



Solano Local Agency Formation Commission

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

Solano County Government Center
 Board of Supervisors Chambers
 675 Texas Street
 Fairfield, CA 94533

June 12, 2023 10:00 A.M.

ATTENTION: This meeting is in person and open to the public.

AGENDA

1. **CALL TO ORDER AND SALUTE TO THE FLAG**
2. **ROLL CALL**
3. **CHANGES AND APPROVAL OF THE AGENDA**
4. **PUBLIC COMMENT**

Opportunity for the public to speak to the Commission on any subject matter within the Commission's jurisdiction but not appearing on today's agenda.

5. **PUBLIC COMMENT ON CONSENT ITEMS**

Each speaker shall have 3 minutes to address any or all items under Consent.

6. **CONSENT ITEMS**

- A. Meeting Minutes – April 10, 2023
- B. Financial Reports – April-May 2023

7. **PUBLIC HEARING**

- A. **LAFCO Project No. 2022-03 Solano Irrigation District detachment of Commercial Property (Vacaville) (APN 0138-010-010 & 020)** – The Solano Irrigation District requests to detach 5.41 acres generally referred to as Commercial Property located in the Farm at Alamo Creek Specific Plan. The property is located east of Leisure Town Road and north of Elmira. With the detachment of the subject property, the land will be developed for commercial use within the City of Vacaville.

Commissioners

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

Alternate Commissioners

Robert Guerrero • Alma Hernandez • Wanda Williams

Staff

Rich Seithel, Executive Officer • Christina Love, Deputy Executive Officer • Aaron Norman, Analyst II • Mala Subramanian, Lead Legal Counsel

CEQA: Reaffirmation of City of Vacaville’s Farm at Alamo Creek Specific Plan and Development Project EIR, (SCH# 2017062068) certified by the City of Vacaville on November 13, 2018.

- B. **LAFCO Project No. 2023-04 Solano Irrigation District detachment of Habitat for Humanity Property (Fairfield) (APN 028-280-210 & 028-280-300)** – The Solano Irrigation District requests to detach 0.36 acres within the City of Fairfield for Solano-Napa Habitat for Humanity development. The parcels are located at the southwest corner of Woolner Avenue and Columbus Drive, north of Alonzo Creek. With the detachment of the subject property, the land will be developed by Habitat for Humanity for qualifying low-income residential units.

CEQA: Categorical Exemption § 15315 – Minor Subdivisions.

- C. **LAFCO Project No. 2021-08 Rural North Vacaville Water District Sphere of Influence Update** – Commission will review and consider analysis of proposed updates to the RNVWD Sphere of Influence. Commission will be asked to make findings and adopt a new SOI for RNVWD. Staff will present their analysis of several parcels requested by RNVWD, as well as other parcels that could potentially be served by RNVWD’s infrastructure.

CEQA: Categorical Exemption § 15061(b)(3) – Not Subject to CEQA.

- D. **Fiscal Year 2023-2024 Final Budget and Workplan** – Presentation of the final budget and workplan for Fiscal Year 2023-2024, including step increases and Cost of Living Adjustment (COLA) considerations.

8. BUSINESS ITEMS

- A. **LAFCO Project No. 2022-09 Independent Auditor’s Final Report for Fiscal Years 2022 and 2021, and Adoption of the New Leasing Policy Consistent with GASB 87** - The Commission’s outside audit firm, James Marta & Company, LLP (auditor), has completed an audit for fiscal years 2021 and 2022. James Marta & Company also recommended that Solano LAFCO adopt a new lease capitalization policy for compliance with GASB 87. Staff will summarize the final Audit Report and recommend adoption of a new policy consistent with GASB 87. CEQA: This is a report with no land use or environmental impacts and therefore is not a project under §21060.5.

9. EXECUTIVE OFFICER UPDATES

The Executive Officer will briefly provide Commission status updates on major ongoing tasks and inform Commission of any known upcoming projects.

10. CLOSED SESSION

- A. Public Employee Performance Evaluation (Gov. Code 54957)
Title: Executive Officer
- B. Conference with Labor Negotiators (Gov. Code 54957.6)
Agency Designated Representative: Chair Shopay
Unrepresented employee: Rich Seithel

11. REPORT OF CLOSED SESSION

None.

12. ADJOURNMENT

Materials related to an item on this agenda are available for public inspection at the LAFCO office at 675 Texas St. Ste. 6700 Fairfield, CA during normal business hours and on LAFCO's website at <https://www.solanlafco.com/>. **Please note: LAFCO meetings are recorded and posted on the Commission's website.**

Any person who has contributed \$250 or more to a Commissioner or Alternate is obligated to disclose the contribution to the Commissioner or Alternate or to LAFCO staff.

In compliance with the Americans with Disabilities Act, if you are a disabled person and you need a disability-related modification or accommodation to participate in this meeting, please contact the LAFCO staff at (707) 439-3898 by email to clove@solanlafco.com. Requests must be made as early as possible and at least two business days before the start of the meeting.

Non-confidential materials related to an item on this agenda submitted to the Commission after distribution of the agenda packet will be e-mailed to you upon request. You may request materials by emailing clove@solanlafco.com.



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675 Texas Street
Fairfield, CA 94533

April 10, 2023 10:00 A.M.
In-Person Only

MINUTES

1. CALL TO ORDER AND SALUTE TO THE FLAG

10:00 am

2. ROLL CALL

Present:

Commissioners: Ron Kott, John Vasquez, Steven Bird
Alternate Commissioners: Robert Gurrero, (Alma Hernandez – not vote)

Not Present:

Commissioners: Nancy Shopay, Mitch Mashburn
Alternate Commissioners: Wanda Williams

Staff:

Rich Seithel, Executive Officer; Christina Love, Deputy Executive Officer; Aaron Norman, Analyst II; Mala Subramanian, Lead Legal Counsel

3. REORGANIZATION OF THE COMMISSION

Re-appointment Public Member – Commissioner Shopay

4. CHANGES AND APPROVAL OF THE AGENDA

There were no changes made to the agenda. Com. Vasquez moved to approve the agenda as posted. Com. Bird seconded.

AYES: Kott, Vasquez, Bird, Gurrero
NOES: None
ABSENT: Shopay, Mashburn
ABSTAIN: None

Commissioners

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

Alternate Commissioners

Robert Guerrero • Alma Hernandez • Wanda Williams

Staff

Rich Seithel, Executive Officer • Christina Love, Deputy Executive Officer • Aaron Norman, Analyst II • Mala Subramanian, Lead Legal Counsel

5. PUBLIC COMMENT

None.

6. PUBLIC COMMENT ON CONSENT ITEMS

None.

7. CONSENT ITEMS

Acting Chair Kott moved to approve. Com. Vasquez seconded.

AYES: Kott, Vasquez, Bird, Gurrero
NOES: None
ABSENT: Shopay, Mashburn
ABSTAIN: None

Commissioner Vasquez requested point of clarification on voting. There are 5 present commissioners, however, 3 are city representatives (Ron Kott, Steve Bird, and Alt. Alma Hernandez) and city representatives only have 2 voting rights at any meeting. Therefore, Alt. Alma Hernandez does not have a vote during this meeting.

Quorum is still met with the remaining 4 commissioners because representatives of each voting group (Solano County, Cities, and public at large) are present.

8. PUBLIC HEARING

A. LAFCO Project No. 2022-13: 7717 W Ranch Lane Annexation to the Rural North Vacaville Water District – Staff presented the project and findings, with a recommendation to approve the annexation request so that property can have new water connection for residential ADU and fire suppression. No commission or public comments.

Com. Vasquez moved to approve. Com. Bird seconded.

AYES: Kott, Vasquez, Bird, Gurrero
NOES: None
ABSENT: Shopay, Mashburn
ABSTAIN: None

Com. Vasquez asked a question related to RNVWD service review and sphere of influence, and spoke to the formation uses and limited service connections the system was engineered and designed for and for fire-suppression services, and mentioned that accessory dwelling units (ADUs) were not contemplated or considered in the infrastructure design. Com. Vasquez explained a concern about how far a connection is from a fire hydrant and how the water pressure can be affected by distance and number of connections. Supported/directed staff to start taking a hard look at future annexations into RNVWD in consideration of water pressure and access.

Executive Officer Seithel responded to say that Commission will be presented with some updates on the RNVWD MSR and sphere of influence in June. Including staff's requests for new and updated information to review RNVWD services and water pressure requirements. Staff will also provide updates and status on MSR conditions.

Com. Vasquez thanked staff for the early information. Also continued to explain the importance and historical process – including law suites related to fire suppression services and benefits conferred on properties. But also explained the concern of more connections and pipe extensions.

- B. LAFCO Project No. 2023-01: Dissolution of Reclamation District 2134** – Staff presented the staff report, findings, and recommendation to dissolve the inactive district of RD 2134 – consistent with state law and instructions. No commission comments or public comments.

Com. Bird moved to approve. Com. Vasquez seconded.

AYES: Kott, Vasquez, Bird, Gurrero
NOES: None
ABSENT: Shopay, Mashburn
ABSTAIN: None

- C. LAFCO Fee Schedule Amendment for Fire Protect Service Contract** – Staff presented the need to a new fee within the fee schedule related to Fire Contracts under 56134. This is directly related to ongoing changes in the rural fire districts and staff's time spent in reviewing new contracts – such as Fairfield-Cordelia Fire District contract.

Alt. Com. Alma requested more clarification as to what is in a fire application under 56134.

EO Seithel explained the various elements and complexities of an application required for submittal, and must be reviewed by staff. EO Seithel also responded to Alt. Com. Alma's follow question about the length of the application processing by explaining the fee is a one-time fee, not recurring/annual.

Acting Chair Kott asked why fee is not higher, with understanding the explanation of time and complexities.

EO Seithel explained that he feels this is a reasonable fee after researching other LAFCO's.

No public comments.

Com. Vasquez moved to approve. Com. Gurrero seconded.

AYES: Kott, Vasquez, Bird, Gurrero
NOES: None
ABSENT: Shopay, Mashburn
ABSTAIN: None

9. BUSINESS ITEMS

A. LAFCO Meeting Policy Considerations for Potential By-Law Amendments to Change the Date and Time of Meetings and Provide Direction on Whether to Provide for Teleconferencing

– Staff and lead counsel presented the findings related to surveys of availability for moving standard LAFCO meetings – finding that the only date and time to meet quorum is the existing date and time, therefore recommends not changes.

Com. Bird thanked staff for the research and follow-up he requested because of his conflicts from the Feb 2023 meeting and understood keeping the existing schedule if necessary.

Acting Chair Kott directs staff to keep schedule and make no changes.

Staff and lead counsel presented the findings related to continued hybrid meetings based on new state laws and explained new policies and how they may affect and impact LAFCO and Commission. Staff requested direction on how to proceed – return to in-person meetings or draft new policies and fiscal impacts in related to complying with new Brown Act laws for hybrid meetings.

Com. Vasquez commented that the prior and still current Brown Act still makes for considerations for Commissioner to remote in while traveling for work/business. He did not see a need to change policies.

Com. Bird stated reasons he supports allowing remote access under new Brown Act because of busy schedules – but understands this is still allowed.

Lead Counsel Mala explained/clarified that Com. Bird is correct and can still remote while away on business – with noticing stipulations. The difference is if Commission wanted to allow remote access while not away for business – ie sick, family emergency... which would require new policies and costs.

Acting Chair Kott asked for detailed calcification that “status quo” of in-person only still allows for remote access if away on business with noticing stipulations. Also, clarify that this Commission has alternates, so do not have to be at every meeting.

Commissioners continued to give personal examples. Commission directed staff to take no further action, rely on the standard Brown Act, and return to in-person-only meetings.

B. LAFCO Project No. 2021-09: New Contract for Solano Irrigation District Municipal Service Review and Sphere of Influence Study

– Staff presented the scope for services for Milani to work on SID MSR and SOI and requested Commission grant EO authority to enter into contract.

Acting Chair Kott asked if staff would have to return to request/inform Commission if scope or fees change. EO Seithel responded yes.

Com. Vasquez expressed support of Milani because of the depth of analysis and review they do versus past service reviews that were very simple.

No public comment.

Com. Bird moved to approve. Com. Gurrero seconded.

AYES: Kott, Vasquez, Bird, Gurrero
 NOES: None
 ABSENT: Shopay, Mashburn
 ABSTAIN: None

C. Draft Proposed Budget & Work Plan Fiscal Year 2023-2024 – Staff presented proposed budget and workplan, as recommended by the Budget Committee. Highlights of the budget and workplan were: new anticipated high-profile projects and delayed projects that will require substantial consultant work; and personnel turn-over and the need for means of retaining staff by approval a cost of living adjustment (COLA) which staff has not received in more than 10 year. Proposed budget includes funding for COLAs for all staff members, as well as 5% step increase. Proposed budget is slightly less than prior year, no new reserve money is required, and breakdown for County and cities is same as last year.

Com. Vasquez asked about the significant increase in the County GIS fees, specifically why.

EO Seithel explained that staff had a meeting with County GIS supervisor, IT Director, CAO, and Assistant CAO to discuss fees and why so high and what does LAFCO get for it. The result of the meeting was a decrease in the fee from \$30,000 to \$15,000 – with an understanding and desire that better coordination and collaboration is needed.

Staff presented proposed workplan and major projects – primarily City MSR and Fire Re-organization.

All commissioners shared in lengthy discussion of concerns with rural fire protection district services and need for an answer, but no clear direction on how or what.

Com. Vasquez moved to adopt with no modifications. Com. Bird seconded.

AYES: Kott, Vasquez, Bird, Gurrero
 NOES: None
 ABSENT: Shopay, Mashburn
 ABSTAIN: None

10. EXECUTIVE OFFICER UPDATES

Updates addressed in presentation of Workplan in previous item. Additionally:

- Updates on Admin/Clerk position and interviews
- Office relocation still pending internet broadband connections
- Special District Election process underway
- Fairfield Island Annexations
- Several SID detachments
- Suisun MSR and project EIR

11. CLOSED SESSION

None.

12. REPORT OF CLOSED SESSION

None.

13. ADJOURNMENT

11:41 am

Item 6.B - Financial Reports: April-May 2023

** Solano County** 05/31/23 [M O N T H L Y S T A T U S] 92% of Fiscal Year Page 1
 TUE, JUN 06, 2023, 1:21 PM --req: CLOVE-----leg: GL CP--loc: EXTERNAL--job:6808125 J416-----prog: GL569 <1.16>---report id: GLSMSR01

SORT ORDER: SECTION within BUREAU within DIVISION within DEPTWNT within SUBOBJ within CATEGORY within FUND

SELECT ACCOUNT KEY: 3450

Fund	Fund Description	Budget	Adjustments	Mo Actual	YTD Actual	Encumbrance	Balance	Pct.
345	LAFCO							
0050	DUE FROM OTHER FUNDS	0.00	0.00	-93,027.60	346,320.75	0.00	-346,320.75	9999%
0050	DUE FROM OTHER FUNDS	0.00	0.00	-93,027.60	346,320.75	0.00	-346,320.75	9999%
1000	SALARIES AND EMPLOYEE BENEFITS							
0001110	SALARY/WAGES REGULAR	426,170.00	0.00	56,594.44	296,663.08	0.00	129,506.92	70%
0001210	RETIREMENT-EMPLOYER	50,452.00	0.00	5,797.00	36,555.96	0.00	13,896.04	72%
0001212	DEFERRED COMP-COUNTY MATC	520.00	0.00	40.00	133.00	0.00	387.00	26%
0001220	FICA-EMPLOYER	6,180.00	0.00	889.90	4,682.20	0.00	1,497.80	76%
0001230	HEALTH INS-EMPLOYER	66,259.00	0.00	13,425.11	36,073.22	0.00	30,185.78	54%
0001231	VISION CARE INSURANCE	781.00	0.00	218.52	318.65	0.00	462.35	41%
0001240	COMPENSATION INSURANCE	1,900.00	0.00	0.00	1,410.12	0.00	489.88	74%
0001241	LT DISABILITY INSURANCE E	3,666.00	0.00	407.02	1,155.85	0.00	2,510.15	32%
0001250	UNEMPLOYMENT INSURANCE	1,500.00	0.00	0.00	777.00	0.00	723.00	52%
0001260	DENTAL INS-EMPLOYER	3,638.00	0.00	487.60	2,400.74	0.00	1,237.26	66%
0001270	ACCRUED LEAVE CTO PAYOFF	25,000.00	0.00	0.00	11,635.76	0.00	13,364.24	47%
0001290	LIFE INSURANCE-EMPLOYER	3,507.00	0.00	-108.48	702.66	0.00	2,804.34	20%
1000	SALARIES AND EMPLOYEE BEN	589,573.00	0.00	77,751.11	392,508.24	0.00	197,064.76	67%
2000	SERVICES AND SUPPLIES							
0002021	COMMUNICATION-TELEPHONE S	1,000.00	0.00	216.91	650.05	0.00	349.95	65%
0002026	CELL PHONE ALLOWANCE	2,500.00	0.00	300.00	1,545.00	0.00	955.00	62%
0002028	TELEPHONE SERVICES	4,800.00	0.00	726.82	3,824.87	0.00	975.13	80%
0002051	LIABILITY INSURANCE	7,467.00	0.00	0.00	7,024.52	0.00	442.48	94%
0002140	MAINTENANCE-BLDGS & IMPRO	500.00	0.00	0.00	0.00	0.00	500.00	
0002170	MEMBERSHIPS	11,550.00	0.00	0.00	9,122.00	0.00	2,428.00	79%
0002180	BOOKS & SUBSCRIPTIONS	400.00	0.00	12.00	553.14	0.00	-153.14	138%
0002200	OFFICE EXPENSE	15,000.00	0.00	583.88	2,384.64	0.00	12,615.36	16%
0002202	CONT ASSETS COMPUTER RELA	3,000.00	0.00	0.00	83.37	14,901.30	-11,984.67	499%
0002203	COMPUTER COMPONENTS <\$1,5	0.00	0.00	0.00	584.17	0.00	-584.17	9999%

Item 6.B - Financial Reports: April-May 2023

** Solano County** 05/31/23 [M O N T H L Y S T A T U S] 92% of Fiscal Year Page 2
 TUE, JUN 06, 2023, 1:21 PM --req: CLOVE-----leg: GL CP--loc: EXTERNAL--job:6808125 J416-----prog: GL569 <1.16>---report id: GLSMSR01

SORT ORDER: SECTION within BUREAU within DIVISION within DEPTWMT within SUBOBJ within CATEGORY within FUND

SELECT ACCOUNT KEY: 3450

Fund	Fund Description	Budget	Adjustments	Mo Actual	YTD Actual	Encumbrance	Balance	Pct.
345	LAFCO							
	Object Description							
	=====	=====	=====	=====	=====	=====	=====	=====
	0002204 COMPUTER RELATED ITEMS:<\$	1,000.00	0.00	258.79	258.79	0.00	741.21	26%
	0002205 POSTAGE	1,000.00	0.00	1.44	11.51	0.00	988.49	1%
	0002235 ACCOUNTING & FINANCIAL SE	29,500.00	0.00	12,495.00	27,490.28	0.00	2,009.72	93%
	0002239 LEGAL SERVICE	40,000.00	0.00	1,984.00	12,290.09	0.00	27,709.91	31%
	0002245 CONTRACTED SERVICES	180,000.00	0.00	0.00	21,794.92	88,430.00	69,775.08	61%
	0002250 OTHER PROFESSIONAL SERVIC	33,500.00	0.00	630.31	14,025.62	0.00	19,474.38	42%
	0002266 CENTRAL DATA PROCESSING S	23,100.00	0.00	3,837.90	21,108.45	0.00	1,991.55	91%
	0002271 SOFTWARE RENTAL / SUBSCRI	3,000.00	0.00	272.89	2,056.05	0.00	943.95	69%
	0002280 PUBLICATIONS AND LEGAL NO	1,500.00	0.00	217.00	325.50	0.00	1,174.50	22%
	0002285 LEASE EXPENSE-COPIERS/MFD	8,400.00	0.00	496.60	4,951.43	0.00	3,448.57	59%
	0002295 LEASE EXPENSE - BUILDINGS	25,000.00	0.00	0.00	0.00	0.00	25,000.00	
	0002310 EDUCATION & TRAINING	1,000.00	0.00	0.00	24.00	0.00	976.00	2%
	0002335 TRAVEL EXPENSE	12,000.00	0.00	57.73	4,888.42	0.00	7,111.58	41%
	0002339 MANAGEMENT BUSINESS EXPEN	2,000.00	0.00	675.53	1,634.82	0.00	365.18	82%
	0002354 CAR ALLOWANCE	7,200.00	0.00	1,200.00	6,780.00	0.00	420.00	94%
	0002355 PERSONAL MILEAGE	1,000.00	0.00	0.00	0.00	0.00	1,000.00	
2000	SERVICES AND SUPPLIES	415,417.00	0.00	23,966.80	143,411.64	103,331.30	168,674.06	59%
9200	LICENSES, PERMITS & FRANCHISE							
0009229	LICENSES & PERMITS-OTHER	75,000.00	0.00	0.00	29,000.00	0.00	46,000.00	39%
9200	LICENSES, PERMITS & FRANCI	75,000.00	0.00	0.00	29,000.00	0.00	46,000.00	39%
9400	REVENUE FROM USE OF MONEY/PROP							
0009401	INTEREST INCOME	3,000.00	0.00	8,690.31	21,382.25	0.00	-18,382.25	713%
9400	REVENUE FROM USE OF MONEY	3,000.00	0.00	8,690.31	21,382.25	0.00	-18,382.25	713%
9500	INTERGOVERNMENTAL REVENUES							
0009511	OTHER GOVERNMENTAL AGENCI	895,788.00	0.00	0.00	895,788.00	0.00	0.00	100%
9500	INTERGOVERNMENTAL REVENUE	895,788.00	0.00	0.00	895,788.00	0.00	0.00	100%

Item 6.B - Financial Reports: April-May 2023

** Solano County** 05/31/23 [M O N T H L Y S T A T U S] 92% of Fiscal Year Page 3
 TUE, JUN 06, 2023, 1:21 PM --req: CLOVE-----leg: GL CP--loc: EXTERNAL--job:6808125 J416-----prog: GL569 <1.16>---report id: GLSMSR01

SORT ORDER: SECTION within BUREAU within DIVISION within DEPTWNT within SUBOBJ within CATEGORY within FUND

SELECT ACCOUNT KEY: 3450

Fund	Fund Description	Object Description	Budget	Adjustments	Mo Actual	YTD Actual	Encumbrance	Balance	Pct.
345	LAFCO								
		Total Revenue	973,788.00	0.00	8,690.31	946,170.25	0.00	27,617.75	97%
		Total Expense	1,004,990.00	0.00	101,717.91	535,919.88	103,331.30	365,738.82	64%
					-93,027.60	410,250.37			

Item 6.B - Financial Reports: April-May 2023

** Solano County** 05/31/23 [M O N T H L Y D E T A I L] 92% of Fiscal Year Page 1
 TUE, JUN 06, 2023, 1:19 PM --req: CLOVE-----leg: GL CP--loc: EXTERNAL--job:6808114 J415-----prog: GL571 <1.13>---report id: GLMDET01

