				11/30	2,443.27
SERVICE CHARGE			-12.00	12/30	2,431.27
BALANCE THIS STATEMENT				12/30	2,431.27
TOTAL DAYS IN STATEMENT PERIO	D 12/01/22 THROUGH 12/30/22:		30		

ITEMIZATION OF SERVICE CHARGE PAID THIS PERIOD				
TOTAL CHARGE FOR Maintenance Fees:	12.00			





ATTACHMENT E

DIRECTORS

JOHN D. KLUGE PRESIDENT - DIV #1

LANCE A. PORTER VICE PRESIDENT - DIV #2

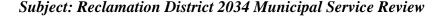
MICHAEL J. BARRETT DIV#3

> GUIDO E. COLLA DIV #4

> MIKE J. GERMAN DIV #5

> > January 29, 2019

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



Dear Mr.Seithel:

We understand that LAFCO, as part of recent legislation to review special districts' status to ensure they are "acting" as a district, may consider dissolution of Reclamation District (RD) 2034. The Solano Irrigation District (SID) currently has a Maintenance Agreement (attached) with RD 2034 for the cost sharing of maintenance activities for drainage facilities located within the RD 2034 boundary. Dissolution of RD 2034 would require that some responsible public agency take over the duty of administering, repairing and maintaining the drainage and levee facilities. Should dissolution of the District be pursued, a responsible public agency (acceptable to those parties) with the power to tax and charge the RD 2034 lands for their share of the benefit of maintenance and use of the drains would have to accept that responsibility.

Solano Irrigation District recommends RD 2034 remain a special district such that it may continue to perform the duties it was originally established and entered into agreement to do.

If you have any questions, please let me know.

Sincerely,

Paul Fuchslin, P.E. Director of Engineering

# Attachments:

• Maintenance Agreement



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OFFICERS

Item 10C- 2023-02 Inactive District Consideration - RD 2034

Staff Report Page 18 of 19 CARY KEATEN GENERAL MANAGER

JAMES S. DANIELS, P.E. DISTRICT ENGINEER

MINASIAN, SPRUANCE, MEITH, SOARES & SEXTON ATTORNEYS