SORT ORDER: SUBOBJ within CATEGORY within KEY within DEPTMNT within FUND

SELECT ACCOUNT KEY: 3450

Fund	Fund Description	Dept.	Ref.	Date	Budget	Adjustments	Key	Key Description	Actual	Encumbrance	Balance	Pct.
345	LAFCO	3450	LAFCO		0.00	0.00	3450	LAFCO	439,348.35	0.00	-439,348.35	9999%
0050	DUE FROM OTHER FUNDS											
0001025	INTRAFUND CLEARING											
	AutoID: IA23203	Job: 67	04/01/23	23005994	-	JE			8,923.04			
	AutoID: JV020206	Job: 67	04/01/23	23005995	-	JE			-232.73			
	AutoID: AP086755	Job: 67051	04/06/23	TTLOH	-	OH			-390.84			
	AutoID: JV020125	Job: 67	04/07/23	PSDATA	-	JE			-24,701.88			
	AutoID: JV020127	Job: 67	04/07/23	23005737	-	JE			-6.03			
	AutoID: AP087417	Job: 67125	04/12/23	TTLOH	-	OH			-248.00			
	AutoID: AP087531	Job: 67140	04/13/23	TTLOH	-	OH			-530.04			
	AutoID: JV020220	Job: 67	04/19/23	23006097	-	JE			-75.16			
	AutoID: JV020239	Job: 67	04/21/23	PSDATA	-	JE			-18,130.05			
	AutoID: AP088966	Job: 67384	04/27/23	TTLOH	-	OH			-272.42			
	AutoID: AP088936	Job: 67385	04/27/23	TTLOH	-	OH			-429.37			
	AutoID: AP089337	Job: 67453	05/02/23	TTLOH	-	OH			-1,674.51			
	AutoID: JV020368	Job: 67	05/04/23	23006555	-	JE			-216.91			
	AutoID: JV020369	Job: 67	05/04/23	23006578	-	JE			-12,495.00			
	AutoID: JV020370	Job: 67	05/05/23	PSDATA	-	JE			-18,130.04			
	AutoID: JV020425	Job: 67	05/08/23	23006829	-	JE			-24.28			
	AutoID: JV020439	Job: 67	05/11/23	23006890	-	JE			-1,918.95			
	AutoID: JV020450	Job: 67	05/11/23	23006901	-	JE			-1,918.95			
	AutoID: JV020470	Job: 67	05/12/23	23006972	-	JE			-1.44			
	AutoID: AP090965	Job: 67754	05/16/23	TTLOH	-	OH			-1,736.00			
	AutoID: JV020542	Job: 67	05/19/23	PSDATA	-	JE			-18,289.14			
	AutoID: AP091500	Job: 67828	05/19/23	TTLOH	-	OH			-191.05			
	AutoID: AP091915	Job: 67918	05/24/23	TTLOH	-	OH			-337.85			
0001025	INTRAFUND CLEARING											
0050	DUE FROM OTHER FUNDS											
1000	SALARIES AND EMPLOYEE BENEFITS											
0001110	SALARY/WAGES REGULAR											
	PeopleSoft Payroll Postin	04/07/23	PSDATA	-	JE				14,148.61			
	PeopleSoft Payroll Postin	04/21/23	PSDATA	-	JE				14,148.61			
	PeopleSoft Payroll Postin	05/05/23	PSDATA	-	JE				14,148.61			
	PeopleSoft Payroll Postin	05/19/23	PSDATA	-	JE				14,148.61			
0001025	INTRAFUND CLEARING											
0050	DUE FROM OTHER FUNDS											
1000	SALARIES AND EMPLOYEE BENEFITS											
0001110	SALARY/WAGES REGULAR											
	PeopleSoft Payroll Postin	04/07/23	PSDATA	-	JE				14,148.61			
	PeopleSoft Payroll Postin	04/21/23	PSDATA	-	JE				14,148.61			
	PeopleSoft Payroll Postin	05/05/23	PSDATA	-	JE				14,148.61			
	PeopleSoft Payroll Postin	05/19/23	PSDATA	-	JE				14,148.61			
0001025	INTRAFUND CLEARING											
0050	DUE FROM OTHER FUNDS											
1000	SALARIES AND EMPLOYEE BENEFITS											
0001110	SALARY/WAGES REGULAR											
	PeopleSoft Payroll Postin	04/07/23	PSDATA	-	JE				14,148.61			
	PeopleSoft Payroll Postin	04/21/23	PSDATA	-	JE				14,148.61			
	PeopleSoft Payroll Postin	05/05/23	PSDATA	-	JE				14,148.61			
	PeopleSoft Payroll Postin	05/19/23	PSDATA	-	JE				14,148.61			
0001025	INTRAFUND CLEARING											
0050	DUE FROM OTHER FUNDS											
1000	SALARIES AND EMPLOYEE BENEFITS											
0001110	SALARY/WAGES REGULAR											
	PeopleSoft Payroll Postin	04/07/23	PSDATA	-	JE				14,148.61			
	PeopleSoft Payroll Postin	04/21/23	PSDATA	-	JE				14,148.61			
	PeopleSoft Payroll Postin	05/05/23	PSDATA	-	JE				14,148.61			
	PeopleSoft Payroll Postin	05/19/23	PSDATA	-	JE				14,148.61			

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SELECT ACCOUNT KEY: 3450

Fund	Fund Description	Dept.	Ref.	Date	Postin	Budget	Adjustments	Actual	Encumbrance	Balance	Pct.
345	LAFCO	3450	LAFCO			426,170.00	0.00	296,663.08	0.00	129,506.92	70%
0001110	SALARY/WAGES REGULAR										
0001210	RETIREMENT-EMPLOYER					50,452.00	0.00	30,758.96	0.00	19,693.04	61%
	PeopleSoft Payroll Postin			04/07/23	PSDATA - JE			1,449.25			
	PeopleSoft Payroll Postin			04/21/23	PSDATA - JE			1,449.25			
	PeopleSoft Payroll Postin			05/05/23	PSDATA - JE			1,449.25			
	PeopleSoft Payroll Postin			05/19/23	PSDATA - JE			1,449.25			
0001210	RETIREMENT-EMPLOYER					50,452.00	0.00	36,555.96	0.00	13,896.04	72%
0001212	DEFERRED COMP-COUNTY MATCH					520.00	0.00	93.00	0.00	427.00	18%
	PeopleSoft Payroll Postin			04/07/23	PSDATA - JE			10.00			
	PeopleSoft Payroll Postin			04/21/23	PSDATA - JE			10.00			
	PeopleSoft Payroll Postin			05/05/23	PSDATA - JE			10.00			
	PeopleSoft Payroll Postin			05/19/23	PSDATA - JE			10.00			
0001212	DEFERRED COMP-COUNTY MATCH					520.00	0.00	133.00	0.00	387.00	26%
0001220	FICA-EMPLOYER					6,180.00	0.00	3,792.30	0.00	2,387.70	61%
	PeopleSoft Payroll Postin			04/07/23	PSDATA - JE			242.49			
	PeopleSoft Payroll Postin			04/21/23	PSDATA - JE			215.81			
	PeopleSoft Payroll Postin			05/05/23	PSDATA - JE			215.80			
	PeopleSoft Payroll Postin			05/19/23	PSDATA - JE			215.80			
0001220	FICA-EMPLOYER					6,180.00	0.00	4,682.20	0.00	1,497.80	76%
0001230	HEALTH INS-EMPLOYER					66,259.00	0.00	22,648.11	0.00	43,610.89	34%
	PeopleSoft Payroll Postin			04/07/23	PSDATA - JE			8,252.45			
	PeopleSoft Payroll Postin			04/21/23	PSDATA - JE			1,707.30			
	PeopleSoft Payroll Postin			05/05/23	PSDATA - JE			1,707.30			
	PeopleSoft Payroll Postin			05/19/23	PSDATA - JE			1,758.06			
0001230	HEALTH INS-EMPLOYER					66,259.00	0.00	36,073.22	0.00	30,185.78	54%
0001231	VISION CARE INSURANCE					781.00	0.00	100.13	0.00	680.87	13%
	PeopleSoft Payroll Postin			04/07/23	PSDATA - JE			6.39			
	PeopleSoft Payroll Postin			04/21/23	PSDATA - JE			6.39			
	PeopleSoft Payroll Postin			05/05/23	PSDATA - JE			6.39			
	PeopleSoft Payroll Postin			05/19/23	PSDATA - JE			199.35			

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** Solano County** 05/31/23 [M O N T H L Y D E T A I L] 92% of Fiscal Year Page 3
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SORT ORDER: SUBOBJ within CATEGORY within KEY within DEPTMNT within FUND

SELECT ACCOUNT KEY: 3450

Fund	Fund Description	Dept.	Ref.	Date	Budget	Adjustments	Actual	Encumbrance	Balance	Pct.
345	LAFCO	3450	LAFCO		781.00	0.00	318.65	0.00	462.35	41%
0001231	VISION CARE INSURANCE									
0001240	COMPENSATION INSURANCE				1,900.00	0.00	1,410.12	0.00	489.88	74%
0001240	COMPENSATION INSURANCE				1,900.00	0.00	1,410.12	0.00	489.88	74%
0001241	LT DISABILITY INSURANCE ER				3,666.00	0.00	748.83	0.00	2,917.17	20%
	PeopleSoft Payroll Postin 04/07/23 PSDATA - JE						45.11			
	PeopleSoft Payroll Postin 04/21/23 PSDATA - JE						45.11			
	PeopleSoft Payroll Postin 05/05/23 PSDATA - JE						45.11			
	PeopleSoft Payroll Postin 05/19/23 PSDATA - JE						271.69			
0001241	LT DISABILITY INSURANCE ER				3,666.00	0.00	1,155.85	0.00	2,510.15	32%
0001250	UNEMPLOYMENT INSURANCE				1,500.00	0.00	777.00	0.00	723.00	52%
0001250	UNEMPLOYMENT INSURANCE				1,500.00	0.00	777.00	0.00	723.00	52%
0001260	DENTAL INS-EMPLOYER				3,638.00	0.00	1,913.14	0.00	1,724.86	53%
	PeopleSoft Payroll Postin 04/07/23 PSDATA - JE						121.90			
	PeopleSoft Payroll Postin 04/21/23 PSDATA - JE						121.90			
	PeopleSoft Payroll Postin 05/05/23 PSDATA - JE						121.90			
	PeopleSoft Payroll Postin 05/19/23 PSDATA - JE						121.90			
0001260	DENTAL INS-EMPLOYER				3,638.00	0.00	2,400.74	0.00	1,237.26	66%
0001270	ACCRUED LEAVE CTO PAYOFF				25,000.00	0.00	11,635.76	0.00	13,364.24	47%
0001270	ACCRUED LEAVE CTO PAYOFF				25,000.00	0.00	11,635.76	0.00	13,364.24	47%
0001290	LIFE INSURANCE-EMPLOYER				3,507.00	0.00	811.14	0.00	2,695.86	23%
	PeopleSoft Payroll Postin 04/07/23 PSDATA - JE						50.68			
	PeopleSoft Payroll Postin 04/21/23 PSDATA - JE						50.68			
	PeopleSoft Payroll Postin 05/05/23 PSDATA - JE						50.68			
	PeopleSoft Payroll Postin 05/19/23 PSDATA - JE						-260.52			

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** Solano County** 05/31/23 [M O N T H L Y D E T A I L] 92% of Fiscal Year Page 4
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SORT ORDER: SUBOBJ within CATEGORY within KEY within DEPTMNT within FUND

SELECT ACCOUNT KEY: 3450

Fund	Fund Description	Dept.	Department Description	Key	Key Description	Actual	Encumbrance	Balance	Pct.
345	LAFCO	3450	LAFCO	3450	LAFCO				
0001290	LIFE INSURANCE-EMPLOYER		3,507.00	0.00	702.66	0.00	2,804.34	20%	
1000	SALARIES AND EMPLOYEE BENEFITS		589,573.00	0.00	392,508.24	0.00	197,064.76	67%	
2000	SERVICES AND SUPPLIES								
0002021	COMMUNICATION-TELEPHONE SYSTEM		1,000.00	0.00	433.14	0.00	566.86	43%	
	01/23-03/23 LAFCO COMM CH 05/04/23 23006555 - JE				216.91				
0002021	COMMUNICATION-TELEPHONE SYSTEM		1,000.00	0.00	650.05	0.00	349.95	65%	
0002026	CELL PHONE ALLOWANCE		2,500.00	0.00	1,245.00	0.00	1,255.00	50%	
	PeopleSoft Payroll Postin 04/07/23 PSDATA - JE				75.00				
	PeopleSoft Payroll Postin 04/21/23 PSDATA - JE				75.00				
	PeopleSoft Payroll Postin 05/05/23 PSDATA - JE				75.00				
	PeopleSoft Payroll Postin 05/19/23 PSDATA - JE				75.00				
0002026	CELL PHONE ALLOWANCE		2,500.00	0.00	1,545.00	0.00	955.00	62%	
0002028	TELEPHONE SERVICES		4,800.00	0.00	3,098.05	0.00	1,701.95	65%	
	COMCAST A:8155 30 030 170 04/06/23 836624 - OH				172.36				
	COMCAST A: 905861264 4/1 04/27/23 837344 - OH				191.05				
	COMCAST A: 8155 30 030 17 05/02/23 837495 - OH				172.36				
	COMCAST ACCT: 905861264 5 05/19/23 838279 - OH				191.05				
0002028	TELEPHONE SERVICES		4,800.00	0.00	3,824.87	0.00	975.13	80%	
0002051	LIABILITY INSURANCE		7,467.00	0.00	7,024.52	0.00	442.48	94%	
0002051	LIABILITY INSURANCE		7,467.00	0.00	7,024.52	0.00	442.48	94%	
0002140	MAINTENANCE-BLDGS & IMPROVE		500.00	0.00	0.00	0.00	500.00		
0002140	MAINTENANCE-BLDGS & IMPROVE		500.00	0.00	0.00	0.00	500.00		
0002170	MEMBERSHIPS		11,550.00	0.00	9,122.00	0.00	2,428.00	79%	

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** Solano County** 05/31/23 [M O N T H L Y D E T A I L] 92% of Fiscal Year Page 5
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SORT ORDER: SUBOBJ within CATEGORY within KEY within DEPTMNT within FUND

SELECT ACCOUNT KEY: 3450

Fund	Fund Description	Dept.	Ref.	Date	Budget	Adjustments	Actual	Encumbrance	Balance	Pct.
345	LAFCO	3450	LAFCO		11,550.00	0.00	9,122.00	0.00	2,428.00	79%
0002170	MEMBERSHIPS									
0002180	BOOKS & SUBSCRIPTIONS				400.00	0.00	541.14	0.00	-141.14	135%
	US BANK A:4246 0445 5569 05/02/23 837498 - OH					12.00				
0002180	BOOKS & SUBSCRIPTIONS				400.00	0.00	553.14	0.00	-153.14	138%
0002200	OFFICE EXPENSE				15,000.00	0.00	1,800.76	0.00	13,199.24	12%
	ODP BUSINESS SO A: 895866 04/06/23 836625 - OH						118.32			
	ODP BUSINESS SO A: 895866 04/06/23 836625 - OH						100.16			
	ODP BUSINESS SO A: 895866 05/02/23 837497 - OH						27.55			
	ODP BUSINESS SO INV 30953 05/24/23 838657 - OH						337.85			
0002200	OFFICE EXPENSE				15,000.00	0.00	2,384.64	0.00	12,615.36	16%
0002202	CONT ASSETS COMPUTER RELATED				3,000.00	0.00	83.37	14,901.30	-11,984.67	499%
	LAPTOP, DELL LATITUDE 743 04/12/23 D0135323 - EN							2,604.00		
	MONITOR, DELL 23-INCH MON 04/12/23 D0135323 - EN							170.02		
	DOCK STATION, DELL THUNDE 04/12/23 D0135323 - EN							584.00		
	DESKTOP, OPTIPLEX 5400 AL 04/12/23 D0135323 - EN							1,207.00		
	CHARGE, SALES TAX 04/12/23 D0135323 - EN							364.51		
	CHARGE, ENVIRONMENTAL FEE 04/12/23 D0135323 - EN							18.00		
	* Closing DE Entry * 04/12/23 S053360 - DE							0.00		
0002202	CONT ASSETS COMPUTER RELATED				3,000.00	0.00	83.37	14,901.30	-11,984.67	499%
0002203	COMPUTER COMPONENTS <\$1,500				0.00	0.00	584.17	0.00	-584.17	9999%
0002203	COMPUTER COMPONENTS <\$1,500				0.00	0.00	584.17	0.00	-584.17	9999%
0002204	COMPUTER RELATED ITEMS:<\$500				1,000.00	0.00	0.00	0.00	1,000.00	
	ODP BUSINESS SO A: 895866 04/13/23 836885 - OH								130.04	
	MARCH 2023 RESALE EQUIPME 04/19/23 23006097 - JE								75.16	
	ODP BUSINESS SO A: 895866 05/02/23 837497 - OH								53.59	

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 SORT ORDER: SUBOBJ within CATEGORY within KEY within DEPTMNT within FUND
 SELECT ACCOUNT KEY: 3450

Fund	Fund Description	Dept.	Dept. Description	Key	Key Description	Actual	Encumbrance	Balance	Pct.
345	LAFCO	3450	LAFCO	3450	LAFCO				
0002204	COMPUTER RELATED ITEMS: <\$500		1,000.00	0.00	258.79	0.00	741.21	26%	
0002205	POSTAGE		1,000.00	0.00	10.07	0.00	989.93	1%	
	POSTAGE CHARGES FOR JANUA	05/12/23	23006972 - JE		1.44				
0002205	POSTAGE		1,000.00	0.00	11.51	0.00	988.49	1%	
0002235	ACCOUNTING & FINANCIAL SERVICE		29,500.00	0.00	14,995.28	0.00	14,504.72	51%	
	LAFCO 22/23 ACTG & PYROLL	05/04/23	23006578 - JE		12,495.00				
0002235	ACCOUNTING & FINANCIAL SERVICE		29,500.00	0.00	27,490.28	0.00	2,009.72	93%	
0002239	LEGAL SERVICE		40,000.00	0.00	10,306.09	0.00	29,693.91	26%	
	BEST BEST & KRI INV:96229	04/12/23	962290 - OH		248.00				
	BEST BEST & KRI INV:96473	05/16/23	964735 - OH		1,736.00				
0002239	LEGAL SERVICE		40,000.00	0.00	12,290.09	0.00	27,709.91	31%	
0002245	CONTRACTED SERVICES		180,000.00	0.00	21,794.92	8,500.00	149,705.08	17%	
	Milani and Associates, MM	05/31/23	C0105176 - EN		79,930.00				
	* Closing DE Entry *	05/31/23	S053884 - DE		0.00				
	Milani and Associates, MM	05/11/23	S053884 - EN		79,930.00				
0002245	CONTRACTED SERVICES		180,000.00	0.00	21,794.92	88,430.00	69,775.08	61%	
0002250	OTHER PROFESSIONAL SERVICES		33,500.00	0.00	13,395.31	0.00	20,104.69	40%	
	CALPERS APR-23	04/07/23	23005737 - JE		6.03				
	STEVEN BIRD STIPEND LAFCO	04/13/23	836882 - OH		100.00				
	ROBERT GUERRERO STIPEND L	04/13/23	836883 - OH		100.00				
	RONALD A KOTT STIPEND LAF	04/13/23	836884 - OH		100.00				
	JOHN M VASQUEZ STIPEND LA	04/13/23	836886 - OH		100.00				
	ALMA HERNANDEZ STIPEND LA	05/02/23	837493 - OH		100.00				
	ALMA HERNANDEZ STIPEND LA	05/02/23	837494 - OH		100.00				
	CALPERS MAY-23	05/08/23	23006829 - JE		24.28				

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SELECT ACCOUNT KEY: 3450

Fund	Fund Description	Dept.	Dept. Description	Key	Key Description	Actual	Encumbrance	Balance	Pct.
345	LAFCO	3450	LAFCO	3450	LAFCO				
0002250	OTHER PROFESSIONAL SERVICES		33,500.00	0.00	14,025.62	0.00	19,474.38	42%	
0002266	CENTRAL DATA PROCESSING SVCE		23,100.00	0.00	17,270.55	0.00	5,829.45	75%	
	CDP FY 22-23 (April)		05/11/23 23006890 - JE		1,918.95				
	CDP FY 22-23 (May)		05/11/23 23006901 - JE		1,918.95				
0002266	CENTRAL DATA PROCESSING SVCE		23,100.00	0.00	21,108.45	0.00	1,991.55	91%	
0002271	SOFTWARE RENTAL / SUBSCRIPTION		3,000.00	0.00	1,783.16	0.00	1,216.84	59%	
	US BANK A:4246 0445 5569 05/02/23 837498 - OH				272.89				
0002271	SOFTWARE RENTAL / SUBSCRIPTION		3,000.00	0.00	2,056.05	0.00	943.95	69%	
0002280	PUBLICATIONS AND LEGAL NOTICES		1,500.00	0.00	108.50	0.00	1,391.50	7%	
	US BANK A:4246 0445 5569 05/02/23 837498 - OH				217.00				
0002280	PUBLICATIONS AND LEGAL NOTICES		1,500.00	0.00	325.50	0.00	1,174.50	22%	
0002285	LEASE EXPENSE-COPIERS/MFD'S ST		8,400.00	0.00	4,454.83	0.00	3,945.17	53%	
	RAY MORGAN COMP C: SL18 04/27/23 837345 - OH				81.37				
	GREAT AMERICA F A #015-15 05/02/23 837496 - OH				415.23				
0002285	LEASE EXPENSE-COPIERS/MFD'S ST		8,400.00	0.00	4,951.43	0.00	3,448.57	59%	
0002295	LEASE EXPENSE - BUILDINGS ST		25,000.00	0.00	0.00	0.00	25,000.00		
0002295	LEASE EXPENSE - BUILDINGS ST		25,000.00	0.00	0.00	0.00	25,000.00		
0002310	EDUCATION & TRAINING		1,000.00	0.00	24.00	0.00	976.00	2%	
0002310	EDUCATION & TRAINING		1,000.00	0.00	24.00	0.00	976.00	2%	
0002335	TRAVEL EXPENSE		12,000.00	0.00	4,830.69	0.00	7,169.31	40%	
	RICHARD SEITHEL REIMB JUL 04/27/23 0045204VR221231				57.73				

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SORT ORDER: SUBOBJ within CATEGORY within KEY within DEPTMNT within FUND

SELECT ACCOUNT KEY: 3450

Fund	Fund Description	Dept.	Dept. Description	Key	Key Description	Actual	Encumbrance	Balance	Pct.
345	LAFCO	3450	LAFCO	3450	LAFCO				
0002335	TRAVEL EXPENSE		12,000.00	0.00	4,888.42	0.00	7,111.58	41%	
0002339	MANAGEMENT BUSINESS EXPENSE		2,000.00	0.00	959.29	0.00	1,040.71	48%	
	RICHARD SEITHEL REIMB JUL 04/27/23 0045204VR221231				371.64				
	US BANK A:4246 0445 5569 05/02/23 837498 - OH				303.89				
0002339	MANAGEMENT BUSINESS EXPENSE		2,000.00	0.00	1,634.82	0.00	365.18	82%	
0002354	CAR ALLOWANCE		7,200.00	0.00	5,580.00	0.00	1,620.00	78%	
	PeopleSoft Payroll Postin 04/07/23 PSDATA - JE				300.00				
	PeopleSoft Payroll Postin 04/21/23 PSDATA - JE				300.00				
	PeopleSoft Payroll Postin 05/05/23 PSDATA - JE				300.00				
	PeopleSoft Payroll Postin 05/19/23 PSDATA - JE				300.00				
0002354	CAR ALLOWANCE		7,200.00	0.00	6,780.00	0.00	420.00	94%	
0002355	PERSONAL MILEAGE		1,000.00	0.00	0.00	0.00	1,000.00		
0002355	PERSONAL MILEAGE		1,000.00	0.00	0.00	0.00	1,000.00		
2000	SERVICES AND SUPPLIES		415,417.00	0.00	143,411.64	103,331.30	168,674.06	59%	
9200	LICENSES, PERMITS & FRANCHISE								
0009229	LICENSES & PERMITS-OTHER		75,000.00	0.00	29,000.00	0.00	46,000.00	39%	
0009229	LICENSES & PERMITS-OTHER		75,000.00	0.00	29,000.00	0.00	46,000.00	39%	
9200	LICENSES, PERMITS & FRANCHISE		75,000.00	0.00	29,000.00	0.00	46,000.00	39%	
9400	REVENUE FROM USE OF MONEY/PROP								
0009401	INTEREST INCOME		3,000.00	0.00	12,691.94	0.00	-9,691.94	423%	
	Jan - Mar 2023 Int Apprtn 04/01/23 23005994 - JE				8,923.04				
	2223 Q3 TreasFees INTAPP3 04/01/23 23005995 - JE				-232.73				


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SORT ORDER: SUBOBJ within CATEGORY within KEY within DEPTWNT within FUND

SELECT ACCOUNT KEY: 3450

Fund	Fund Description	Dept.	Dept. Description	Key	Key Description	Actual	Encumbrance	Balance	Pct.
345	LAFCO	3450	LAFCO	3450	LAFCO				
Object	Description	Date	Ref.	Budget	Adjustments	Actual	Encumbrance	Balance	Pct.
0009401	INTEREST INCOME			3,000.00	0.00	21,382.25	0.00	-18,382.25	713%
9400	REVENUE FROM USE OF MONEY/PROP			3,000.00	0.00	21,382.25	0.00	-18,382.25	713%
9500	INTERGOVERNMENTAL REVENUES								
0009511	OTHER GOVERNMENTAL AGENCIES			895,788.00	0.00	895,788.00	0.00	0.00	100%
0009511	OTHER GOVERNMENTAL AGENCIES			895,788.00	0.00	895,788.00	0.00	0.00	100%
9500	INTERGOVERNMENTAL REVENUES			895,788.00	0.00	895,788.00	0.00	0.00	100%
Key Total - Revenue				973,788.00	0.00	946,170.25	0.00	27,617.75	97%
Key Total - Expense				1,004,990.00	0.00	535,919.88	103,331.30	365,738.82	64%
Dept Total - Revenue				973,788.00	0.00	946,170.25	0.00	27,617.75	97%
Dept Total - Expense				1,004,990.00	0.00	535,919.88	103,331.30	365,738.82	64%
Fund Total - Revenue				973,788.00	0.00	946,170.25	0.00	27,617.75	97%
Fund Total - Expense				1,004,990.00	0.00	535,919.88	103,331.30	365,738.82	64%



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

STAFF REPORT

DATE: June 12, 2023
 TO: Solano Local Agency Formation Commission (“Commission”)
 FROM: Rich Seithel, Executive Officer
 SUBJECT: **2023-03 Solano Irrigation District detachment of Commercial Property (Vacaville) (APN 0138-010-010 & 020)**

Recommendation:

WAIVE the conducting authority proceedings pursuant to Government Code (GC) Section 56662.

ADOPT the LAFCO resolution to REAFFIRM the Farm at Alamo Creek Specific Plan Environmental Impact Report as the Responsible Agency pursuant to the California Environmental Quality Act (CEQA).

CONSIDER and ADOPT the LAFCO Resolution approving the detachment of lands from Solano Irrigation District generally referred to as Commercial Property in the City of Vacaville (APN 0138-010-010 & -020) (5.41 acres).

Executive Summary:

The Solano Irrigation District (SID) has submitted a detachment request for lands generally referred to as Commercial Property located east of Leisure Town Road and north of Elmira. With the detachment of the subject property, the land will be developed for commercial use within the City of Vacaville.

The Commercial Property is part of the Farm at Alamo Creek Specific Plan development which LAFCO approved for annexation to the City of Vacaville The Commercial Property is part of the Farm at Alamo Creek Specific Plan (Attachment A – LAFCO Resolution 19-02). This detachment complies with an agreement between the District and the City of Vacaville stating the City would provide potable and non-potable water service to the proposed site.

The proposal before the Commission is to consider the detachment from SID’s boundary and service area only. 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 measure a proposal’s consistency with its adopted policies (Standards 1-11 per Section 56375(g)) when reviewing an application for a change of

Commissioners

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

Alternate Commissioners

Robert Guerrero • Alma Hernandez • Wanda Williams

Staff

Rich Seithel, Executive Officer • Christina Love, Deputy Executive Officer • Aaron Norman, Analyst II •

Mala Subramanian, Lead Legal Counsel

organization or reorganization. Staff believes this is a standard SID proposal and the following staff report identifies no issues.

I. Background:

The Farm at Alamo Creek development, including Commercial Property, was annexed to the City of Vacaville in 2019. Per a JPA between the City of Vacaville (City) and SID, the Farm at Alamo Creek Specific Plan area would remain in SID’s service area until development commences. With the commencement of development, SID detaches. The agreement also outlines that the landowners would be responsible for the District’s detachment fees.

The proposal before the LAFCO Commission allows the City and District to comply with said detachment agreement and eliminates the potential for duplication of two service providers to the proposed site. The City of Vacaville will provide potable water, as well as other general services (sewer, fire, police, etc.).

History: Farm at Alamo Creek Specific Plan

February 11, 2019 – LAFCO approved Resolution No. 19-02 for the annexation of the Farm at Alamo Creek Specific Plan area to the City of Vacaville. The Certificate of Completion was filed on March 20, 2019, as Document 201900015690.

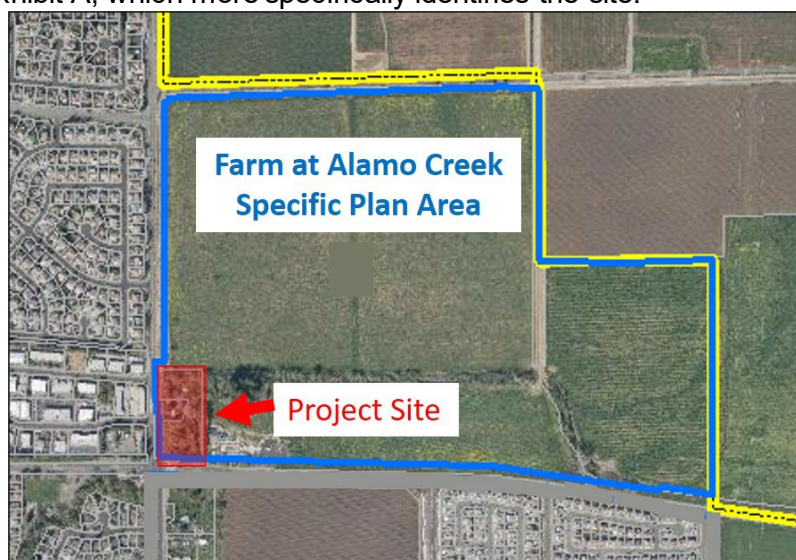
II. Project Description:

The project will detach a total of 5.41 acres from SID as follows: two parcels (APN 0138-010-010 & -020) plus right-of-way dedications for roadways. The project site is generally referred to as Commercial Property within the Farm at Alamo Creek Specific Plan Development. A parcel map/lot line adjustment that created revised APNs and dedications was recorded with the Office of the Solano County Recorder on September 8, 2022, in Map Book 138, Pages 10, totaling approximately 5.41± acres. A draft map and geographical description are attached to the proposed LAFCO Resolution as Exhibit A, which more specifically identifies the site.

The subject property is currently within the District and planned for a residential subdivision within the City of Vacaville. The property is vacant (uninhabited) and per Solano County SCIPS, is zoned Neighborhood Commercial under the City of Vacaville’s Zoning Code.

Request for this change of organization is made subject to GC §56650 *et seq.* by SID Resolution 22-31 (Attachment B) adopted on October 18, 2022.

The project has 100% consent of the landowner, consists only of a detachment, and is uninhabited per GC §54046, therefore; the proposal is exempt from the requirements for notice and public hearing. Furthermore, LAFCO may waive the Conducting Authority Proceedings (protest hearing) pursuant to GC §56662.



III. Project Analysis:

California Environmental Quality Act (CEQA):

The District, as the Lead Agency, has determined the proposal to be consistent with the Farm at Alamo Creek Specific Plan Environmental Impact Report (SCH #2017062068), adopted by the City of Vacaville on November 13, 2018.

Pursuant to Section 15096 of the CEQA Guidelines, LAFCO should consider and reaffirm the Environmental Impact Report and related environmental documents adopted by the Lead Agency for the Commercial Property detachment from SID.

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 measure a proposal's consistency with its locally adopted policies (Standards 1-11 per Section 56375(g)) when reviewing an application for a change of organization or reorganization. The following subsections provide staff analysis for the factors pursuant to the CKH Act followed by analysis and consistency statements with respect to the Commission's adopted Standards:

Statutory Factors to be Considered in Review of a Proposal (GC §56668(a-q)):

CKH requires the Commission to consider seventeen factors when reviewing proposals for a change of organization. The purpose is to ensure the Commission has reviewed these factors during its decision-making process.

- 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.***

Population and population density within SID's boundary area will remain unchanged. This detachment is part of the Farm at Alamo Creek Specific Plan development approval by the City of Vacaville and LAFCO. The City approved the construction of a 2,751 sq. ft. gas station, a car wash, and an 11,567 sq. ft. commercial building with 71 parking spaces. The assessed valuation is \$2,236,329 as of the 2022/23 assessment tax roll.

The Commission analyzed, considered, and approved the Farm at Alamo Creek Specific Plan development project and annexation into the City of Vacaville in 2019. Completion of the development will not increase the population. This detachment is an implementation step for the Farm at Alamo Creek Specific Plan.

- 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.***

As noted, the Farm at Alamo Creek Specific Plan area was approved in 2019. The Plan confirms that the City provides community services including police, fire, sewer, parks,

Agenda Item 7.A – SID detach Commercial Property (Vacaville)

and other utilities to the proposed area. While considering the 2019 annexation, the Commission reviewed the Water Supply Assessment Report (WSAR)¹ confirming that there is an adequate City water supply to meet the projected demands for the Specific Plan area. Additionally, the Commission confirmed that water facilities will be installed per the Farm at Alamo Creek Specific Plan.

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.*

Detachment of the proposed area from SID's boundary will have no effect on SID's ability to serve adjacent areas within their boundary. There are no effects on the local governmental 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.*

This factor is not applicable as the site is located within the City limits, pursuant to the Commission's 2019 approval for the City of Vacaville's annexation of the Farm at Alamo Creek Specific Plan.

e. *The effect of the proposal on maintaining the physical and economic integrity of agricultural lands, as defined by Section 56016².*

The request to detach land from SID is an implementation step of the 2019 approval for City of Vacaville to annex and develop the Farm at Alamo Creek Specific Plan. Upon the completion of the annexation, the site was zoned Neighborhood Commercial under the City of Vacaville Municipal Code. Further, SID has not been providing water to the site. Therefore, the proposed detachment will not have an effect on such agricultural lands.

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.*

The map and geographic description have been reviewed and corrected by the County Surveyor per Commission policy. These two documents provide certainty of the proposed boundary of the territory.

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

This factor is not applicable as the site is located within the City limits. Specifically, the regional transportation plan was considered as part of the reorganization approval and conditions.

¹ WSAR report dated November 2, 2016 for Brighton Landing and Farm at Alamo Creek Specific Plans.

² "Agricultural lands" means land currently used for the purpose of 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.

Agenda Item 7.A – SID detach Commercial Property (Vacaville)

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

This factor is not applicable as the site is located within the City limits, pursuant to the Commission's 2019 approval for the City of Vacaville's annexation of the Farm at Alamo Creek Specific Plan.

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

This factor is not applicable as the site is already located within the city limits of Vacaville. The proposal before the Commission is for detachment from SID and will concurrently remove the proposed area from their sphere of influence.

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

As of the writing of this report, staff has not received comments from any of the affected agencies or other public agencies.

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.

The proposed detachment will result in a loss of \$619.71 from SID and an increase in the same amount to the City of Vacaville. Per SID, all District detachment fees have been paid by the landowner.

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

The Commission considered the WSAR at the 2019 annexation consideration and confirmed the City of Vacaville had adequate water supply to meet the projected demands for the Specific Plan area. This factor is not applicable for SID's proposal.

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 Regional Housing Needs Allocation (RHNA) was considered by the Commission at the time of the 2019 annexation approval. This factor is not applicable for SID's proposal.

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

The Commission has received a letter of support for the proposed change of organization from the landowner. This factor is not applicable for SID's proposal.

Agenda Item 7.A – SID detach Commercial Property (Vacaville)

o. Any information relating to existing land use designations.

The proposed site is in City of Vacaville and zone Neighborhood Commercial and will be developed consistent with the zoning.

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 are no environmental justice issues identified.

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.

This factor is not applicable as the site is located within the City limits and the Commission considered the City’s General Plan Safety Element as well as the Specific Plan at the 2019 annexation approval.

Solano LAFCO Adopted Standards (GC §56375(g)):

Solano LAFCO has 11 locally adopted standards that must be evaluated. The following is an analysis of the proposal’s consistency with those Standards 1-11.

Standard	Policy Consistency	Analysis
1. Consistency with Sphere of Influence (SOI) Boundaries	Consistent	Proposal is consistent with SID’s SOI; proposed area will be removed from SID’s SOI as part of the Commission’s action.
2. Change of Organization and Reorganization to the Limits of the SOI Boundaries	N/A	The area will be detached from SID boundary. The area is already located within the city limits of Vacaville.
3. Consistency with Appropriate City General Plan, Specific Plan, Area-Wide Plan, and Zoning Ordinance	Consistent	Located within Vacaville City limits, consistent with the City’s General Plan and the Farm at Alamo Creek Specific Plan.
4. Consistency with the County General Plan of Proposed Change of Organization or Reorganization Outside of a City’s SOI Boundary	N/A	The area is already located within the city limits of Vacaville. The change of organization is consistent with County General Plan and an SID master agreement with Vacaville.

Agenda Item 7.A – SID detach Commercial Property (Vacaville)

5. Requirement for Pre-Approval	Consistent	Request for detachment initiated by District Resolution 22-31 (Attachment B)
6. Effect on Natural Resources (California Environmental Quality Act – CEQA)	Consistent	<p>The detachment is consistent with the Farm at Alamo Creek EIR determinations, conditions, mitigation monitoring program, and statement of overriding considerations as adopted by City of Vacaville.</p> <p>The complete DEIR, FEIR, and related City documents in their entirety are provided electronically and made part of this report via this link: https://bit.ly/4388LMn</p>
7. Proposal Boundaries, Map and Geographic Description Requirements, Other Exhibits	Consistent	The legal description and map are attached as Exhibit A to the proposed LAFCO Resolution for approval.
8. Likelihood of Significant Growth and Effect on Other Incorporated or Unincorporated Territory	Consistent	The detachment from SID will not, on its own, affect growth. This action is an implementation step for the 2019 LAFCO approval of the Farm at Alamo Creek Specific Plan development project.
9. Protection of Prime Agricultural Land	N/A	Proposed area is located within the City; effects on prime ag lands were considered during 2019 annexation approval.
10. Provision and Cost of Community Services	N/A	Proposed area is to consider detachment from SID only; proposed site is within the City's jurisdiction.
11. The Effect of the Proposed Action on Adjacent Areas, Mutual Social and Economic Interests, and on Local Governmental Structure	Consistent	Per SID staff, all fees have been paid consistent with the City and SID's existing joint powers agreement.

IV. Conducting Authority (Protest Hearing) Proceeding:

The proposed area is undeveloped and considered legally uninhabited per GC Section 56079.5 (there are fewer than 12 registered voters in the proposed 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).

V. 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:

Agenda Item 7.A – SID detach Commercial Property (Vacaville)

1. The subject detachment is consistent with the District's SOI; the proposed area will be removed from the District's SOI as part of the Commission's action.
2. The subject detachment allows the City of Vacaville and the Solano Irrigation District to comply with a joint powers agreement and understanding that the subject property shall be detached from the District's service area and that the City will provide potable and non-potable water prior to development.
3. The subject detachment eliminates the potential for duplication of two service providers to the subject property.
4. The subject proposed area is "uninhabited" as defined by Government Code (GC) §56079.5. Application for the subject detachment is made subject to GC §56650 et seq. by resolution of the Solano Irrigation District. All landowners have consented to the proposal therefore; the Commission waives the conducting authority proceedings (protest hearing).
5. The boundaries are definite and certain and conform to lines of ownership and parcel lines. The detachment will provide a logical and orderly boundary for the Solano Irrigation District.
6. The environmental documents were approved by the City of Vacaville as the lead agency on November 13, 2018 (SCH #2017062068) and are found to satisfy the requirements of the California Environmental Quality Act (CEQA). The environmental impacts of the change of organization have been disclosed and adequately addressed by the lead agency and the potential environmental effects have been adequately mitigated. The City of Vacaville has fulfilled its obligations under CEQA, and the EIR and associated environmental documents for the Farm at Alamo Creek Specific Plan adequately disclose and describe the subject change of organization project.
7. The subject detachment is in the best interests of the citizens within the affected area.
8. The subject detachment will not result in negative impacts to the cost and adequacy of services otherwise provided by SID to adjacent areas within their service boundaries.
9. The subject detachment will result in a loss of \$619.71 tax base from SID and a gain of the same amount for the City of Vacaville.
10. The District has collected all applicable detachment fees per the agreement between the City and the District.

VI. 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 an election as provided by GC 56885.5.
2. Immediately following LAFCO approval, the District shall submit a warrant to LAFCO for the CA State Board of Equalization in the amount of \$350.00.

Agenda Item 7.A – SID detach Commercial Property (Vacaville)

3. Immediately following LAFCO approval, the District shall submit a warrant to LAFCO for the Mapping Fee Changes at Solano County in the amount of \$119.00.
4. 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.
5. Certificate of Completion shall not be recorded until the project map and legal description are approved and signed by the Solano County Surveyor.

Attachments:

Action Item: Solano LAFCO Resolution Reaffirming the Farm at Alamo Creek Specific Plan EIR for the Detachment of Lands from Solano Irrigation District generally Referred to as Commercial Property in the City of Vacaville (APN 0138-010-010 & -020), and Exhibit A – CEQA MMRP and Statement of Overriding Considerations

Action Item: Solano LAFCO Resolution Approving the Detachment of Lands from Solano Irrigation District generally Referred to as Commercial Property in the City of Vacaville (APN 0138-010-010 & -020), and Exhibit A – Draft Legal Description and Map

Attachment A: Solano LAFCO Resolution 19-02 Approving the Farm at Alamo Creek Specific Plan area annexation into City of Vacaville.

Attachment B: SID Resolution 22-31 Initiating the Change of Organization

LAFCO RESOLUTION 2023-

**RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION
OF SOLANO COUNTY REAFFIRMING THE FARM AT ALAMO CREEK SPECIFIC PLAN EIR
FOR THE DETACHMENT OF LANDS FROM SOLANO IRRIGATION DISTRICT GENERALLY
REFERRED TO AS COMMERCIAL PROPERTY IN THE CITY OF VACAVILLE (APN 0138-
010-010 & -020)
(LAFCO Project 2023-03)**

WHEREAS, Solano Local Agency Formation Commission (LAFCO) received an application to detach approximately 5.41 acres from the Solano Irrigation District, a parcel commonly referred to as “Commercial Property” in the Farm at Alamo Creek Specific Plan; and

WHEREAS, the City Council of the City of Vacaville certified the Farm at Alamo Creek Specific Plan Final Environmental Impact Report (SCH #2017062068), adopted a mitigation monitoring and reports plan, and adopted findings of fact and statement of overriding considerations on November 13, 2018;

WHEREAS, Solano LAFCO, in accordance with the California Environmental Quality Act (CEQA), finds the detachment to be consistent with the Farm at Alamo Creek Specific Plan Final Environmental Impact Report (SCH #2017062068);

NOW, THEREFORE BE IT RESOLVED that Solano LAFCO does resolve, declare, determine, and order the following:

1. Reaffirm the Farm at Alamo Creek Specific Plan Final EIR for the detachment of Commercial Property;
2. Adopt the CEQA mitigation monitoring and reports plan, and findings of fact and statement of overriding considerations for the Farm at Alamo Creek Specific Plan, as set forth in Exhibit A to this resolution;

I HEREBY CERTIFY that the foregoing resolution was duly passed and adopted by the Local Agency Formation Commission of Solano County at a regular meeting, held on the 12th day of June 2023, by the following vote:

AYES:
NOES:
ABSENT:

Nancy Shopay, Chair
Presiding Officer Solano LAFCO

ATTEST:

Christina Love, Deputy Executive Officer

Exhibit A – City of Vacaville Resolution for Farm at Alamo Creek Specific Plan Project, Adopting Findings of Fact, Adopting Mitigation Measures, Rejecting Alternatives and Adopting a Statement of Overriding Considerations

EXHIBIT A

TO THE RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VACAVILLE CERTIFYING THE ENVIRONMENTAL IMPACT REPORT FOR THE PROPOSED FARM AT ALAMO CREEK SPECIFIC PLAN PROJECT, ADOPTING FINDINGS OF FACT, ADOPTING MITIGATION MEASURES, REJECTING ALTERNATIVES AND ADOPTING A STATEMENT OF OVERRIDING CONSIDERATIONS

I. INTRODUCTION

The approximately 210-acre Farm at Alamo Creek Ranch Specific Plan and development project (proposed project) is located in northern Solano County adjacent to the southeastern corner of the City of Vacaville approximately four miles from Downtown Vacaville. The project site is located inside of the City of Vacaville's proposed Sphere of Influence and the City's Urban Growth Boundary (UGB), as amended in December 2017.

The project site is bounded by Leisure Town Road on the west, Elmira Road on the South, the City's Agricultural Buffer land on the east, and Hawkins Road to the north.

Adjacent land uses include a single-family residential development directly west of the project site across Leisure Town Road. The recently approved Brighton Landing project currently under construction is located directly south across Elmira Road, north and east of the project site, is undeveloped land currently primarily in agricultural use.

The project site is part of the East of Leisure Town Road Growth Area as defined in the City's General Plan. This is one of two New Growth Areas identified in the General Plan for future development. However, the project site is located within unincorporated Solano County and, as part of this project, would be annexed to the City. The East of Leisure Town Road Growth Area is within the City's UGB, which limits the location of urban development within the City until 2028.

The project site is designated as a future Specific Plan area in the City's General Plan and is also designated as a growth area as part of the East of Leisure Town Road Growth Area (City of Vacaville 2015). The City's Land Use Designations figure (City of Vacaville 2015, Figure LU-6) designates various portions of the project site Residential Low Density (3.1- 5.0 units/acre), Residential Low-Medium Density (5.1-8.0 units/acre), Residential Medium Density units/acre), Residential High Density (20.1-24.0 du/acre), Neighborhood Commercial, Agricultural Buffer, and Park. The project site does not currently include City of Vacaville zoning because it is located outside of the City limits. The project applicant is requesting the site be pre-zoned RL-6 (Residential Low Density – 6,000 sq. ft. minimum lot size), RL-5 (Residential Low Density – 5,000 sq. ft. minimum lot size), RLM-4.5 (Residential Low Medium Density - 4,500 sq. ft. minimum lot size), RLM-3.6 (Residential Low Medium Density – 3,600 sq. ft. minimum lot size), RMH (Residential Medium High Density – 14.1 to 20.0 du/gdac), CN (Neighborhood Commercial), CF (Community Facility – for park, well site, detention basin, roads), PARK (Special zoning for the public and private park sites within the Specific Plan), OS (Open Space), and AB (Agricultural Buffer Overlay).

The proposed project would include discretionary approvals by the City of Vacaville including the following:

- Amend the General Plan land use diagram;

Agenda Item 7.A: Action Item – CEQA Resolution

- Adopt the Farm at Alamo Creek Specific Plan;
- (Pre) Zone the project site, including approval for annexation;
- Approve the tentative subdivision map creating the subdivision of land;
- Adopt the Development Agreement; and
- Amend the Comprehensive Annexation Plan and agree to annex the project site into the Vacaville city limits.

II. FINDINGS FOR CERTIFICATION OF THE ENVIRONMENTAL IMPACT REPORT FOR THE FARM AT ALAMO CREEK SPECIFIC PLAN PROJECT

The City Council finds, based on substantial evidence in the record of this proceeding, that the Final EIR for the Farm at Alamo Creek Specific Plan, which consists of the Draft EIR and technical appendices, and the Final EIR, has been completed in accordance with the requirements of the CEQA, the CEQA Guidelines, the Vacaville Land Use and Development Code and all other applicable laws and regulations.¹

Specifically, the City Council finds, based on substantial evidence in the record of this proceeding, that:

1. The City of Vacaville caused the EIR for the proposed project to be prepared pursuant to CEQA, the CEQA Guidelines, and the City of Vacaville Land Use and Development Code.

2. A Notice of Preparation (NOP) of the Draft EIR was filed with the Governor's Office of Planning and Research on June 28, 2017 and was circulated for public comments from June 28, 2017 to July 27, 2017. Notices for the NOP were mailed to other agencies (local and Federal) and to interested persons and adjacent property owners. Notices for the NOP were also posted on Leisure Town Road, in and near the project area, at the County Clerk's Office and in Vacaville City Hall. Comments were received on the NOP and were subsequently incorporated into the Draft EIR.

3. A Notice of Completion (NOC) and copies of the Draft EIR were distributed to the State Clearinghouse on June 28, 2017 to those public agencies that have jurisdiction by law with respect to the project and to other interested parties and agencies. The comments of such persons and agencies were sought, including by direct communication to agency staff. Additional copies of the Draft EIR were distributed (delivered or mailed) by the City to persons and agencies who requested them.

4. A Notice of Availability (NOA) for the Draft EIR was distributed to all responsible and trustee agencies, other local and Federal agencies, interested groups, organizations, adjacent property owners and businesses, and individuals on March 7, 2018 for the Draft EIR. Copies of the NOA were posted in and around the project area on March 7, 2018. The NOA

¹ CEQA is codified at sections 21000, et seq. of the California Public Resources Code. The CEQA Guidelines are set forth at California Code of Regulations, Title 14, sections 15000, et seq. The Vacaville Land Use and Development Code is set forth at Title 14 of the Vacaville Municipal Code. The custodian of the record of this proceeding is the City of Vacaville, Community Development Department, 650 Merchant Street, Vacaville, California.

Agenda Item 7.A: Action Item – CEQA Resolution

stated that the City of Vacaville had completed the Draft EIR and that copies were available at the City of Vacaville, Planning Division, 650 Merchant Street, Vacaville, at the Solano County Library, 1000 Ulatis Drive, Vacaville and that the document was posted on the City of Vacaville website. The notice also indicated that the official public review period for the Draft EIR would be from March 7, 2018 to April 20, 2018.

A copy of the NOA was posted with the Solano County Clerk/Recorder's Office on March 7, 2018. The NOA was also posted at Vacaville City Hall on March 7, 2018.

5. An official forty-five (45) day public review period for the Draft EIR was established by the State Clearinghouse. The official public review period began on March 7, 2018. The public review period thus ended on April 20, 2018.

6. On March 20, 2018, the City Planning Commission held a public hearing to accept verbal comments on the Draft EIR. Comments received at that hearing are included and responded to in the Final EIR.

7. On September 21, 2018, the City mailed notices to interested persons, adjacent and nearby property owners, State, Federal and local agencies advising that the Final EIR would be available on September 27, 2018 and advising of a Planning Commission meeting and public hearing to discuss the project and EIR on October 2, 2018. The City posted notices advising of the Final EIR availability at the County Clerk, in Vacaville City Hall and on the City website. On September 27, 2018, the City made the Responses to Comments and Final EIR available to the public at the City's offices, on the City's website, at the Town Square Library in downtown Vacaville, and at the Solano County Library, 1000 Ulatis Drive, Vacaville and delivered or sent by email the Final EIR response to the Solano Irrigation District, Solano County Planning, Solano County Local Agency Formation Commission, the Yolo-Solano Air Quality Management District, and the State Regional Water Quality Control Board (the agencies who had commented on the Draft EIR). The Final EIR was also posted on the City's website. On September 21, 2018 notices were posted on the site advising of the public hearing on October 2, 2018. A notice for the Planning Commission hearing and indicating the availability of the Final EIR was placed in The Reporter newspaper on September 22, 2018.

8. On October 12, 2018 the City mailed notices to interested persons, adjacent and nearby property owners, State, Federal and local agencies advising that the City Council would hold a public hearing to consider the Farm at Alamo Creek Specific Plan project actions on October 23, 2018. The City posted notice of the City Council hearing and of the availability of all environmental documents at Vacaville City Hall, and on the City website. The EIR and project information was previously posted on the City website. Signs advising of the public hearing were posted on and near the site on October 13, 2018. On October 13, 2018, the City Council continued the hearing to November 13, 2018.

9. The following information is incorporated by reference and made part of the record supporting these findings:

A. The Draft and Final EIR, and their appendixes and all documents referenced in, relied upon or incorporated by reference in those documents.

B. The Mitigation Monitoring and Reporting Program attached hereto as Exhibit C to the resolution certifying the Farm at Alamo Creek EIR, and the Findings of Fact, Statement of

Agenda Item 7.A: Action Item – CEQA Resolution

Overriding Considerations, and Mitigation Monitoring and Reporting Program for the 2015 Vacaville General Plan Update attached as Exhibit A to said resolution.

C. Testimony, documentary evidence, and all correspondence submitted or delivered to the City in connection with the Planning Commission and City Council hearings on this project and the associated EIR.

D. All staff reports, memoranda, maps, letters, minutes of meetings, and other documents relied upon or prepared by City staff relating to the project, including but not limited to, City of Vacaville General Plan and Draft and Final Environmental Impact Report for the City of Vacaville General Plan Update and Energy and Conservation Strategy (ECAS), City of Vacaville, 2015, and the Initial Study for the Farm at Alamo Creek Specific Plan Project.

Based on the foregoing, and all substantial evidence in the record of this proceeding, the City Council hereby finds, declares, and certifies that:

1. The EIR was prepared, published, circulated and reviewed and completed in accordance with the requirements of CEQA, the CEQA Guidelines and the Vacaville Land Use and Development Code, and constitutes an adequate, accurate, objective and complete Final EIR in accordance with the requirements of CEQA, the CEQA Guidelines and the Vacaville Land Use and Development Code.

2. The EIR consists of the Draft EIR, the Final EIR, appendices, and any documents or materials cited or incorporated by reference in the EIR and its appendices.

3. The EIR has been presented to the City Council and that the City Council has reviewed it, and considered the information contained therein prior to acting on the proposed project and finds that the EIR reflects the independent judgment and analysis of the City of Vacaville.

4. The EIR reflects the best efforts of the City of Vacaville to undertake all reasonably feasible and prudent actions to discover, analyze, disclose and mitigate all potentially significant environmental impacts of the proposed project.

5. The changes and additions to the Draft EIR made in Response to Comments do not constitute “significant new information” within the meaning of Public Resources Code section 21092.1, and therefore recirculation of the Draft EIR and/or Responses to Comments for public review and comment is not required.

6. The EIR has been presented to the City Council and that the City Council has reviewed and considered the information contained therein and in the record supporting the EIR prior to making these findings or taking action on the proposed Farm at Alamo Creek Specific Plan and applications related thereto.

7. The City Council hereby adopts the following Findings of Fact and Statement of Overriding Considerations, and a Mitigation Monitoring Plan to require and ensure that all mitigation measures found to be reasonably feasible and effective are implemented as conditions of project approval.

III FINDINGS OF FACT REGARDING THE POTENTIAL ENVIRONMENTAL IMPACTS ADEQUATELY ANALYZED IN THE GENERAL PLAN ENVIRONMENTAL IMPACT REPORT

On August 11, 2015, the City of Vacaville City Council certified the General Plan EIR (SCH # 2011022043) and approved the City of Vacaville General Plan. A Modified Initial Study has been prepared (Appendix B to the Draft EIR) to identify and assess the anticipated environmental impacts of the proposed project that were not adequately covered by the General Plan EIR. The environmental analysis in the Modified Initial Study is based on CEQA Section 21094 and Sections 15168 and 15183 of the CEQA Guidelines, which governs program EIRs and projects consistent with a general plan or community plan. Under these sections, the program EIR, in this case the General Plan EIR, serves as a basis for the Modified Initial Study to determine if project-specific impacts would occur that are not adequately covered in the previously certified EIR. Here, the proposed project's land uses and development assumptions are consistent with the City's General Plan and the General Plan EIR and therefore the project is within the scope of the General Plan and the General Plan EIR. The Modified Initial Study provides an analysis of whether the General Plan EIR adequately analyzes the environmental impacts of the proposed project. The Modified Initial Study indicates whether the proposed project would result in significant impacts that: (1) are peculiar to the project or the project site; (2) were not identified as a significant effect in the General Plan EIR; or (3) are previously identified significant effects which as a result of substantial new information that was not known at the time that the General Plan EIR was certified, and are determined to have a more severe adverse impact than discussed in the General Plan EIR. Such impacts are evaluated in the Draft EIR. Pursuant to CEQA Section 21094, if approved, the project would be required to be conditioned or otherwise obligated to mitigate to the extent feasible, the significant environmental effects identified in the General Plan EIR that are not further analyzed in this EIR. The Modified Initial Study identifies the policies and mitigation measures developed during the environmental review of the General Plan and discusses how the proposed project would comply with those policies and measures.

Based on the analysis found in the Modified Initial Study, the project's potential environmental impact related to the following topics were determined to be adequately covered in the General Plan EIR and the City Council hereby reaffirms the Findings of Fact, Statement of Overriding Considerations, and Mitigation Monitoring and Reporting Program for the 2015 Vacaville General Plan Update and Energy and Conservation Strategy (ECAS) related to the following impacts for the reasons described in the Section 2.3 of the EIR:

- Aesthetics
- Agricultural and Forestry Resources
- Geology and Soils
- Greenhouse Gas Emissions
- Hazards and Hazardous Materials
- Mineral Resources
- Noise
- Population and Housing
- Public Services

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- Recreation

Findings of fact regarding potential environmental impacts identified in the Environmental Impact Report for the proposed Farm at Alamo Creek Specific Plan

Significant or potentially significant impacts that are avoided or reduced to a less-than-significant level.

Finding: As authorized by Public Resources Code section 21081 and CEQA Guidelines 15091, 15092, and 15093, the City finds that, unless otherwise stated, all of the changes or alterations to the proposed project listed below have been required in, or incorporated into, the project which mitigate or avoid the significant or potentially significant environmental impacts listed below, as identified in the EIR, that these mitigation measures will be effective to reduce or avoid the potentially significant impact as described in the EIR, and that these mitigation measures are feasible to implement and are within the responsibility and jurisdiction of the City of Vacaville to implement or enforce. These Findings of Fact are supported by substantial evidence in the record of proceedings before the City, including the analysis for each impact set forth in the EIR which is incorporated herein by this reference

- Air Quality Impact 4.1-1
- Biological Resources Impact 4.2-1
- Biological Resources Impact 4.2-2
- Biological Resources Impact 4.2-3
- Biological Resources Impact 4.2-5
- Biological Resources Impact 4.2-6
- Cultural Resources Impact 4.3-1
- Cultural Resources Impact 4.3-3
- Cultural Resources Impact 4.3-4
- Cultural Resources Impact 4.3-5
- Transportation and Circulation Impact 4.7-1
- Transportation and Circulation Impact 4.7-3
- Transportation and Circulation Impact 4.7-4
- Transportation and Circulation Impact 4.7-5, except at Leisure Town Road at I-80 EB Ramps (#1), Nut Tree Road at Ulatis Drive (#10), Allison Drive at Nut Tree Parkway (#12), and Peabody Road at Elmira Road (#17) intersections.

Significant or potentially significant impacts that cannot be avoided

Finding: The City Council finds that the following impacts are significant and unavoidable for those reasons set forth in the EIR.

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- Air Quality Impact 4.1-2
- Air Quality Impact 4.1-5
- Transportation and Circulation Impact 4.7-5 at Leisure Town Road at I-80 EB Ramps (#1), Nut Tree Road at Ulatis Drive (#10), Allison Drive at Nut Tree Parkway (#12), and Peabody Road at Elmira Road (#17) intersections.

Evaluation of Alternatives

CEQA mandates that an EIR evaluate a reasonable range of alternatives to the project or the project location that generally reduce or avoid potentially significant impacts of the project. CEQA requires that every EIR evaluate a “No Project” alternative. Alternatives provide a basis of comparison to the project in terms of beneficial, significant, and unavoidable impacts. This comparative analysis is used to consider reasonable feasible options for minimizing environmental consequences of a project.

Alternatives to the proposed project are:

Alternative 1: No Project/No Development Alternative – Which assumes the project site would remain in its current undeveloped condition.

Alternative 2: No Project/Existing General Plan Land Use Alternative - This alternative assumes the project would be developed consistent with the current General Plan land use designation which includes a designation of Urban Reserve on approximately one third of the project site. Under this alternative approximately 488 residential units would be developed in the western portion of the site while 252 residential units and the detention basin would not be developed in the eastern portion of the site. This area would remain consistent with existing agricultural use, as shown in Figure 6-1 of the EIR.

Alternative 3: Reduced Intensity Alternative – This alternative assumes a reduction in the total number of residential units to a total of 676 (514 residential low-density, 162 residential medium-high density), 6.5 acres in neighborhood commercial uses and 17 acres in parks, as shown in Figure 6-2 of the EIR.

Alternative 1: No Project/No Development Alternative

The No Project/No Development Alternative considers the effects of forgoing the project entirely, and leaving the project site in its current, undeveloped condition. Under the No Project/No Development Alternative, the proposed project would not be adopted. The approved buildout for the Specific Plan area as set forth in the General Plan would not be developed and the project site would not be annexed into the City. In addition to not providing up to 768 residential units, over 40 acres of parks, open space and trails, and improvements to the transportation network, the No Project/No Development Alternative would not provide a Community park or a Play-4-All park. Under this alternative, the project site would not be zoned and developed in a manner consistent with the General Plan land use designations.

Findings

Specific economic, social, or other considerations make infeasible the No Project/No Development Alternative identified in the EIR as described below, each of which is an independent basis to reject Alternative 1.

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- Alternative 1 would fail to meet any of the basic objectives of the project or of the City's General Plan.
- Alternative 1 would not meet the City's policies, General Plan or project objectives, or State policies of promoting the development of new housing.
- Alternative 1 would not meet the City's policies, General Plan or project objectives of providing neighborhood commercial sites to ensure easy access from nearby residential areas to daily commercial and service needs.
- Alternative 1 would not provide a site for a community park as contained in the City's General Plan.
- Alternative 1 would not support the City's General Plan's Land Use Plan.

Alternative 2: No Project/Existing General Plan Land Use Alternative

Under the No Project/Existing General Plan Land Use Alternative, approximately 60 acres currently designated as Urban Reserve in the eastern portion of the site would not be developed with 252 low-density residential units and a detention basin, as proposed under the project. Consistent with the General Plan the western portion of the site would be developed with approximately 488 residences that would include a mix of low-density residential, residential low-medium density, residential medium-density, neighborhood commercial and parks. A total of 252 residences would be developed in the western portion of the site including 26.6 acres in parks, 7.4 acres in neighborhood commercial, and a smaller detention basin would be included within one of the fields in the Community park.

Findings

Specific economic, social, or other considerations make infeasible the No Project/Existing General Plan Land Use Alternative identified in the EIR as described below, each of which is an independent basis to reject Alternative 2.

- Because fewer housing units would be developed, Alternative 2 would not provide housing at a scale to support the creation of public amenities including the "Play-4-All" park, open space, trails, and a community park, private amenities such as the clubhouse site, pocket parks, orchard buffer on Leisure Town Road, or be capable of attracting commercially reasonable financing
- Alternative 2 would eliminate potential housing units and bring the total number of housing units allowed in East of Leisure Town Growth area to a number below that allowed in General Plan policies and reduce housing options for potential residents.
- Alternative 2 would divide property that is under a single ownership such that part would be developed and the remainder would remain undeveloped until such time the undeveloped portion is converted from Urban Reserve and approved for development. The City Council previously acknowledged with Resolution 2017-127 that dividing the land use designations of this property was inadvertent. This would result in the owner having to propose two projects: one now and one at a later date. This would result in economic impacts of doubling processing time and costs. It also would not allow for comprehensive planning of the entire project site at one time.

Alternative 3: Reduced Intensity Alternative

The Reduced Density Alternative would reduce the total number of residential units to be developed to 676 units (a reduction of 92 units). Under this alternative there would be 514 single family units, 162 medium high density units, 6.5 acres of neighborhood commercial, and 17

acres in parks, as shown in Figure 6-3 of the EIR. The detention basin would remain in the southeast portion of the project site.

Findings

Specific economic, social, or other considerations make infeasible the No Project/Existing General Plan Land Use Alternative identified in the EIR as described below, each of which is an independent basis to reject Alternative 3.

- Alternative 3 would result in generally the same amount of land disturbance as the proposed project, and would fail to avoid or lessen several of the project's impacts.
- By reducing the overall density across the project site and reducing the acreage of neighborhood commercial and parks uses, the Alternative 3 would not meet the project's objectives of providing for orderly and well-planned development and housing at a scale and density appropriate to the project site and that supports the creation of public amenities.
- As the reduced density of residential units would allow for less available acreage for parks uses (because a smaller number of units would be spread over a greater amount of land area), the Alternative 3 would not include a density that also provides the amount of public amenities included within the proposed project.
- Alternative 3 would not be consistent with the land use designations for the project site in the City's General Plan and would require an amendment to the General Plan.

Absence of New Information

The City recognizes the Final EIR incorporates information obtained and produced after the Draft EIR was completed, and that the Final EIR contains additions, clarifications, and modifications to the Draft EIR. The City has reviewed and considered the Final EIR and all of this information. The Final EIR does not add significant new information to the Draft EIR that would require recirculation of the Draft EIR under CEQA. The new information added to the Final EIR does not involve a new significant environmental impact, a substantial increase in the severity of an environmental impact, or a feasible mitigation measure or alternative considerably different from others previously analyzed that the project sponsor declines to adopt and that would clearly lessen the significant environmental impacts of the Project. No information indicates that the Draft EIR was inadequate or conclusory or that the public was deprived of a meaningful opportunity to review and comment on the Draft EIR. Thus, recirculation of the DEIR is not required. The City finds that the changes and modifications made to the Draft EIR after the DEIR was circulated for public review and comment do not individually or collectively constitute significant new information within the meaning of Public Resources Code section 21092.1 or the CEQA Guidelines section 15088.5.

IV. STATEMENT OF OVERRIDING CONSIDERATIONS

As explained above, the City has required changes or alterations to the project, and has incorporated these as conditions of approval, to mitigate or avoid the project's potentially significant impacts. To the extent those changes or alterations are within the responsibility or jurisdiction of the City of Vacaville to implement or enforce, and the City finds them to be feasible and effective, the City has found that the potentially significant impacts will be reduced to a less-than-significant level. In some cases, however, there are no feasible measures available or measures are not within the City's jurisdiction to avoid or reduce the potential impacts to a less-than-significant level. Accordingly, the City finds above that certain impacts of the proposed project will remain significant and unavoidable.

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Pursuant to CEQA section 21081 and CEQA Guideline 15093, however, the City hereby finds that the specific overriding economic, legal, social, technological, and other benefits of the project outweigh these significant and unavoidable impacts. The specific reasons for this finding, based on substantial evidence in the record constitute the following “Statement of Overriding Considerations.”

On the basis of the above findings and the substantial evidence in the record of this proceeding, the City specifically finds, and therefore makes this Statement of Overriding Considerations, that as a part of the process of obtaining project approval, all significant effects on the environment with implementation of the project have been eliminated or substantially lessened where feasible. Furthermore, the City has determined that any remaining significant effects on the environment found to be unavoidable are acceptable due to the following overriding considerations, each of which is an independent and sufficient basis to override the project’s significant and unavoidable impacts:

1. The proposed project assists with the implementation of the City’s General Plan Land Use Plan and Land Use policies that support the orderly development of the East of Leisure Town Growth Area.
2. The proposed project fulfills pressing land use needs in the City, namely the provision of additional housing, neighborhood commercial uses, an additional community park, pocket parks, and open space.
3. The proposed project provides appropriate environments for housing for households of a variety of incomes, including potentially low, moderate- and above-moderate-income households, and including housing designed to attract business executives and professionals.
4. The proposed project provides a diversity of single family lot sizes consistent with General Plan goals of providing a diversity of housing types.
5. The proposed project provides for attached duet lots, which is a housing product that is in short supply in the community and would be help meet pressing housing needs for residents of a variety of income levels and household sizes.
6. The project provides community features such as a clubhouse facility, trails, an orchard buffer, open spaces, and a community garden area that are of superior quality to standard residential developments and that are consistent with the General Plan vision of high quality design.
7. The proposed project provides neighborhood commercial sites that will provide close convenient services to the residents of the project and the surrounding area. This will help the City meet goals of reducing the distances residents need to travel for basic services.
8. The proposed project would include creation of a new parks and recreational areas to serve new residents of the development as well as residents of existing homes in the area and throughout the City, and incorporates a plan for development of the open space areas in a timely manner and with a financing plan that will assist the City in providing additional city-wide recreational resources effectively.

Agenda Item 7.A: Action Item – CEQA Resolution

9. The project provides for improvements to existing streets that will improve safety for pedestrians, bicyclists, and vehicle travel.
10. The project provides for utility facilities that are envisioned in the General Plan.
11. The project provides a site for a new well-site for the City's municipal water supply.

V. Environmental Review Conclusion

Based on the facts and findings above, the project meets the specific plan criteria.

LAFCO RESOLUTION NO. 2023-

RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION OF SOLANO COUNTY APPROVING THE DETACHMENT OF LANDS FROM SOLANO IRRIGATION DISTRICT GENERALLY REFERRED TO AS COMMERCIAL PROPERTY IN THE CITY OF VACAVILLE (APN 0138-010-010 & -020) (LAFCO PROJECT 2023-03)

WHEREAS, a resolution-making application for the proposed detachment of certain territory from the Solano Irrigation District (SID) in Solano County was filed with the Executive Officer of this Local Agency Formation Commission pursuant to the Cortese/Knox/Hertzberg Local Government Reorganization Act, commencing with Section §56000, et seq. of the Government Code by the Solano Irrigation District; and,

WHEREAS, SID requested to detach two parcels totaling 5.41 acres east of Leisure Town Road and north of Elmira Road within the City of Vacaville; and,

WHEREAS, the Executive Officer has examined the proposal and certified that it is complete and has accepted the proposal for filing as of April 3, 2023; and,

WHEREAS, the proposal is exempt from the requirements for notice and hearing pursuant to Government Code §56663, because it consists of detachment only, and 100% of landowners have given their written consent to the proposal; and,

WHEREAS, the Executive Officer, pursuant to Government Code §56665 has reviewed this proposal and prepared a report including his recommendations, and has furnished a copy of this report to each person entitled to a copy; and,

WHEREAS, the City of Vacaville, as lead agency for the Farm at Alamo Creek Specific Plan has certified an environmental impact report (EIR) (SCH 2017062068) on November 13, 2018, the Commission, as the responsible agency, has reviewed and considered the environmental documents prepared and approved by the City of Vacaville including the EIR, findings, overriding considerations, mitigations, mitigation monitoring plans, and related documents; 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, plans for providing service, spheres of influence, applicable municipal service reviews, the specific plan, and the City’s general plan; 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:

Commissioners

John Vasquez, Chair • Nancy Shopay, Vice-Chair • Ron Rowlett • Harry Price • Jim Spring

Alternate Commissioners

Robert Guerrero • Ron Kott • Mitch Mashburn

Staff

Rich Seithel, Executive Officer • Christina Love, Deputy Executive Officer • Aaron Norman, Analyst II • Mala Subramanian, Lead Legal Counsel

1. The subject detachment is consistent with the District's SOI; the proposal area will be removed from the District's SOI as part of the Commission's action.
2. The subject detachment allows the City of Vacaville and the Solano Irrigation District to comply with a joint powers agreement and understanding that the subject property shall be detached from the District's service area and that City will provide potable and non-potable water prior to development.
3. The subject detachment eliminates the potential for duplication of two service providers to the subject property.
4. The subject proposal area is "uninhabited" as defined by Government Code (GC) §54046. Application for the subject detachment is made subject to GC §56650 et seq. by resolution of the Solano Irrigation District. All landowners have consented to the proposal therefore; the Commission waives the conducting authority proceedings/protest hearing.
5. The boundaries are definite and certain and conform to lines of ownership and parcel lines. The detachment will provide a logical and orderly boundary for the Solano Irrigation District.
6. The environmental documents were approved by the City of Vacaville as the lead agency on November 13, 2018 (SCH #2017062068) and are found to satisfy the requirements of the California Environmental Quality Act (CEQA). The environmental impacts of the change of organization have been disclosed and adequately addressed by the lead agency and the potential environmental effects have been adequately mitigated. The City of Vacaville has fulfilled its obligations under CEQA and the EIR and associated environmental documents for the Farm at Alamo Creek Specific Plan adequately disclose and describe the subject change of organization project.
7. The subject detachment is in the best interests of the citizens within the affected area.
8. The subject detachment will not result in negative impacts to the cost and adequacy of services otherwise provided by SID to adjacent areas within their service boundaries.
9. The subject detachment will result in a loss of \$619.71 tax base from SID and a gain of the same amount for the City of Vacaville.
10. The District has collected all applicable detachment fees per the agreement between the City and the District.

NOW, THEREFORE, BE IT HEREBY RESOLVED, DETERMINED AND ORDERED as follows:

1. The Commercial Property detachment from SID is approved, subject to the conditions listed below.
2. Said territory is detached as proposed and as set forth and described in the attached descriptive map and geographical description marked "Exhibit A" and by this reference incorporated herein.

3. Pursuant to Section 15096 of the CEQA Guidelines, LAFCO has considered the Environmental Impact Report and related environmental documents adopted by the Lead Agency. LAFCO hereby adopts the Statement of Overriding Considerations and Mitigation Monitoring and Reporting Program prepared and adopted by the Lead Agency marked “Exhibit B” and by this reference incorporated herein.
4. Said territory includes approximately 5.41 acres and is found to be uninhabited, and the territory is assigned the following short form designation:

Solano Irrigation District detaching Commercial Property (Vacaville)
5. The proposal area shall be removed from the sphere of influence of the Solano Irrigation District concurrent with the subject detachment.
6. The following changes of organization or reorganization are approved:

Detachment from Solano Irrigation District
7. All subsequent proceedings in connection with this detachment shall be conducted only in compliance with the approved boundaries and conditions set forth in the attachments and any terms and conditions specified in this resolution.
8. Conducting Authority proceedings are waived.
9. The Executive Officer is hereby directed to file a Notice of Determination in compliance with the California Environmental Quality Act and local ordinances implementing the same.

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

1. The Commission orders the change of organization without an election as provided by GC 56885.5.
2. Immediately following LAFCO approval, the District shall submit a warrant to LAFCO for the CA State Board of Equalization in the amount of \$350.00.
3. Immediately following LAFCO approval, the District shall submit a warrant to LAFCO for the Mapping Fee Changes at Solano County in the amount of \$119.00.
4. 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.
5. Certificate of Completion shall not be recorded until the project map and legal description are approved and signed by the Solano County Surveyor.

CONTINUED NEXT PAGE

I HEREBY CERTIFY that the foregoing resolution was duly passed and adopted by the Local Agency Formation Commission of Solano County at a regular meeting, held on the 12th day of June 2023, by the following vote:

AYES:
NOES:
ABSENT:

Nancy Shopay, Chair
Presiding Officer Solano LAFCO

ATTEST:

Christina Love, Deputy Executive Officer

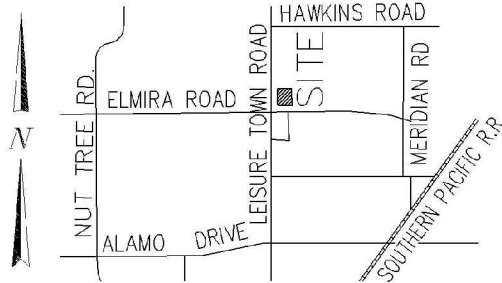
Attachments:

Exhibit A – Legal Description and Map Commercial Property

**LAFCO PROJECT NO. 2023-03
DETACHMENT NO. 2022-320
DETACHMENT FROM SOLANO IRRIGATION DISTRICT**

Agenda Item 7.A:
Action Item – CEQA Resolution

Located in Section 24, Township 6 North, Range 1 West,
Mount Diablo Base and Meridian
City of Vacaville, County of Solano, State of California



VICINITY MAP
Not to Scale

Geographic Description consists of 1 page.
Plat maps consists of 1 page.

ENGINEER’S STATEMENT:

This legal description and exhibit of the Solano Irrigation District’s boundary is not a legal property description as defined in the Subdivision Map Act and may not be used as a basis for an offer for sale of the land described. It is for assessment purposes only.

Prepared on _____, 2023 by or under the direction of:

Thomas A. Phillippi, RCE 32067
Phillippi Engineering, Inc.

SOLANO IRRIGATION DISTRICT:

This legal description and exhibit have been reviewed and the information provided has been verified to tie to approved existing District boundaries, prior annexations and detachments.

Dated: _____, 2023

Robert Holmes
Senior Real Property and Project Manager

COUNTY SURVEYOR’S STATEMENT:

This legal description and exhibit meets the requirements of the State Board of Equalization, the Solano County Assessor/Recorder’s Office and confirms to the lines of assessment.

Dated: _____, 2023

Danielle Goshert, PLS 8491
Solano County Surveyor

APPROVED BY LOCAL AGENCY FORMATION COMMISSION:

Dated: _____, 2023

Rich Seithel, Executive Officer
Solano LAFCO

EXHIBIT A
DETACHMENT NO. 2022-320
DETACHMENT FROM THE SOLANO IRRIGATION DISTRICT
GEOGRAPHIC DESCRIPTION

Agenda Item 7.A:
 Action Item – CEQA Resolution

All that certain real property situated in the City of Vacaville, County of Solano, State of California, located in Section 24, Township 6 North, Range 1 West, Mount Diablo Base and Meridian and more particularly described as follows:

Being all of APN's 0138-010-010, & 020, Solano County Records, and more particularly described as follows:

BEGINNING at the southeasterly corner of that parcel of land as established by Detachment No. 78-143, Vacaville Developers detachment from SID, Certificate of Completion dated and recorded November 7, 1978 as Document No. 1978-55138, Solano County Records (hereinafter referred to as Detachment No. 78-143); thence along the East line of said Detachment No. 78-143, the following courses and distance:

(1) North 00°17'12" West, 587.95 feet;

Thence (2) North 89°42'48" East , 340.14 feet,

Thence (3) South 00°17'12" East, 598.36 feet,

Thence (4) South 01°29'16" West, 110.02 feet,

Thence (5) North 88°30'44" West, 306.86 feet to a point along the east line of Detachment No. 89-218, Evanikoff detachment from SID, LAFCO Resolution No. 89-14, SID Resolution NO. 89-48, Certificate of completion dated and recorded November 29, 1989 as Document No. 890085163 (hereinafter referred to as Detachment No. 89-218),

Thence along the easterly line of said Detachment No. 89-218 (6) North 00°17'51" West, 110.05 feet to the northeast corner thereof;

Thence along the northerly line of said Detachment No. 89-218 (7) North 88°43'10" West 30.01, feet to the **Point of Beginning**.

Containing: 5.41 Acres, more or less.

End of geographic description.

This geographic description was prepared by or under the direction of:

 Thomas A. Phillippi, RCE 32067

 Date



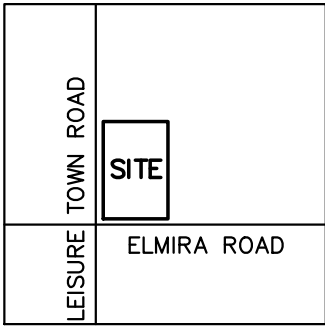
EXHIBIT B

SID DETACHMENT 2022-320
5.41± ACRES TOTAL

Agenda Item #A:
Action Item - CEQA Resolution



SCALE 1"=100'



APN 138-010-011

(2) N89°42'48"E 340.14'

(3) N00°17'12"W

598.36'

LEISURE TOWN ROAD

(1) N00°17'12"W 587.95'

DETACHMENT NO. 78-143
VACAVILLE DEVELOPERS
CERTIFICATE OF COMPLETION
11/07/1978 NO. 1978-55138

POB

30.01'
110.05'

(7) N88°43'10"W

ELMIRA ROAD

(4) N01°29'16"E
110.02'

DETACHMENT AREA

EXISTING SOLANO IRRIGATION DISTRICT BOUNDARY

CENTERLINE

DETACHMENT NO. 89-218
EVANIKOFF
LAFCO RESOLUTION NO.
89-14



SID RESOLUTION NO. 89-48
CERTIFICATE OF COMPLETION
11/29/1989 NO. 890085163

306.86'

(5) N88°30'44"W

SECTION 24, T.6N., R.1W., M.D.B& M.

PROJECT NAME/LOCATION:

SID DETACHMENT 2022-320
6140 & 6144 LEISURE TOWN
VACAVILLE, CA 95687

DRAFTED BY: MLE
CHECKED BY: PEI
PROJECT NO.: 20190600
DWG NAME: 20190600 SID
ISSUE DATE: 04/18/23

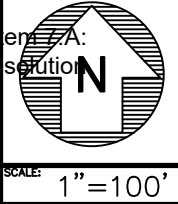


PHILLIPPI ENGINEERING
CIVIL ENGINEERING - LAND SURVEYING
425 MERCHANT STREET VACAVILLE, CA 95688
P.O. BOX 6556 VACAVILLE, CA 95696
OFFICE (707) 451-6556 FAX (707) 451-6555

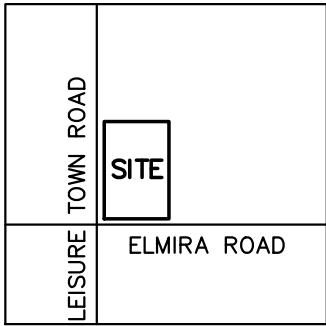
AREA CALCULATIONS

NEW PARCEL 1 = ±0.98 ACRES
 NEW PARCEL 2 = ±1.23 ACRES
 CREEK DEDICATION = ±1.13 ACRES
 SUBTOTAL = ±3.34 ACRES
 LEISURE TOWN ROAD = ±0.96 ACRES
 ELMIRA ROAD = ±0.78 ACRES
 IRREVOCABLE OFFER OF DEDICATION = ±0.33 ACRES
 TOTAL = ±5.41 ACRES

Agenda Item #A:
 Action Item – CEQA Resolution



APN 138-010-011



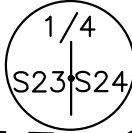
VICINITY MAP – N.T.S.

IRREVOCABLE OFFER OF DEDICATION (202200058409)
 ROAD DEDICATION (201400091244)
 DETACHMENT NO. 78-143
 VACAVILLE DEVELOPERS
 CERTIFICATE OF COMPLETION
 11/07/1978 NO. 1978-55138

ROAD DEDICATION (201400091248)
 ROAD DEDICATION (201400091244)

IRREVOCABLE OFFER OF DEDICATION 0.33± ACRES (202200058409)

DETACHMENT NO. 89-218
 EVANIKOFF
 LAFCO RESOLUTION NO. 89-14
 SID RESOLUTION NO. 89-48
 CERTIFICATE OF COMPLETION
 11/29/1989 NO. 890085163



LEISURE TOWN ROAD

NEW PARCEL 2
 AREA = 1.23± AC.
 (202200058832)

NEW PARCEL 1
 AREA = 0.98± AC.
 (202200058832)

CREEK DEDICATION
 1.13± ACRES
 (202200058594)

ELMIRA ROAD

DETACHMENT AREA

EXISTING SOLANO IRRIGATION DISTRICT BOUNDARY

CENTERLINE

16.31' SECTION 24, T.6N., R.1W., M.D.B& M.

PROJECT NAME/LOCATION:

SID DETACHMENT 2022-320
 6140 & 6144 LEISURE TOWN
 VACAVILLE, CA 95687

DRAFTED BY: MLE
 CHECKED BY: PEI
 PROJECT NO.: 20190600
 DWG NAME: 20190600 SID
 ISSUE DATE: 04/18/23



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 OFFICE (707) 451-6556 FAX (707) 451-6555

ATTACHMENT A

LAFCO RESOLUTION NO. 19-02

RESOLUTION MAKING DETERMINATIONS, ADDING CONDITIONS, AND APPROVING**The Farm at Alamo Creek Annexation to the City of Vacaville
(LAFCO PROJECT 2018-06)**

WHEREAS, a resolution making application for the annexation of certain territory to the City of Vacaville was filed with the Executive Officer of this Local Agency Formation Commission pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act, commencing with Section §56000, et seq. of the Government Code by the City of Vacaville; and

WHEREAS, the Executive Officer has examined the proposal and certified that it is complete and has accepted the proposal for filing as of February 4, 2019; and

WHEREAS, the proposal is exempt from the requirements for notice and hearing pursuant to Government Code §56662 because it consists of annexations and detachments only, and 100% of landowners have given their written consent to the proposal; and

WHEREAS, the Executive Officer, pursuant to Government Code §56665 has reviewed this proposal and prepared a report including his recommendations, and has furnished a copy of this report to each person entitled to a copy; and

WHEREAS, the City of Vacaville, as lead agency for The Farm at Alamo Creek Specific Plan has certified an environmental impact report (EIR) (State Clearing House #2017062068) on November 13, 2018, the Commission, as the responsible agency, has considered the environmental documents prepared and approved by the City of Vacaville including the EIR, findings, overriding considerations, mitigations and mitigation monitoring plans, and related documents; and

WHEREAS, the City of Vacaville has determined to amend its General Plan to redesignate a portion of the property from "Urban Reserve"/Long Term SOI to Near Term SOI, and LAFCO concurs that an update the SOI to reflect moving it from the Long Term Sphere to the Near Term Sphere is appropriate; 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 Executive Officer's report and recommendation, the environmental document and determination, plans for providing service, spheres of influence, and applicable general and specific plans;

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

1. The proposal is consistent with the City's municipal service review and comprehensive annexation plan, and with the concurrent update to the sphere of influence, is consistent with the sphere of influence of the City of Vacaville.
2. The Commission has reviewed the Airport Land Use Commission's (ALUC) Travis Land Use Compatibility Consistency Analysis for the Farm at Alamo Creek reorganization and supports ALUC's determination that the proposal is consistent with the Travis Air Force Base Land Use Compatibility Plan.
3. The Commission has considered the factors in the review of a proposal pursuant to California Government Code Section 56668 subsections a-q.
4. The Commission determines the Farm at Alamo Creek Specific Plan reorganization is consistent with the Commission's adopted written Standards.
5. The Commission waives the Conducting Authority Proceeding pursuant to Government Code Section 56662.

NOW, THEREFORE, BE IT HEREBY RESOLVED AND ORDERED as follows:

1. The Sphere of Influence for the City of Vacaville is hereby updated to move the property designated in Exhibit A to this Resolution, of approximately 60 acres of APN 0138-010-050 from the Long Term area of the City Sphere to the Near Term Sphere.
2. The Farm at Alamo Creek Annexation to the City of Vacaville is approved, subject to conditions listed below:
 - a. The Executive Officer shall not sign and record the Certificate of Completion until after receipt of confirmation from the Solano County Resource Management Department that the Lot Line Adjustment has been finalized for Assessor Parcel Number (APN) 0138-010-050, and after the Solano County Surveyor has reviewed the map and geographic description to ensure the proposed city boundary correctly depicts the newly created property line for the subject APN.
 - b. Prior to construction and recordation of final maps, The Farm at Alamo Creek Specific Plan area shall detach from the Solano Irrigation District (SID) using the criteria established in the latest amended 1995 Master Water Agreement between SID and the City of Vacaville.
 - c. The Reorganization is approved in reliance on the expected compliance

by the Developer with the terms of the Vacaville Fire Protection District Mitigation Agreement, Attachment L to the Staff Report.

3. Said proposal is assigned the following short form designation:

The Farm at Alamo Creek Annexation to the City of Vacaville

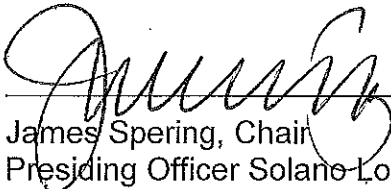
4. Pursuant to Section 15096 of the CEQA Guidelines, LAFCO has considered the environmental documents adopted by the Lead Agency, which contains measures that mitigate all potentially significant environmental impacts except for those impacts identified in the EIR for which a Statement of Overriding Considerations has been made. LAFCO hereby adopts such mitigation measures and adopts the Statement of Overriding Considerations attached hereto as Exhibit C.
5. Said territory is annexed as proposed and as set forth and described in the attached descriptive map and geographical description marked "Exhibit A" and by this reference incorporated herein.
6. The following concurrent actions are hereby approved:

Update of the City SOI
Annexation to the City of Vacaville
Detachment from the Vacaville Fire Protection District
Detachment from the Solano County Lighting Service Area

7. The proposal area shall be removed from the spheres of influence of the: City of Vacaville, the Vacaville Fire Protection District, and Solano County Lighting Service Area concurrent with the subject reorganization.
8. The Detachment from the Vacaville Fire District is approved in reliance on the agreement between the Developer and the District to pay a detachment fee in mitigation to the District for the detachment.
9. All subsequent proceedings in connection with this reorganization shall be conducted only in compliance with the approved boundaries, conditions, and terms specified in this resolution.
10. The Executive Officer is hereby directed to file a Notice of Determination in compliance with the California Environmental Quality Act.
11. The effective date of said reorganization shall be the date of recording of the Certificate of Completion.

The foregoing resolution was duly passed and adopted by the Local Agency Formation Commission of Solano County at a regular meeting, held on the 11th day of February, 2019, by the following vote:

- AYES: Kott, Price, Shopay, Spering, and Vasquez
- NOES: none
- ABSENT: none
- ABSTAIN: Rowlett


James Spering, Chair
Presiding Officer Solano Local Agency
Formation Commission

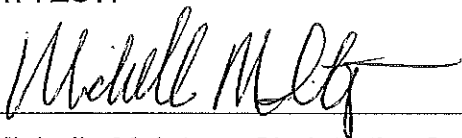
ATTEST:

Michelle McIntyre, Clerk to the Commission

EXHIBIT A

LAFCO PROJECT NO. 2018-06
THE FARM AT ALAMO CREEK
ANNEXATION TO THE CITY OF VACAVILLE
GEOGRAPHIC DESCRIPTION

Being a portion of Sections 13 & 24, Township 6 North, Range 1 West,
Mount Diablo Base and Meridian
City of Vacaville, County of Solano, State of California

Description consists of 2 pages.
Plat maps consists of 1 page.

ENGINEER'S STATEMENT:

This description and exhibit of "The Farm" boundary is not a legal property description as defined in the Subdivision Map Act and may not be used as a basis for an offer for sale of the land described. It is for assessment purposes only.

Prepared on MARCH 26, 2019 by or under the direction of:

Thomas A. Phillippi, RCE 32067
Phillippi Engineering, Inc.



COUNTY SURVEYOR'S STATEMENT:

This description and exhibit meets the requirements of the State Board of Equalization, the Solano County Assessor/Recorder's Office and confirms to the lines of assessment.

Dated: MARCH 18, 2019

Danielle L. Goshert, PLS 8491
Acting Solano County Surveyor



APPROVED BY LOCAL AGENCY FORMATION COMMISSION:

Dated: MARCH 20, 2019

Rich Seithel, Executive Officer
Solano LAFCO

EXHIBIT A

**LAFCO PROJECT NO. 2018-06
THE FARM AT ALAMO CREEK
ANNEXATION TO THE CITY OF VACAVILLE
GEOGRAPHIC DESCRIPTION**

The land referred to is situate in the unincorporated area of the County of Solano, State of California, and is described as follows:

Being a portion of Sections 13 & 24, Township 6 North, Range 1 West, Mount Diablo Base and Meridian, and being all that land lying east of Leisure Town Road, north of Elmira Road, west of the westerly line of that Pacific Gas & Electric Right-Of-Way described in Book 268 of Deeds, Page 328, Solano County Official Records, and lying south of the north line of Hawkins Road, further described as follows:

Beginning at a point on the City of Vacaville/Solano County Limit line, said point being the intersection of the east line of Leisure Town Road with the north line of Hawkins Road, also being a point on the easterly line of the Leisure Town Road, Annexation #118, Resolution No. 1987-E-4; thence leaving said City/County Limit Line, east along said north line, as said north line is described in the Quitclaim Deed recorded as Document #201100102692, Solano County Official Records,

(C01) North 88°14'59" East, 2664.26 feet to a point of intersection with the northerly prolongation of the east line of the Lands of Solano Irrigation District (SID) described in Book 1146, Page 363, said Solano Records; thence south along said northerly prolongation and the east line thereof,

(C02) South 00°19'47" East, 1312.73 feet to the northwest corner of Parcel Four as described in that Grant Deed recorded as Document #201400023688, Solano County Official Records; thence along the north line thereof,

(C03) North 89°28'47" East, 1206.45 feet to a point of intersection with the west line of that Pacific Gas & Electric Right-Of-Way described in Book 268 of Deeds, Page 328, Solano County Official Records; thence south along said Right-Of-Way,

(C04) South 00°02'07" East, 1655.62 feet to a point on the north line of the old Southern Pacific Railroad right-of-way, now owned by Bay Ventures per Document #1996-00010327, Solano County Official Records, said north line also being the City of Vacaville & County of Solano Limit Line as shown on the Elmira Road, Addition No. 4, Annexation #70, Resolution No. 1972-P-4; thence westerly and northerly along said Limit Line, the following three (3) arcs, courses and distances:

(C05) North 81°08'57" West, 1096.88 feet to the beginning of a curve to the left; thence

(C06) westerly along said curve, having a radius of 3334.00 feet, through a central angle of 07°21'47" and an arc distance of 428.45 feet, said curve subtended by a chord bearing North 84°49'51" West, 428.16 feet; thence

(C07) North 88°30'44" West, 2286.37 feet; thence

(C08) North 44°40'11" West, 38.44 feet to a point on the east line of Leisure Town Road, being the Vacaville & County of Solano Limit Line as shown on the Leisure Town Road Annexation #134, Resolution No. 1992-X-7 (Cooper Station) & Leisure Town Road Annexation #118, Resolution No. 1987-E-4 (Hilden);

APPROVED
Solano County LAFCO
Date: 2/11/2019 By: [Signature]

Thence along said east line, the following three (3) courses and distances:

(C09) North 01°09'00" West, 563.50 feet; thence

(C10) South 89°43'16" West, 34.23 feet; thence

(C11) North 00°17'12" West, 1963.73 feet to the point of intersection with the south line of Hawkins Road;

Thence continuing northerly along said City/County Limit line,

(C12) North 00°13'37" East, 55.03 feet to the **Point of Beginning**.

Containing 206.61 Acres, more or less.

See Exhibit, plat to accompany description, attached hereto and made a part hereof.

This Legal Description was prepared by or under the direction of:


 _____ 3.20.19
 Thomas A. Phillippi, RCE 32067 Date



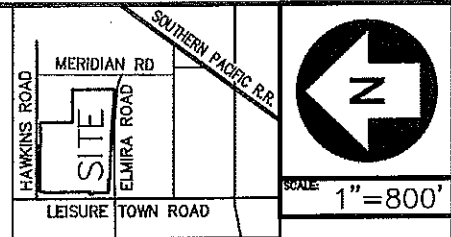
For assessment purposes only. This description of land is not a legal property description as defined in the Subdivision Map Act and may not be used as the basis for an offer for sale of the land described.

APPROVED
Solano County LAFCO
 Date: 2/11/2019 By: 

LAFCO PROJECT NO. 2018-06
 "THE FARM AT ALAMO CREEK
 ANNEXATION TO THE CITY OF VACAVILLE"
 CITY OF VACAVILLE, COUNTY OF SOLANO, STATE OF CALIFORNIA
 PORTION OF SECTIONS 13 & 24, T.6 N., R.1 W., M.D.B.& M.

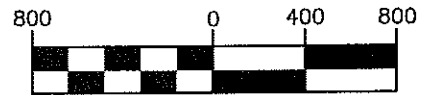
DISCLAIMER:

"FOR ASSESSMENT PURPOSES ONLY. THIS DESCRIPTION OF LAND IS NOT A LEGAL PROPERTY DESCRIPTION AS DEFINED IN THE SUBDIVISION MAP ACT AND MAY NOT BE USED AS THE BASIS OF AN OFFER FOR SALE OF THE LAND DESCRIBED"



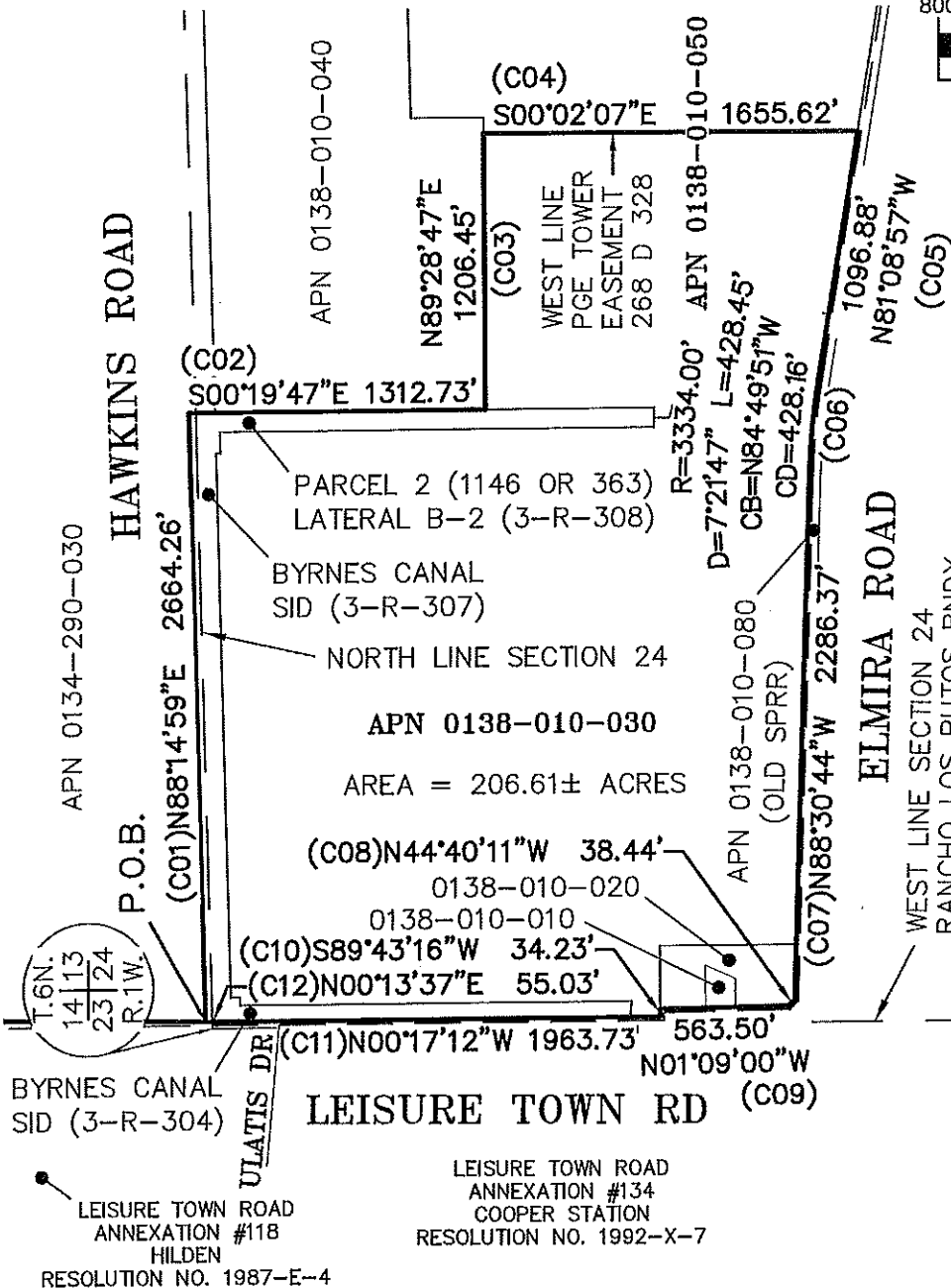
VICINITY MAP
NOT TO SCALE

GRAPHIC SCALE

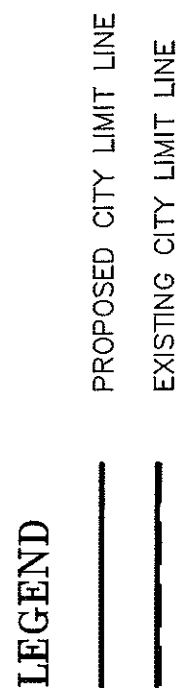


(IN FEET)

1 inch = 800 ft.



ELMIRA ROAD
 ADDITION NO. 4 ANNEXATION #70
 BRIGHTON LANDING
 RESOLUTION NO. 1972-P-4



SHEET 1 OF 1

PROJECT NAME/LOCATION:
**THE FARM AT ALAMO
 CREEK ANNEXATION**

DRAFTED BY: GJM
 CHECKED BY: SWT
 PROJECT NO.: 20150030
 DWG NAME: 20150030 Ann
 ISSUE DATE: 01/17/19

PHILLIPPI ENGINEERING
 CIVIL ENGINEERING - LAND SURVEYING
 425 MERCHANT STREET VACAVILLE, CA 95688
 P.O. BOX 6556 VACAVILLE, CA 95698
 OFFICE (707) 451-6556 FAX (707) 451-6555

APPROVED

Solano County LAFCO
 Staff Report Page 27 of 40
 Date: 2/11/2019 By: [Signature]

ATTACHMENT B



**SOLANO IRRIGATION DISTRICT
RESOLUTION NO. 22-31**

**A RESOLUTION OF APPLICATION BY THE
SOLANO IRRIGATION DISTRICT
REQUESTING THE SOLANO LOCAL AGENCY FORMATION COMMISSION
TO INITIATE PROCEEDINGS FOR THE REORGANIZATION OF TERRITORY
FOR THE DETACHMENT OF THE PAPIN COMMERCIAL PROPERTY
DETACHMENT NO. 2022-320, CITY OF VACAVILLE**

At a regular meeting of the Board of Directors of Solano Irrigation District held at the District Office on the 18th day of October, 2022, the following resolution was approved and adopted:

WHEREAS, the Solano Irrigation District desires to initiate proceedings pursuant to the Cortese-Knox-Hertzberg Act of 2000, commencing with Section 56000 of the California Government Code, for a reorganization which would detach territory from the Solano Irrigation District; and,

WHEREAS, This property is located within the East of Leisure Town Road area and is subject to Detachment as part of the 1995 Master Water Agreement between Vacaville and the District; and,

WHEREAS, the principal reasons for the proposed reorganization is to detach the Papin Commercial Property. The detachment area has been subject to a lot line adjustment that created two new parcels, an irrevocable offer of dedication and a dedication accepted by the City of Vacaville. The LLA merged and redivided APN's 0138-010-020 and 0138- 010-010 which totaled 3.34+ acres all to be detached from the District; and,

WHEREAS, the following agency or agencies would be affected by the proposed jurisdictional changes:

<u>Agency</u>	<u>Nature of Change</u>
Solano Irrigation District	Detachment

and,

WHEREAS, the territory proposed to be reorganized is uninhabited, and a map and description of the boundaries of the territory are attached hereto as Exhibit "A" by this reference incorporated herein; and,

WHEREAS, it is desired to provide that the proposed reorganization be subject to the following terms and conditions:

1. The landowner/developer has signed Work Order No. 22-3277 and has paid the estimated Detachment Fees of \$81,675.85.

Resolution No. 22-31: Reorganization of Territory, Papin Commercial Property Detachment No. 2022-320

PASSED AND ADOPTED the 18th day of October, 2022, by the Board of Directors of the Solano Irrigation District, County of Solano, State of California, by the following vote:

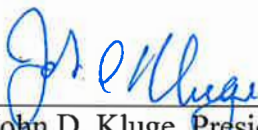
AYES: Herich, Sanchez, Barrett, Lum, Kluge

NOES: None

ABSTAIN: None

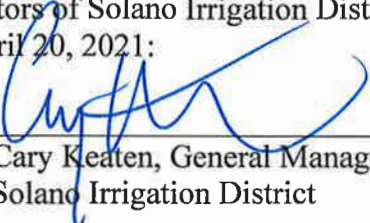
ABSENT: None

DATED: October 18, 2022



John D. Kluge, President of the Board of Directors
Solano Irrigation District

ATTEST: I hereby certify that the foregoing Resolution was duly made, seconded and adopted by the Board of Directors of Solano Irrigation District at a regular meeting of this Board held April 20, 2021:



Cary Keaten, General Manager
Solano Irrigation District



Solano Local Agency Formation Commission

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

STAFF REPORT

DATE: June 12, 2023

TO: Solano Local Agency Formation Commission (“Commission”)

FROM: Rich Seithel, Executive Officer

SUBJECT: **2023-04 Solano Irrigation District (SID) detachment of Habitat for Humanity Property (Fairfield) (APN 028-280-210 & 028-280-300)**

Recommendation:

WAIVE the conducting authority proceedings pursuant to Government Code (GC) Section 56662.

CONSIDER and ADOPT the LAFCO Resolution approving the detachment of lands from Solano Irrigation District within the City of Fairfield for Solano-Napa Habitat for Humanity (APN 028-280-210 & 028-280-300) (0.36 acres).

Executive Summary:

The Solano Irrigation District (SID) has submitted a detachment request for 0.36 acres within the City of Fairfield for Solano-Napa Habitat for Humanity development. The parcels are located at the southwest corner of Woolner Avenue and Columbus Drive, north of Alonzo Creek. With the detachment of the subject property, the land will be developed by Habitat for Humanity for qualifying low-income residential units.

The proposal before the Commission is to consider the detachment from the SID’s boundary and service area only. 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 measure a proposal’s consistency with its adopted policies (Standards 1-11 per Section 56375(g)) when reviewing an application for a change of organization or reorganization. Staff believes this is a standard SID proposal and the following staff report identifies no issues.

I. Background:

Habitat for Humanity (Habitat) acquired the property after the land was deemed as surplus land of the City of Fairfield Housing Authority. As a condition of the sale, Habitat entered into a Disposition and Development Agreement (DDA) to construct three homes that will be sold to qualifying low-income households. The development will remain under affordability deed restrictions for at least 45 years and will promote and advance low and moderate-income housing objectives, which benefits the City of Fairfield community.

Commissioners

John Vasquez, Chair • Nancy Shopay, Vice-Chair • Ron Rowlett • Harry Price • Jim Sperring

Alternate Commissioners

Robert Guerrero • Ron Kott • Mitch Mashburn

Staff

Rich Seithel, Executive Officer • Christina Love, Deputy Executive Officer • Aaron Norman, Analyst II •

Mala Subramanian, Lead Legal Counsel

The proposal before the LAFCO Commission allows the City to develop the site for low-income housing needs. The City of Fairfield will provide potable water, as well as other general services (sewer, fire, police, etc.).

II. Project Description:

The project consists of detaching two parcels, APN 028-280-210 and 028-280-300, from the Solano Irrigation District. The parcels are generally referred to as the Habitat for Humanity parcels, totaling approximately .036± acres. A draft map and geographical description are attached to the proposed LAFCO Resolution as Exhibit A, which more specifically identifies the location.

The property is vacant (uninhabited) within the City of Fairfield, zoned Residential Low-Medium.

Request for this change of organization is made subject to GC §56650 *et seq.* by SID Resolution 23-02 (Attachment A) adopted on January 17, 2023. The project has 100% consent of the landowner, consists only of a detachment, and is uninhabited per GC §54046, therefore; the proposal is exempt from the requirements for notice and public hearing. Furthermore, LAFCO may waive the Conducting Authority Proceedings (protest hearing) pursuant to GC §56662.



III. Project Analysis:

California Environmental Quality Act (CEQA):

The District, as the Lead Agency, has determined the proposal to be consistent with the City of Fairfield’s determination that the project is exempt from CEQA under § 15315 – Minor Subdivisions.

Pursuant to Section 15096 of the CEQA Guidelines, LAFCO should consider and reaffirm the CEQA determination of the lead agency. As such, LAFCO finds this change of organization to be exempt.

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 measure a proposal’s consistency with its locally adopted policies (Standards 1-11 per Section 56375(g)) when reviewing an application for a change of organization or reorganization. The following subsections first provides staff analysis for the factors pursuant to the CKH Act

followed by analysis and consistency statements with respect to the Commission's adopted Standards:

Statutory Factors to be Considered in Review of a Proposal (GC §56668(a-q)):

CKH requires the Commission to consider seventeen factors when reviewing proposals for a change of organization. The purpose is to ensure the Commission has reviewed these factors during its decision-making process.

- 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.***

Population and population density within SID's boundary area will remain unchanged. This detachment is consistent with the City of Fairfield's city limit, General Plan, and tentative approval for residential development of the property. The City's development of the proposal area will consist of three homes and could increase the City population by 8 persons based on 2.7 persons per household. The assessed valuation is \$65,000 as of the 2022/23 assessment tax roll.

- 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 property has been in the City of Fairfield for several years. The property has remained vacant, but Fairfield is prepared to provide all services to the proposed development project.

- 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.***

Detachment of the property from SID's boundary will have no effect on SID's ability to serve adjacent areas within their boundary. There are no effects on the local governmental 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 request to detach land from SID is an implementation step of the 2017 approval for City of Vacaville to annex and develop the Roberts' Ranch Specific Plan. This factor is not applicable as the site is located within the City limits.

- e. *The effect of the proposal on maintaining the physical and economic integrity of agricultural lands, as defined by Section 56016¹.***

The property within the City of Fairfield, surrounded by existing urban development. The soil type is sycamore silty clay loam with a storic index of 90 or greater. However, the

¹ "Agricultural lands" means land currently used for the purpose of 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.

Agenda Item 7.B – SID detach Habitat for Humanity

property is small and not suitable for agricultural purposes. Therefore, the proposed detachment will not have an effect on agricultural lands.

- 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.**

The map and geographic description have been reviewed and corrected by the County Surveyor per Commission policy. These two documents provide certainty of the proposed boundary of the territory.

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

This factor is not applicable as the property is located within the City limits and surrounded by existing urban development.

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

The property is within the city limits of Fairfield and detaching it from SID is consistent with the city's general plan.

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

The property is within the city limits of Fairfield and detaching it from SID is consistent with the city's sphere of influence.

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

As of the writing of this report, staff has not received comments from any of the affected agencies or other public agencies.

- 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.**

The proposed detachment will result in a loss of \$5.21 from SID and an increase in the same amount to the City of Fairfield. Per SID, all District detachment fees have been paid by the landowner.

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

As noted above, the City will provide potable and non-potable water services to the property. The property has been within Fairfield city limits and water services is consistent with their general plan and utilities plans.

- 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.**

Agenda Item 7.B – SID detach Habitat for Humanity

The property is tentatively approved for residential development that will be deed restricted for low-income families. Such development will help Fairfield meet their RHNA requirements for low-income housing. SID has no such requirement.

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

The Commission has received a letter of support for the proposed change of organization from the landowner.

o. Any information relating to existing land use designations.

The City has rezoned the proposal site as Residential Low Density. According to the Specific Plan, Residential Low-Medium Density with a minimum lot size of 4,500 sq. ft..

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 are no environmental justice issues identified.

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.

This factor is not applicable as the property is located within the City limits and surrounded by existing urban development.

Solano LAFCO Adopted Standards (GC §56375(g)):

Solano LAFCO has 11 locally adopted standards that must be evaluated. The following is an analysis of the proposal's consistency with those Standards 1-11.

Standard	Policy Consistency	Analysis
1. Consistency with Sphere of Influence (SOI) Boundaries	Consistent	Proposal is consistent with SID's SOI; proposal area will be removed from SID's SOI as part of the Commission's action.
2. Change of Organization and Reorganization to the Limits of the SOI Boundaries	N/A	The area will be detached from SID boundary. The area is already located within the city limits of Fairfield.
3. Consistency with Appropriate City General Plan, Specific Plan, Area-Wide Plan, and Zoning Ordinance	Consistent	Located within Fairfield City limits, consistent with the City's General Plan.

Agenda Item 7.B – SID detach Habitat for Humanity

<p>4. Consistency with the County General Plan of Proposed Change of Organization or Reorganization Outside of a City’s SOI Boundary</p>	<p>N/A</p>	<p>The area is already located within the city limits of Fairfield. The change of organization is consistent with County General Plan showing the property as part of Fairfield.</p>
<p>5. Requirement for Pre-Approval</p>	<p>Consistent</p>	<p>Request for detachment initiated by District Resolution 23-02 (Attachment A)</p>
<p>6. Effect on Natural Resources (California Environmental Quality Act – CEQA)</p>	<p>Consistent</p>	<p>The detachment is exempt from CEQA under section 15315.</p>
<p>7. Proposal Boundaries, Map and Geographic Description Requirements, Other Exhibits</p>	<p>Consistent</p>	<p>The legal description and map are attached as Exhibit A to the proposed LAFCO Resolution for approval.</p>
<p>8. Likelihood of Significant Growth and Effect on Other Incorporated or Unincorporated Territory</p>	<p>Consistent</p>	<p>The detachment from SID will not, on its own, affect growth. This action is implementation for Fairfield tentative approval of residential development on the property.</p>
<p>9. Protection of Prime Agricultural Land</p>	<p>N/A</p>	<p>Proposal is located within the City; effects on prime ag lands are insignificant because the property is too small for agricultural use and is surrounded by urban development.</p>
<p>10. Provision and Cost of Community Services</p>	<p>N/A</p>	<p>Proposal is to consider detachment from SID only; proposal site is within the City’s jurisdiction.</p>
<p>11. The Effect of the Proposed Action on Adjacent Areas, Mutual Social and Economic Interests, and on Local Governmental Structure</p>	<p>Consistent</p>	<p>Per SID staff, all fees have been paid consistent with the City and SID’s existing joint powers agreement.</p>

IV. Conducting Authority (Protest Hearing) Proceeding:

The proposal area is undeveloped and 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).

V. 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:

Agenda Item 7.B – SID detach Habitat for Humanity

1. The subject detachment is consistent with the District's SOI; the proposal area will be removed from the District's SOI as part of the Commission's action.
2. The subject detachment allows the City of Fairfield and the Solano Irrigation District to comply with a joint powers agreement and understanding that the subject property shall be detached from the District's service area and that the City will provide potable and non-potable water prior to development.
3. The subject detachment eliminates the potential for duplication of two service providers to the subject property.
4. The subject proposal area is "uninhabited" as defined by Government Code (GC) §56079.5. Application for the subject detachment is made subject to GC §56650 et seq. by resolution of the Solano Irrigation District. All landowners have consented to the proposal, therefore; the Commission waives the conducting authority proceedings (protest hearing).
5. The boundaries are definite and certain and conform to lines of ownership and parcel lines. The detachment will provide a logical and orderly boundary for the Solano Irrigation District.
6. The proposal is exempt from CEQA under section 15315 – minor land divisions.
7. The subject detachment is in the best interests of the citizens within the affected area.
8. The subject detachment will not result in negative impacts to the cost and adequacy of services otherwise provided by SID to adjacent areas within their service boundaries.
9. The subject detachment will result in a loss of \$5.21 tax base from SID and a gain of the same amount for the City of Fairfield.
10. The District has collected all applicable detachment fees per the agreement between the City and the District.

VI. 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 an election as provided by GC 56885.5.
2. Immediately following LAFCO approval, the District shall submit a warrant to Solano LAFCO for the CA State Board of Equalization in the amount of \$300.00.
3. Immediately following LAFCO approval, the District shall submit a warrant to Solano LAFCO for \$119.00.
4. 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.
5. Certificate of Completion shall not be recorded until the project map and legal description are approved and signed by the Solano County Surveyor.

Agenda Item 7.B – SID detach Habitat for Humanity

Attachments:

Action Item: Solano LAFCO Resolution Approving the Detachment of Lands from Solano Irrigation District within the City of Fairfield for Solano-Napa Habitat for Humanity (APN 028-280-210 & 028-280-300) (0.36 acres) and Exhibit A – Legal Description and Map

Attachment A: SID Resolution 23-02 Initiating the Change of Organization

Attachment B: City of Fairfield Notice of Exemption from CEQA

LAFCO RESOLUTION NO. 2023-xx

**RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION
OF SOLANO COUNTY APPROVING THE DETACHMENT OF LANDS FROM SOLANO
IRRIGATION DISTRICT WITHIN THE CITY OF FAIRFIELD FOR SOLANO-NAPA
HABITAT FOR HUMANITY (APN 028-280-210 & 028-280-300) (0.36 ACRES).
(LAFCO PROJECT 2023-04)**

WHEREAS, an application initiated by resolution for the proposed detachment of certain territory from the Solano Irrigation District (SID) in Solano County was filed with the Executive Officer of this Local Agency Formation Commission pursuant to the Cortese/Knox/Hertzberg Local Government Reorganization Act, commencing with Section §56000, et seq. of the Government Code by the Solano Irrigation District; and,

WHEREAS, SID has requested to detach two parcels totaling 0.36 acres located on Woolner Avenue near Columbus Drive in the City of Fairfield; and,

WHEREAS, the Executive Officer has examined the proposal and certified that it is complete and has accepted the proposal for filing as of April 3, 2023; and,

WHEREAS, the proposal is exempt from the requirements for notice and hearing pursuant to Government Code §56663, because it consists of detachment only, and 100% of landowners have given their written consent to the proposal; and,

WHEREAS, the Executive Officer, pursuant to Government Code §56665 has reviewed this proposal and prepared a report including his recommendations, and has furnished a copy of this report to each person entitled to a copy; and,

WHEREAS, the Solano Irrigation District, as the lead agency, determined that detaching the property for SID is exempt from CEQA under section 15315 – Minor Land Divisions; 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, plans for providing service, spheres of influence, applicable municipal service reviews, the specific plan, and the City’s general plan; 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. The subject detachment is consistent with the District’s SOI; the proposal area will be removed from the District’s SOI as part of the Commission’s action.

Commissioners

John Vasquez, Chair • Nancy Shopay, Vice-Chair • Ron Rowlett • Harry Price • Jim Spring

Alternate Commissioners

Robert Guerrero • Ron Kott • Mitch Mashburn

Staff

Rich Seithel, Executive Officer • Christina Love, Deputy Executive Officer • Aaron Norman, Analyst II • Mala Subramanian, Lead Legal Counsel

2. The subject detachment allows the City of Fairfield and the Solano Irrigation District to comply with a joint powers agreement and understanding that the subject property shall be detached from the District's service area and that City will provide potable and non-potable water prior to development.
3. The subject detachment eliminates the potential for duplication of two service providers to the subject property.
4. The subject proposal area is "uninhabited" as defined by Government Code (GC) §56079.5. Application for the subject detachment is made subject to GC §56650 et seq. by resolution of the Solano Irrigation District. All landowners have consented to the proposal therefore; the Commission waives the conducting authority proceedings (protest hearing).
5. The boundaries are definite and certain and conform to lines of ownership and parcel lines. The detachment will provide a logical and orderly boundary for the Solano Irrigation District.
6. The proposal is exempt from CEQA under section 15315 – minor land divisions.
7. The subject detachment is in the best interests of the citizens within the affected area.
8. The subject detachment will not result in negative impacts to the cost and adequacy of services otherwise provided by SID to adjacent areas within their service boundaries.
9. The subject detachment will result in a loss of \$5.21 tax base from SID and a gain of the same amount for the City of Fairfield.
10. The District has collected all applicable detachment fees per the agreement between the City and the District.

NOW, THEREFORE, BE IT HEREBY RESOLVED, DETERMINED AND ORDERED as follows:

1. The Solano-Napa Habitat for Humanity property detachment from SID is approved, subject to the conditions listed below.
2. Said territory is detached as proposed and as set forth and described in the attached descriptive map and geographical description marked "Exhibit A" and by this reference incorporated herein.
3. Pursuant to Section 15315 of the CEQA Guidelines, LAFCO finds the project to be categorically exempt from CEQA.
4. Said territory includes approximately 0.36 acres and is found to be uninhabited, and the territory is assigned the following short form designation:

Solano Irrigation District detaching Solano-Napa Habitat for Humanity (Fairfield)
5. The proposal area shall be removed from the sphere of influence of the Solano Irrigation District concurrent with the subject detachment.
6. The following changes of organization or reorganization are approved:

Detachment from Solano Irrigation District

- 7. All subsequent proceedings in connection with this detachment shall be conducted only in compliance with the approved boundaries and conditions set forth in the attachments and any terms and conditions specified in this resolution.
- 8. Conducting Authority proceedings are waived.
- 9. The Executive Officer is hereby directed to file a Notice of Exemption in compliance with the California Environmental Quality Act and local ordinances implementing the same.

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

- 1. The Commission orders the change of organization without an election as provided by GC 56885.5.
- 2. Immediately following LAFCO approval, the District shall submit a warrant to Solano LAFCO for the CA State Board of Equalization in the amount of \$300.00.
- 3. Immediately following LAFCO approval, the District shall submit a warrant to Solano LAFCO for \$119.00.
- 4. 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.
- 5. Certificate of Completion shall not be recorded until the project map and legal description are approved and signed by the Solano County Surveyor.

I HEREBY CERTIFY that the foregoing resolution was duly passed and adopted by the Local Agency Formation Commission of Solano County at a regular meeting, held on the 12th day of June 2023, by the following vote:

AYES:
NOES:
ABSENT:

Nancy Shopay, Chair
Presiding Officer Solano LAFCO

ATTEST:

Christina Love, Deputy Executive Officer

Exhibit A – Legal Description and Map Woolner Avenue Property

EXHIBIT A

Agenda Item 7.B – Action Item

LAFCO Project Number _____

Detachment Number _____

DETACHMENT FROM THE SOLANO IRRIGATION DISTRICT

Portion of the Suisun Rancho lying in projected Section 27, T.5N., R.2W., M.D.M.

City of Fairfield County of Solano State of California.

Legal Description begins at Page 2

Map Exhibit begins at Page 3

SURVEYOR’S STATEMENT

This legal description and map exhibit of the Solano Irrigation District Detachment boundary is not a legal property description as defined in the Subdivision Map Act and may not be used as a basis for an offer of sale of the land described. It is for assessment purposes only.

Prepared by me or under my direction in conformance with the requirements of the Land Surveyor’s Act,

DRAFT for Agency Review – Final Version will bear wet signature and seal on all Pages

_____ Date: _____

Charles M. Weakley, L.S. 6421
Mountain Pacific Surveys

SOLANO IRRIGATION DISTRICT STATEMENT

This legal description and map exhibit have been reviewed and the information provided has been verified to tie to approved existing District boundaries, prior annexations, and/or detachments.

_____ Date: _____

Robert Holmes, Senior Real Estate Manager
Solano Irrigation District

COUNTY SURVEYOR’S STATEMENT

This legal description and map exhibit meet the requirements of the State Board of Equalization, the Solano County Assessor/Recorder’s office, and conforms to the lines of assessment.

_____ Date: _____

Brian L. Sousa, L.S. 7917
Acting County Surveyor

APPROVAL BY LOCAL AGENCY FORMATION COMMISSION:

_____ Date: _____

Rich Seithel, Executive Officer
Solano LAFCO

EXHIBIT A
LEGAL DESCRIPTION

LAFCO Project Number _____

Detachment Number _____

DETACHMENT FROM THE SOLANO IRRIGATION DISTRICT

All that certain real property situate in the City of Fairfield, County of Solano, State of California, being a portion of the Suisun Rancho lying in projected Section 27, T.5N., R2.W., M.D.M., and, further being all of Parcels 1, 2, and 3 as said parcels are shown on that certain map entitled "Parcel Map Habitat for Humanity Woolner Avenue Subdivision" filed for record October 11, 2022, in Book 53 of Parcel Maps at Page 82 in the office of the Solano County Recorder, being more particularly described as follows:

Commencing at the centerline intersection of Columbus Drive and Woolner Avenue as shown on said Parcel Map, thence from said intersection,

Course 1) South 71° 30' 00" West, 111.42 feet; thence,

Course 2) South 01°58'33" East, 31.29 feet to the northeast corner of said Parcel 1 and the True Point of Beginning of this description; thence along the easterly line of said Parcels 1 and 3,

Course 3) South 01°58'33" East, 178.92 feet to the southeast corner of said Parcel 3; thence along the southerly line of said Parcels 3 and 2,

Course 4) North 74°11'17" West, 166.21 feet to the southerly line of Woolner Avenue as shown on said Parcel Map; thence along said southerly line the following three courses:

Course 5) northeasterly along the arc of a non-tangent curve concave southeasterly having a radius of 200.00 feet from which point the radius bears South 60°20'42" East, 63.36 feet through a central angle of 18°09'04" (chord North 38°43'50" East, 63.10 feet); thence,

Course 6) North 47°48'22" East, 73.06 feet to the beginning of curve, thence,

Course 7) northeasterly along the arc of said curve, concave southeasterly having a radius of 170.00 feet, 70.21 feet through a central angle of 23°39'45" (chord North 59°38'15" East 69.71 feet) to the True Point of Beginning.

Containing 0.37 acres, more or less.

Bearing used in this description are based upon Book 53 of Parcel Maps, Page 82, Solano County Records.

End of Description

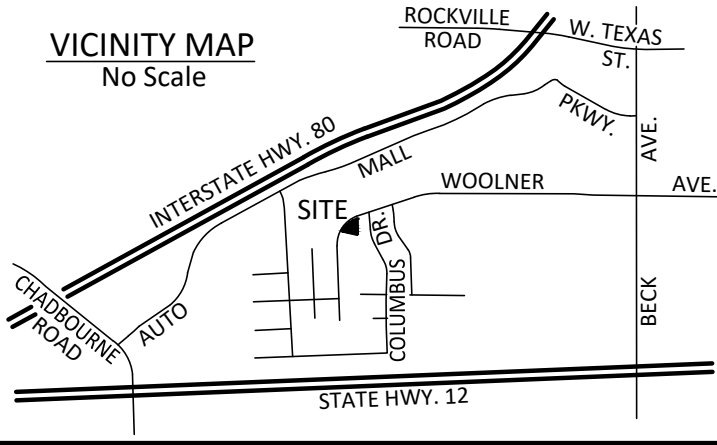
DRAFT for Agency Review – Final Version will bear wet signature and seal on all Pages

DETACHMENT NO. 7.B – Action Item

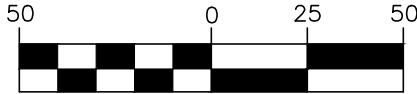
PORTION OF THE SUISUN RANCHO LYING IN
PROJECTED SECTION 27, T.5N., R.2W., M.D.M.
CITY OF FAIRFIELD SOLANO COUNTY CALIFORNIA

(X) Denotes Course Number
per Legal Description

VICINITY MAP
No Scale



GRAPHIC SCALE



1 inch = 50 ft.

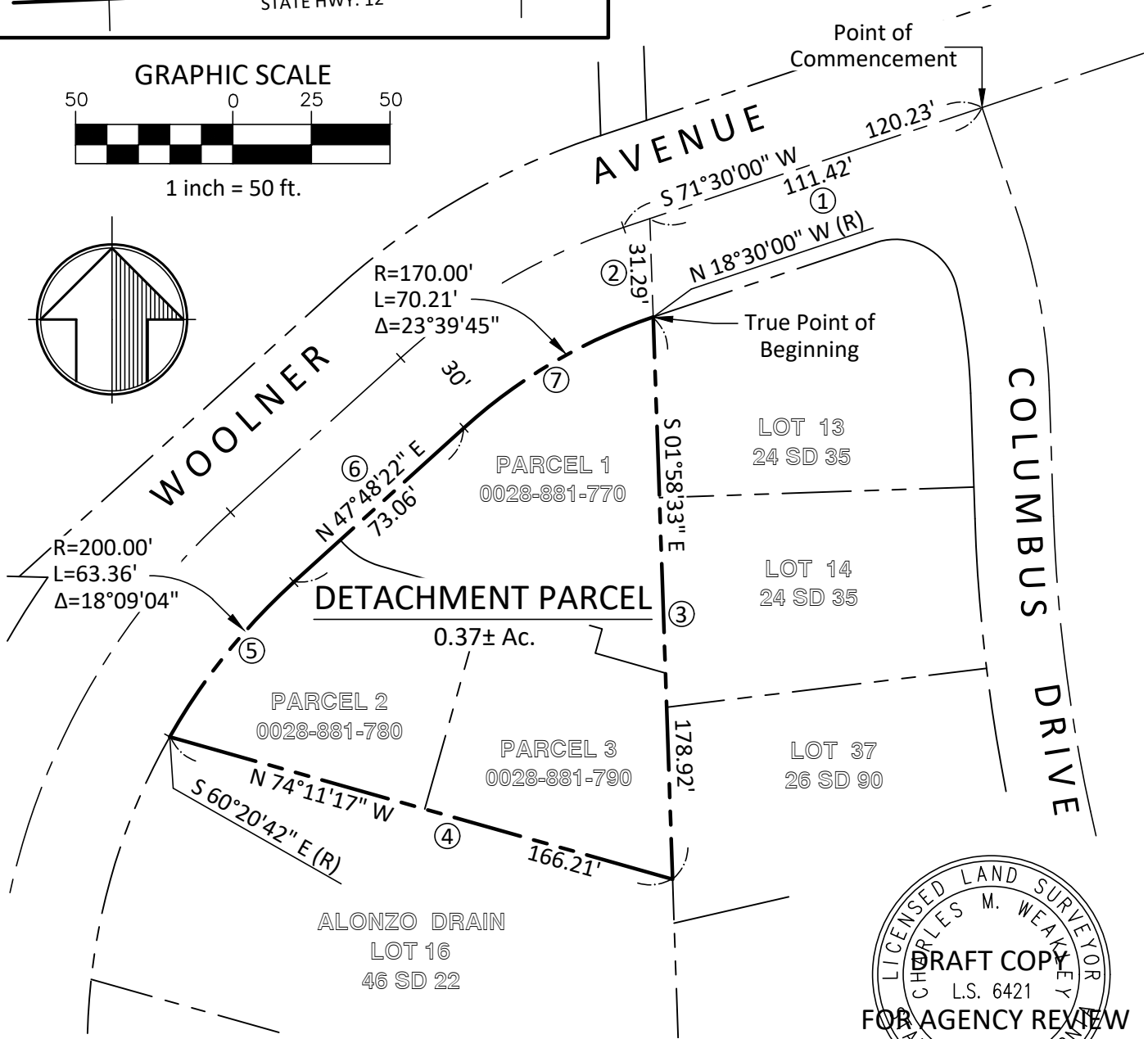
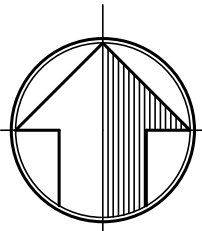


EXHIBIT A

Woolner Ave. Area Detachment
From Solano Irrigation District
City of Fairfield Solano County California

Drawn	CMW	Scale	1" = 50'
Date	02/03/2023	Sheet No.	3
Proj. No.	521020	of 3	

MOUNTAIN PACIFIC SURVEYS
1735 Enterprise Dr., Suite 109
Fairfield California 94533
P 707.425.6234 F 707.425.1969

CLOSURE REPORT

EXTERIOR BOUNDARY of DETACHMENT AREA

North: 4742.489' East: 9929.301'

Segment #1: Line

(POB-SE CORNER PARCEL #3)

Course: N74° 11' 17"W Length: 166.209'

North: 4787.778' East: 9769.381'

Segment #2: Curve

Length: 63.360' Radius: 200.000'

Delta: 018° 09' 04" Tangent: 31.948'

Chord: 63.095' Course: N38° 43' 50"E

Course In: S60° 20' 42"E Course Out: N42° 11' 38"W

RP North: 4688.823' East: 9943.185'

End North: 4836.998' East: 9808.857'

Segment #3: Line

Course: N47° 48' 22"E Length: 73.056'

North: 4886.066' East: 9862.982'

Segment #4: Curve

Length: 70.208' Radius: 170.000'

Delta: 023° 39' 45" Tangent: 35.612'

Chord: 69.710' Course: N59° 38' 15"E

Course In: S42° 11' 38"E Course Out: N18° 31' 53"W

RP North: 4760.117' East: 9977.161'

End North: 4921.302' East: 9923.131'

Segment #5: Line

Course: S01° 58' 33"E Length: 178.920'

North: 4742.488' East: 9929.300'

Perimeter: 551.753' Area: 16102.26 Sq. Ft.

Error Closure: 0.001 Course: S38° 43' 35"W

Error North: -0.0009 East: -0.0008

Precision 1: 550990.000



**SOLANO IRRIGATION DISTRICT
RESOLUTION NO. 23-02**

**A RESOLUTION OF APPLICATION BY THE
SOLANO IRRIGATION DISTRICT
REQUESTING THE SOLANO LOCAL AGENCY FORMATION COMMISSION
TO INITIATE PROCEEDINGS FOR THE REORGANIZATION OF TERRITORY
FOR THE DETACHMENT OF THE SOLANO NAPA HABITAT FOR HUMANITY
PROPERTY
DETACHMENT NO. 2023-321, CITY OF FAIRFIELD**

At a regular meeting of the Board of Directors of Solano Irrigation District held at the District Office on the 17th day of January, 2023, the following resolution was approved and adopted:

WHEREAS, the Solano Irrigation District desires to initiate proceedings pursuant to the Cortese-Knox-Hertzberg Act of 2000, commencing with Section 56000 of the California Government Code, for a reorganization which would detach territory from the Solano Irrigation District; and,

WHEREAS, This property is located within the City of Fairfield and is subject to detachment as it is developed for residential use. Water will be provided by the City and,

WHEREAS, the principal reasons for the proposed reorganization is to detach the Solano Napa Habitat for Humanity project. The detachment area has been subject to a parcel merger and subdivision that created three new parcels. The action merged and redivided APNs 0028-280-210 and APNs 0028-280-300. The subdivision created three lots totaling 16,102 square feet. "Exhibit A"

WHEREAS, the following agency or agencies would be affected by the proposed jurisdictional changes:

<u>Agency</u>	<u>Nature of Change</u>
Solano Irrigation District	Detachment

and,

WHEREAS, the territory proposed to be reorganized is uninhabited, and a map and description of the boundaries of the territory are attached hereto as Exhibit "A" by this reference incorporated herein; and,

WHEREAS, it is desired to provide that the proposed reorganization be subject to the following terms and conditions:

1. The landowner/developer has signed Work Order No. 22-3259 and has paid the estimated Detachment Fees of \$7,362.94.

• Detachment fees are as follows:

Part 1: SID Fee Debt Portion: (formerly Detachment Fee)	\$	0.00
SID Maintenance Detachment Fee		208.94
Part 2: Agency Processing Fees:		
SID Engineering and Processing Fees		3,500.00 *
Agency Fees		
BOE Filing Fee	\$ 300.00	
Certificate of Completion	25.00	
LAFCO Filing Fee	3,000.00	
County Filing Fee (NOE)	220.00	
<u>County Mapping Division</u>	<u>109.00</u>	<u>3654.00</u>

Total Estimated Detachment Fees **\$7362.94 ***

* Sid Engineering and Processing Fees are estimated, owner to pay actual charges.

All actual costs are to be paid by developers and/or landowners, at no cost to the District.

2. The parcels and roadways whose boundaries and centerlines define the boundary of the territory being detached shall be recorded as shown in Exhibit “A” in the form required by the Solano Local Area Formation Commission and Solano County so as to ensure that the District’s boundary line coincides with recorded boundaries; and,

WHEREAS, this proposal is consistent with the adopted spheres of influence for the agencies subject to this reorganization; and,

WHEREAS, the Project was found to be exempt from the California Environmental Quality Act (CEQA) by the Fairfield Housing authority, and as such, no further action is required under CEQA. The District will file a Notice of Exemption identifying the detachment as a Ministerial act.

NOW, THEREFORE, this Resolution of Application is hereby adopted and approved by the Board of Directors of the Solano Irrigation District, and the Solano Local Agency Formation Commission is hereby requested to take proceedings for the detachment of territory as authorized and in the manner provided by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

Resolution No. 23-02: Reorganization of Territory, Solano Napa Habitat for Humanity Project Agenda Item 7.B – SID
Detachment No. 2023-321

PASSED AND ADOPTED the 17th day of January, 2023, by the Board of Directors of the Solano Irrigation District, County of Solano, State of California, by the following vote:

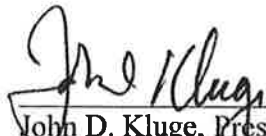
AYES: Herich, Sanchez, Barrett, Lum, Kluge

NOES: None

ABSTAIN: None

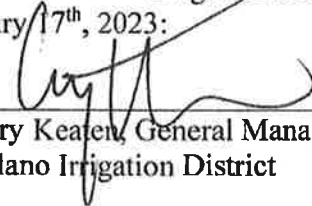
ABSENT: None

DATED: January 17, 2023



John D. Kluge, President of the Board of Directors
Solano Irrigation District

ATTEST: I hereby certify that the foregoing Resolution was duly made, seconded and adopted by the Board of Directors of Solano Irrigation District at a regular meeting of this Board held January 17th, 2023:



Cary Keaten, General Manager
Solano Irrigation District



State of California - Department of Fish and Wildlife
2022 ENVIRONMENTAL DOCUMENT FILING FEE
CASH RECEIPT
 DFW 753.5a (REV. 01/01/22) Previously DFG 753.5a

Attachment B

Agenda Item 7.B – SID

RECEIPT NUMBER:
 48 — 05/12/2022 — 091
 STATE CLEARINGHOUSE NUMBER *(If applicable)*

SEE INSTRUCTIONS ON REVERSE. TYPE OR PRINT CLEARLY.

LEAD AGENCY CITY OF FAIRFIELD	LEAD AGENCY EMAIL	DATE 05/12/2022
COUNTY/STATE AGENCY OF FILING Solano	DOCUMENT NUMBER 05122022-091	

PROJECT TITLE

HABITAT FOR HUMANITY

PROJECT APPLICANT NAME MARK BAIDES, SOLANO-NAPA HABITAT FOR HUMANITY	PROJECT APPLICANT EMAIL	PHONE NUMBER (707) 428-7474
PROJECT APPLICANT ADDRESS 1000 WEBSTER STREET, SECOND FLOOR	CITY FAIRFIELD	STATE CA
		ZIP CODE 94533

PROJECT APPLICANT *(Check appropriate box)*

- Local Public Agency
 School District
 Other Special District
 State Agency
 Private Entity

CHECK APPLICABLE FEES:

- | | | | |
|---|------------|----|------|
| <input type="checkbox"/> Environmental Impact Report (EIR) | \$3,539.25 | \$ | 0.00 |
| <input type="checkbox"/> Mitigated/Negative Declaration (MND)(ND) | \$2,548.00 | \$ | 0.00 |
| <input type="checkbox"/> Certified Regulatory Program (CRP) document - payment due directly to CDFW | \$1,203.25 | \$ | 0.00 |

- Exempt from fee
 Notice of Exemption (attach)
 CDFW No Effect Determination (attach)
 Fee previously paid (attach previously issued cash receipt copy)

- | | | | |
|---|----------|----|-------|
| <input type="checkbox"/> Water Right Application or Petition Fee (State Water Resources Control Board only) | \$850.00 | \$ | 0.00 |
| <input checked="" type="checkbox"/> County documentary handling fee | | \$ | 50.00 |
| <input type="checkbox"/> Other | | \$ | 0.00 |

PAYMENT METHOD:

- Cash
 Credit
 Check
 Other
 TOTAL RECEIVED
 \$ 50.00

SIGNATURE 	AGENCY OF FILING PRINTED NAME AND TITLE AIMEE JOHNSON, DEPUTY
---------------	---

Check Number: 1340
 Receipt Number: 1066469

Notice of Exemption

Appendix E
Agenda Item 7.B - SID

To: Office of Planning and Research
P.O. Box 3044, Room 113
Sacramento, CA 95812-3044

County Clerk
County of: Solano

From: (Public Agency): The City of Fairfield
1000 Webster Street, Second Floor
Fairfield, CA 94533

(Address)

FILED

MAY 12 2022

Bill Emlen, Clerk of the
~~Board of Supervisors of~~
~~the County of Solano,~~
~~State of California~~
Deputy

Project Title: Habitat for Humanity
Project Applicant: Mark Baides, Solano-Napa Habitat for Humanity
Project Location - Specific:
Woolner Avenue, Fairfield, CA 94533 (APNs: 0028-280-210 & 0028-280-300)

Project Location - City: Fairfield Project Location - County: Solano

Description of Nature, Purpose and Beneficiaries of Project:
Divide two parcels totaling ±0.36 acres located on Woolner Avenue (APNs: 0028-280-210 & 0028-280-300) into three parcels: ±4,674 square feet, ±5,000 square feet, and ±6,036 square feet.

Name of Public Agency Approving Project: City of Fairfield

Name of Person or Agency Carrying Out Project: Meily M Sheehan

- Exempt Status: (check one):
- Ministerial (Sec. 21080(b)(1); 15268);
 - Declared Emergency (Sec. 21080(b)(3); 15269(a));
 - Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
 - Categorical Exemption. State type and section number: 15315. Minor Land Divisions
 - Statutory Exemptions. State code number: _____

Reasons why project is exempt:
Residential zoned property dividing into four or fewer parcels. In conformance with the General Plan and Zoning. All services and access to the proposed parcels are available.

Lead Agency
Contact Person: Meily M Sheehan Area Code/Telephone/Extension: (707) 428-7474

- If filed by applicant:
1. Attach certified document of exemption finding.
 2. Has a Notice of Exemption been filed by the public agency approving the project? Yes No

Signature: Date: 05/09/2022 Title: Principal Planner

Signed by Lead Agency Signed by Applicant

Authority cited: Sections 21083 and 21110, Public Resources Code. Date Received for filing at OPR: _____
Reference: Sections 21108, 21152, and 21152.1, Public Resources Code.

Document Posted From
05/12/22 to _____

Deputy Clerk of the Board

Official Departmental Receipt - County of Solano

1066469

FAIRFIELD, CALIF., May 12, 2022

Agenda Item 7.B - SID

RECEIVED FROM City of Fairfield \$ 50.00

Fifty and no/100 DOLLARS

IN PAYMENT OF NOE - Admin Fee

F&W# 49-05122022-091

Doc# 05122022-091

CK# 1340 (Solano-Napa
Habitat for Humanity)

CAD/BOS DEPARTMENT

ORIGINAL

BY [Signature] Deputy


Solano County

Date	Type	Reference	Original Amt.	Balance Due	Discount	Payment
5/9/2022	Bill	Environmental Fee	50.00	50.00		50.00
					Check Amount	50.00
					Agenda Item 7.B – SID	

5/9/2022

Agenda Packet Page 83 of 187

Umpqua Bank - Wool	PD1-PF - Environmental filing for Woolner Aven	50.00
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Solano Local Agency Formation Commission
 675 Texas St. Ste. 6700 • Fairfield, California 94533
 (707) 439-3897 • FAX: (707) 438-1788

STAFF REPORT

DATE: June 12, 2023
 TO: Solano Local Agency Formation Commission
 FROM: Rich Seithel, Executive Officer
 SUBJECT: **LAFCO Project No. 2021-08: Rural North Vacaville Water District Sphere of Influence Update**

Recommendation:

DETERMINE that the sphere of influence update is exempt pursuant to Title 14 California Code of Regulations, Chapter 3 Guidelines for Implementation of the California Environmental Quality Act (CEQA), Section 15061(b)(3).

DIRECT staff to prepare and file a Notice of Exemption pursuant to CEQA Guidelines Section 15062.

REVIEW the staff draft determinations contained in the attached Action Item - draft LAFCO Resolution.

ADOPT attached LAFCO Resolution making determinations and updating sphere of influence amendment as detailed in the draft resolution.

DIRECT the Executive Officer to complete the necessary filings and transmittals as required by statute.

Executive Summary:

LAFCOs establish, amend, and update SOIs to designate the territory that represents the appropriate and probable future service areas and jurisdictional boundaries of the affected agencies. According to Government Code Section (GC § 56430), “in order to prepare and to update SOIs, the Commission shall conduct a service review (MSR) of the services provided and shall prepare a written statement of its determinations.”

On August 8, 2022, the Commission adopted the Rural North Vacaville Water District’s (RNVWD or District) MSR. Among several findings, the MSR determined that the RNVWD was formed in 1996¹ for two purposes: 1) to provide potable water and 2) water for fire suppression².

¹ January 8, 1996 Resolution 96-2

² Vacaville Fire Protection District requires that system should provide a minimum of 250 GPM at a minimum of 60 PSI for 20 minutes (Attachment B). Chief Howard Wood, VFPD, reconfirmed in January 2023.

Commissioners

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

Alternate Commissioners

Robert Guerrero • Alma Hernandez • Wanda Williams

Staff

Rich Seithel, Executive Officer • Christina Love, Deputy Executive Officer • Aaron Norman, Analyst II • Mala Subramanian, Lead Legal Counsel

Agenda Item 7.C – RNVWD SOI Update

The MSR determined that the District has the source capacity for a maximum of 533 connections. Currently, the District has 398 active connections and a balance of 135 available connections to serve approximately 300 parcels that have no connection (90 in-District and 210 in current SOI). Attachment C depicts the existing District's parcels and sphere of influence.

The MSR also encouraged RNVWD to develop a strategic plan to prepare for potential residential growth due to parcel subdivision and accessory dwelling units. Staff is continuing to work with the District on this recommendation.

While discussions continue, the RNVWD Board adopted Resolution 2023-68 on April 22, 2023, (Attachment A) identifying 18 parcels for consideration in the SOI Update.

In making SOI decisions and updates, LAFCOs are required to prepare written statements addressing five specific planning factors listed under GC § 56425. In addition to these factors, staff has developed a framework for evaluating and identifying potential parcels for possible inclusion.

Following is a discussion including I. Background, II. Project Description III. Statutory CKH mandatory findings, IV. Framework, V. Parcel Identification and Analysis Methodology, VI. Options, VII. Environmental Determination, VIII. Recommended Conditions of Approval, and IX. Conclusion. Generally, this discussion and analysis concluded that SOI candidates should be probable annexations and within close proximity to the main water line. Options are provided for the Commission's consideration.

Discussion:

I. Background:

As noted in the Executive Summary, LAFCOs establish, amend, and update SOIs to designate the territory that represents the appropriate and probable future service areas and jurisdictional boundaries of the affected agencies. Importantly, all jurisdictional changes, such as annexations and detachments, must be consistent with the spheres of the affected local agencies.

In making sphere determinations, LAFCOs are required to prepare written statements addressing five specific planning factors listed under GC § 56425. These mandatory factors range from evaluating current and future land uses to the existence of pertinent communities of interest. The intent in preparing the written statements is to orient LAFCOs in addressing the core principles underlying the sensible development of local agencies consistent with the anticipated needs of the affected communities.

Solano LAFCO's SOI policy is "to discourage the inclusion of land in an agency's SOI if a need for services provided by that agency within a 5 to 20-year period cannot be demonstrated."

The Solano Local Agency Formation Commission (LAFCO or Commission) adopted the RNVWD Municipal Service Review (MSR) on August 8, 2022. The Commission adopted the MSR but an SOI update was delayed at the Commission's direction until recommendations adopted in LAFCO Resolution #2022-09 are addressed and until more information is developed regarding the District's capabilities to meet their two formation edicts.

The primary MSR findings and recommendations for consideration in this report include:

- The RNVWD is a 5,150+ acre Community Service District (CSD) with approximately 1,118 residents;
- The RNVWD was formed in 1996 for two purposes: 1) to provide potable water and 2) water for fire suppression.
- The RNVWD operates and manages a public water system whose sole source of water comes from two groundwater wells, drilled to a depth of approximately 1,400 feet, located in the basal zone of the Tehama Formation aquifer with adequate capacity for the system designed 533 service connections; and
- Given potential parcel growth from subdividing lots and Accessory Dwelling Units (ADUs), the MSR recommends that RNVWD develops a strategic plan that includes 5-year and 10-year demand forecasts, an infrastructure plan, and a hydraulic modeling study. The strategic plan would greatly inform the near-term SOI, as well as, provide a blueprint for the future.

RNVWD was formed in 1996 for two purposes: 1) to provide potable water and 2) water for fire suppression. Vacaville Fire Protection District requires that the system provides a minimum of 250 GPM at a minimum of 60 PSI for 20 minutes.

(Attachment B)

The strategic plan recommendation is particularly significant and has been discussed at length with RNVWD General Manager Stankowski, Coastland Engineering, CalWater, RNVWD’s Counsel, and the RNVWD Board Presidents (former President Calvert and current President Sweeney). Discussions included a hydraulic-modeling study, fire-flow documentation, and a 5 and 10-year business plan that would include a demand/supply study, potential expansion, and other important information for annexation considerations moving forward.

As noted, administratively, LAFCOs are required to prepare written statements addressing five specific planning factors and to act as the lead agency under CEQA. To augment this information, staff has been thoroughly and systematically analyzing and evaluating data culled from several sources, including 1) MSR parcel inventory, 2) District provided infrastructure distribution map, 3) CALFIRE’s November 2022 draft severity zone update map (depicted in Attachment F), 3) assessment district formation documents, 4) fire hydrant maps 5) RNVWD formation documents and design requirements, and 5) potential lateral distances.

II. Project Description:

While most agencies have contiguous parcels, it has been remarked that RNVWD looks more like “Swiss cheese”. This is a result of the infrastructure being designed to serve the parcels that chose to “opt-in”³ – not to effectively serve an entire geographic area. In other words, the system was not designed to serve all the parcels within an exterior boundary. This leaves demonstrable gaps between “opt-in” parcels and punctuates the distance between a parcel and the infrastructure, which is problematic for connections. The gaps in the District map draw attention but make it necessary to evaluate where the actual infrastructure line runs when updating a sphere of influence. Staff finds this advisable in the absence of an engineering

³ “opt in” – on October 16, 1995, the Commission directed staff to exclude from the SOI any parcels which specifically requested exclusion. Parcels that opted in were included in the District.

report that documents adherence to the VFPD requirement and a hydrology model that can predict the effects of additional connections given that pipe length can drop flow rate. This raises a question - *If you are not close to the infrastructure, should you be in the SOI or District?*

III. CKH Mandatory Findings GC§ 56425 (5-Factors):

	FACTOR	FINDINGS AND DETERMINATION
1	<i>Present and planned land uses in the area, including agricultural and open space lands.</i>	Land use in the area includes a mix of agriculture uses on larger lots of 20+ acres and rural residential on smaller lots ranging in size from 2.5 to 5+ acres in what is generally referred to as the English Hills area. Adjustment of the District’s SOI would not require a change to the County’s current General Plan land use designations. Future lot splits done in accordance with existing zoning have the potential to significantly increase developable parcels.
2	<i>Present and probable need for public facilities and services in the area.</i>	RNVWD has adequate capacity to sustain the designed maximum transmission capacity for 533 water connections. Currently, the District consists of 398 “active connections” and has declared that they are not planning to expand the current system beyond 533. Potential subdivision growth includes 259 additional parcels within the District and 32 within the current SOI. In addition to potential subdivisions, many parcels are permitted by right to build up to 1,500 sq. ft. accessory dwelling units (ADUs), which would affect the average consumption rate per connection and may affect transmission capacity capabilities.
3	<i>Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide</i>	There are two purposes the District was formed to provide: 1. Residential water service connections, and 2. Fire suppression water consistent with Vacaville Fire Protection District standards. The present water system is adequate to meet the residential service meter demand. There is no documentation that the District is meeting the fire flow requirement.
4	<i>Existence of social or economic communities of interest in the area</i>	There are no known social or economic communities of interest within or contiguous to the District’s boundaries or SOI.
5	<i>Present and probable need for public facilities and services for DUCS within the existing sphere of influence.</i>	There are no disadvantaged unincorporated communities (DUCs) within the District, the District’s sphere of influence, or contiguous to RNVWD boundaries.

IV. Framework:

In conjunction with the CKH mandatory findings, the following 10 observations, assumptions, and determinants help frame and inform the SOI update discussion and explain RNVWD’s situation and salient issues:

1. The District was formed by parcels that voted to be in the District, not drawn by geographic description.
2. The infrastructure was designed to serve the parcels that voted “yes”. It appears it was not designed, as constructed, to serve all the parcels within a specific geographically described exterior jurisdictional boundary.
3. Assumes that the water distribution pipeline map that was requested by LAFCO staff and provided by RNVWD is accurate.
4. 533 connections/parcels is the system design capacity. The fire flow requirement determined by VFPD is a minimum of 250 GPM at a minimum of 60 PSI for 20 minutes.
5. RNVWD policy is no more than one connection per parcel. Post MSR, RNVWD has 697 assessor parcel numbers (APNs): 486 in-District proper and 211 APNs n their SOI. According to the District, they are not concerned about the significant number of non-served in-District parcels due to their “First Come – First Served” policy and they espouse that being in the District does not guarantee a connection.
6. Of the 533 maximum connections, they have 398 “active”⁴ connections, leaving 135 available for connection.
7. There is potential subdivision growth of 290 additional parcels within the current District/SOI.
8. Accessory dwelling units (ADUs) are permitted by right and available to the vast majority of parcels.
9. RNVWD wants to increase the SOI for two major reasons: because they have identified potential customers that are not in the SOI that desire a connection and to address legal lot clean-up issues.
10. Solano LAFCO’s policy is “to discourage the inclusion of land in an agency’s SOI if a need for services provided by that agency within a 5 to 20 year period cannot be demonstrated.

PARCEL BREAKDOWN	
<i>How many parcels are there in the RNVWD service area?</i>	
APNs in the District	486
APNs in the current SOI	211
Total Parcels in the RNVWD service area	697
<i>How many service connections/meters are left?</i>	
Maximum # Connections	533
Active Connections	-398
Availabe Connections	135
<i>How many parcels are already in the District without a connection/meter?</i>	
Total APNs within the District	486
Current APNs with "Active Connections"	-398
APNs already in District without a connection	88
<i>How many current available parcels are there in the District including the SOI?</i>	
APNs already in District without a connection	88
APNs already in SOI	211
Total current available APNs	299

⁴ “active” indicates that a connection has been established NOT that the parcel is drawing water

V. Parcel Identification and Analysis Methodology:

Fifty-three parcels were identified for analysis. Eighteen were requested by the District in RNVWD Resolution 2023-68, adopted on April 22. An additional thirty-five were identified by LAFCO staff. A methodology was developed that would provide criteria to inform the discussion. Following are four identified criteria that are important to consider in the parcel evaluations: 1) remnant parcels; 2) 50-foot water line halo; 3) assessment zone 2; and, 4) CALFIRE high fire hazard severity zone. These criteria are described as follows:

- Remnant parcels are primarily parcels that are considered “legal lots”. LAFCO and the Board of Equalization recognize Assessor Parcel Numbers. The County Planning Department, Assessor, and RNVWD consider a parcel, "As used in the RNVWD Rules and Regulations, a parcel is contiguous property under single ownership and of sufficient size to be considered buildable under Solano County’s land use and development regulations. A parcel may have one or more assessor’s parcel numbers assigned to it." This is a clean-up item and it is recommended that remnant parcels should be added to the SOI, particularly given the policy of one connection per lot, not one per APN.
- 50-foot water line halo identifies parcels with property boundary lines that are within 50 feet of the distribution line. This attribute addresses two concerns: elimination of long laterals that may negatively impact fire-flow pressure requirement and may not require an extension of the mainline to provide service.
- Assessment Zone 2 parcels are not in the District but receive the benefit of fire suppression water. In updating the District map, it was determined that several parcels in Zone 2 were not included in the 2016 update. A case may be made for the inclusion of Zone 2 parcels because they have already invested funds into the RNVWD system.
- CALFIRE high fire hazard severity zone. According to CALFIRE, fire hazard is a measure of how a fire will behave, based on the physical conditions of an area that create a likelihood an area may burn due to a wildfire. The best available science and data are used to evaluate these zones based on factors that include fire history, vegetation, flame length, blowing embers, terrain, weather, and the likelihood of buildings igniting. The updated severity zones will envelop more parcels within the District and may incentivize more reliable fire suppression action by landowners securing RNVWD water vs. private wells.

Before territory can be annexed to a city or special district, it must be within the agency’s sphere (GC § 56375.5). However, a sphere is only one of several factors the Commission considers when evaluating changes of organization. Being in the SOI does not guarantee annexation.

Following is a table (Table 1: Parcel Analysis) of the 53 APNs separated into two categories: 18 District recommended parcels and 35 additional APNs that staff identified for consideration (Other Parcels Analyzed). Each parcel is then evaluated by the four criteria. Criteria that favor SOI inclusion are the remnant parcels and the APNs within the 50-foot halo. Less heavily weighted are the CALFIRE High Hazard Fire Severity Zone and Assessment Zone APNs. Points were assigned by criteria to develop a metric for decision-making.

TABLE 1: PARCEL ANALYSIS

Agenda Item 7.C – RNVWD SOI Update

CRITERIA						OPTIONS					
	APN	Remnant Parcel (4 Points)	Within 50' Water Line Halo (3 Points)	CAL FIRE High Fire Hazard Severity Zone (2 Points)	In Assessment Zone 2 (1 Point)	Total Score	Option 1: Clean-up Parcels	Option 2: Point System	Option 3: Option 2 + Balance of District Recommendation	Option 4: Commission Recommendation	
District Proposed Parcels	1	0104150350	✓	✓	X	✓	8	✓	✓	✓	✓
	2	0104150450	✓	X	X	✓	5	✓	✓	✓	✓
	3	0105070310	✓	✓	✓	✓	10	✓	✓	✓	✓
	4	0105170050	✓	✓	✓	✓	10	✓	✓	✓	✓
	5	0105170100	✓	X	✓	✓	7	✓	✓	✓	✓
	6	0105200180	✓	✓	✓	✓	10	✓	✓	✓	✓
	7	0105220120	✓	✓	✓	✓	10	✓	✓	✓	✓
	8	0105220130	✓	✓	✓	✓	10	✓	✓	✓	✓
	9	0102230070	X	✓	✓	✓	6	X	✓	✓	✓
	10	0105050410	X	✓	✓	✓	6	X	✓	✓	✓
	11	0105050420	X	✓	✓	✓	6	X	✓	✓	✓
	12	0105050950	X	✓	✓	✓	6	X	✓	✓	✓
	13	0105060460	X	✓	X	✓	4	X	✓	✓	✓
	14	0105070370	X	X	✓	✓	3	X	X	✓	✓
	15	0123030060	X	X	✓	X	2	X	X	✓	✓
	16	0123070020	X	X	✓	X	2	X	X	✓	✓
	17	0105110730					N/A				
	18	0105170250					N/A				
Other Parcels Analyzed	19	0104120850	✓	X	X	✓	5	✓	✓	✓	✓
	20	0102070030	X	✓	✓	X	5	X	✓	✓	✓
	21	0105180290	X	✓	X	✓	4	X	✓	✓	✓
	22	0105060550	X	✓	X	✓	4	X	✓	✓	✓
	23	0105150310	X	✓	X	✓	4	X	✓	✓	✓
	24	0105150320	X	✓	X	✓	4	X	✓	✓	✓
	25	0105180620	X	✓	X	X	3	X	○	○	
	26	0105180190	X	✓	X	X	3	X	○	○	
	27	0105180110	X	✓	X	X	3	X	○	○	
	28	0105180180	X	✓	X	X	3	X	○	○	
	29	0105180820	X	✓	X	X	3	X	○	○	
	30	0105150120	X	✓	X	X	3	X	○	○	
	31	0105150050	X	✓	X	X	3	X	○	○	
	32	0105120320	X	✓	X	X	3	X	○	○	
	33	0105140060	X	✓	X	X	3	X	○	○	
	34	0105140110	X	✓	X	X	3	X	○	○	
	35	0105140030	X	✓	X	X	3	X	○	○	
	36	0105140100	X	✓	X	X	3	X	○	○	
	37	0105140020	X	✓	X	X	3	X	○	○	
	38	0105140080	X	✓	X	X	3	X	○	○	
	39	0105060630	X	✓	X	X	3	X	○	○	
	40	0105030750	X	✓	X	X	3	X	○	○	
	41	0104120470	X	✓	X	X	3	X	○	○	
	42	0104120320	X	X	X	✓	1	X	X	X	X
	43	0104120390	X	X	X	✓	1	X	X	X	X
	44	0104120400	X	X	X	✓	1	X	X	X	X
	45	0104120410	X	X	X	✓	1	X	X	X	X
	46	0104120420	X	X	X	✓	1	X	X	X	X
	47	0104120430	X	X	X	✓	1	X	X	X	X
	48	0104120440	X	X	X	✓	1	X	X	X	X
	49	0104120670	X	X	X	✓	1	X	X	X	X
	50	0104120680	X	X	X	✓	1	X	X	X	X
	51	0105030400	X	X	X	✓	1	X	X	X	X
	52	0105060200	X	X	X	✓	1	X	X	X	X
	53	0105180050	X	X	X	✓	1	X	X	X	X

✓	Yes
X	No

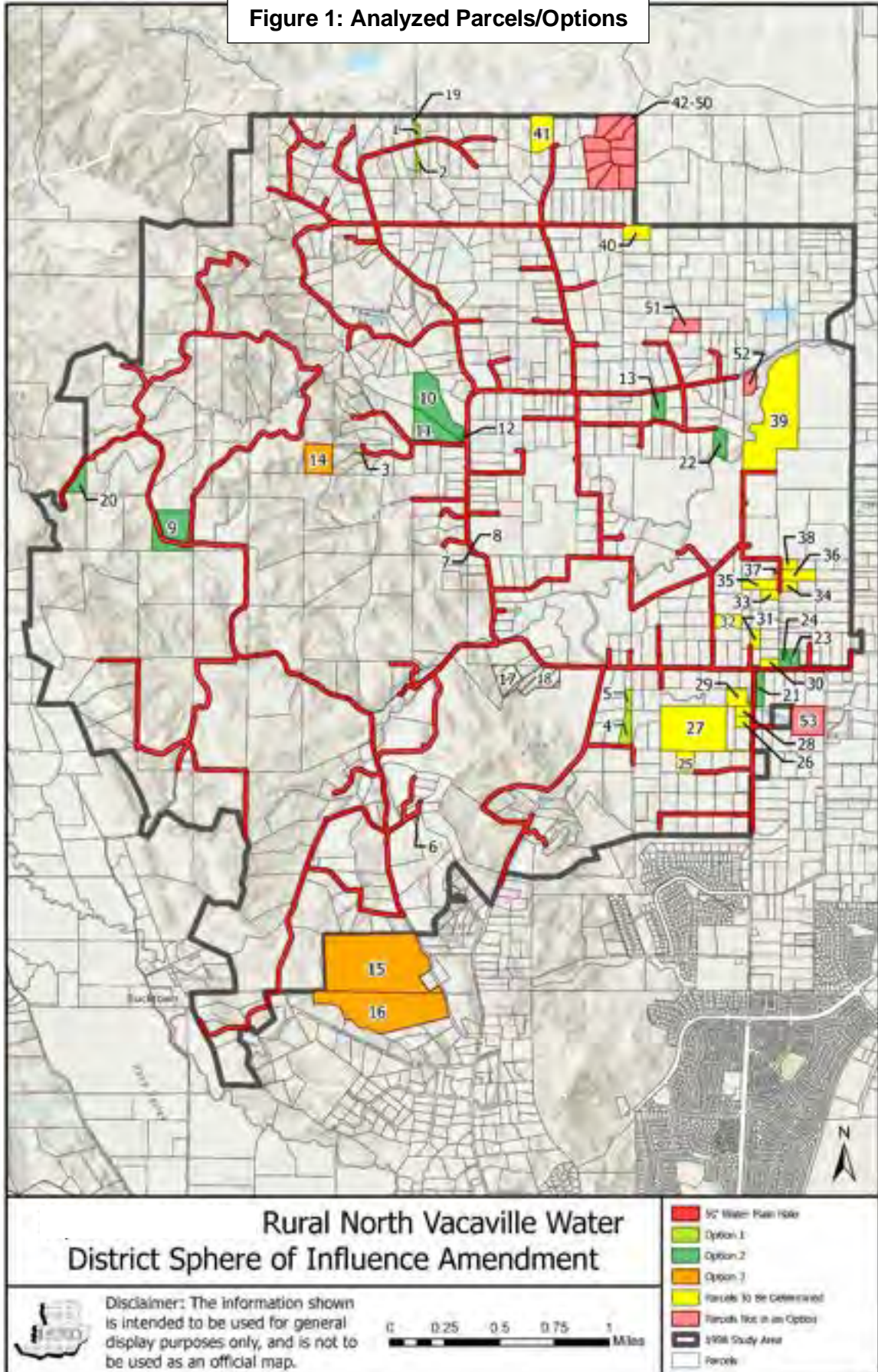
✓	Yes
○	To Be Determined
X	No

Note: These three parcels are not being recommended by staff primarily due to their distance from the existing water delivery infrastructure. (approx. 200', 434', and 842' respectively)

Note: These two parcels are already in the district. They are the product of a subdivision, and the original parcel was in the district. Therefore, no action

Note: The inclusion of these parcels is up for discussion because they have close proximity to the existing water delivery infrastructure, but do not fall within any of the other attributes analyzed. Proximity to the water main was weighted heavily when determining staff recommendations, but it is unclear whether being within this halo automatically constitutes being an area of "probable" growth.

Figure 1: Analyzed Parcels/Options



VI. Options:

Two of the 18 APNs submitted by the RNVWD Board Resolution are not applicable for SOI analysis. As noted in the table, APN 0105110730 and APN 01051700250, are already in the District rendering an SOI evaluation unnecessary. Therefore, the analysis will be considering 16 District recommended APNs and 35 Other Parcels (51 total).

After evaluating each parcel against the criteria, four options were developed for SOI inclusion: 1) Cleanup Parcels; 2) Point System; 3.) Option 2 plus Balance of District Request, and; 4) Commission Recommendation. Following are the pros and cons of Options 1, 2, 3, and 4:

▪ Option 1 - Cleanup Parcels

Pros – Cleaning up the remnant parcels is necessary. As described in the criteria section, remnant parcels are primarily parcels that are considered legal lots. It is recommended that remnant parcels should be added to the SOI, particularly given the policy of one connection per lot, not one per APN. In addition, these parcels scored 5 or higher in the point system.

The Clean-up Option recommends 9 parcels: 8 of the 16 parcels that RNVWD is requesting and 1 of the Other Parcels.

Cons – No cons identified. Cleaning up legal lots is required.

▪ Option 2 – Point System (Staff Recommendation)

Pros - The point system is a metric-based methodology with an emphasis on “appropriate and probable” as defined in the Government Code. Parcels earn points based on meeting criteria. Criteria are weighted by necessity (4 points), consideration of fire flow requirement through transmission line proximity (3 points), parcel located in the high fire hazard severity zone (2 points), and parcel located in Benefit Assessment Zone 2 (1 point). Parcels scoring 4 or higher were judged to be qualified for inclusion.

The Point System Option includes 19 parcels: 13 of the 16 parcels RNVWD is recommending and 6 of the Other Parcels.

Cons – LAFCO staff analyzed and mined data from the GIS layers provided by CalCad. We are assuming that the infrastructure maps are accurate. We are also assuming that 50 feet or less is a reasonable lateral line distance and lessens the reduction of fire flow. According to calculations based on the CalCad layers, the average lateral distance for the existing system is 25 feet.

▪ Option 3 – Option 2 plus Balance of District Request

Pros – Satisfies RNVWD’s request.

The Point System Option + Valance of District request includes 22 parcels: 16 of the 16 parcels RNVWD recommends and 6 Other Parcels.

Cons – The added 3 remaining properties that the District is recommending are a concerning distance from the existing infrastructure. Utilizing the infrastructure map layers forwarded by the District and CalCad, LAFCO staff plotted the distance from the existing

Agenda Item 7.C – RNVWD SOI Update

water delivery infrastructure to the closest parcel boundary point. Measurements for the three parcels are approximately 200 ft., 434 ft., and 842ft. respectively. There is also concern that since the two southern properties were specifically excluded from the District, adding them may trigger a need for CEQA and main infrastructure extension.

▪ Option 4 – LAFCO Commission Recommendation

Pros – Informed recommendation including info from the public hearing.

The Commission Recommendation is Option 2 (Point System Option) + additions/deletions as directed by the Commission.

Point System Option includes 22 parcels: 16 of the 16 parcels RNVWD is recommending and 6 of the Other Parcels.

VII. Environmental Determination:

SOI updates are projects and subject to environmental review under CEQA. An exemption under Section 15061(b)(3) is appropriate as this finding is based on the Commission determining with certainty the update will have no possibility of significantly affecting the environment given no new land-use or municipal service authority is granted. Consequently, a Notice of Exemption (NOE) was prepared for the adoption of the SOI Update.

VIII. Recommended Conditions of Approval

1. RNVWD Will-Serve Letters shall have a sign-off signature/stamp from a licensed qualified engineer with appropriate expertise confirming that, with the annexation, the RNVWD will continue to fulfill the Vacaville Fire Protection District's minimum requirement that the system provides a minimum of 250 GPM at a minimum of 60 PSI for 20 minutes.
2. RNVWD Board adopted Resolutions of Application shall include a clause confirming that the District has the capacity to meet the CCR §64544 Maximum Daily Demand requirements.
3. RNVWD Board adopted Resolutions of Application shall include a clause confirming that the District has the pressure to meet the Vacaville Fire Protection District's minimum requirement that "the system provides a minimum of 250 GPM at a minimum of 60 PSI for 20 minutes."
4. Given that there are a limited number of available connections (135) and approximately 300 APNS without a connection (≈ 90 in-District and 210 in the existing SOI), District shall survey parcels to determine intent/interest in RNVWD services.
5. The District shall regularly publish connection information in the District Newsletter, prominently on the website, and/or through direct mailing.

Conclusion:

A Sphere of Influence is defined as the probable physical boundary and service area of a local agency. Solano LAFCO's policy is "to discourage the inclusion of land in an agency's SOI if a need for services provided by that agency within a 5 to 20-year period cannot be demonstrated."⁵ As designed, the RNVWD can serve a maximum of 533 connections. Currently, the District is at 398 active connections with a balance of 135 available connections to serve approximately 300 parcels (90 in-District and 210 in current SOI) that have no connection. Given this surplus of parcels and Solano LAFCO's policy, should the District's SOI be expanded? If yes, which parcels should be included?

There remains a significant number of landowners that continue to be reliant on, and comfortable with, their private wells, eschewing RNVWD service. In order to fill that gap, adding parcels to the SOI in anticipation of a probable annexation potentially adds connections, spreads the operational fixed costs, lowers the cost per unit, and improves efficiency. LAFCO staff encourages such an effort. What is strongly discouraged is adding parcels that are not probable annexations or parcels that require mainline extension or denigrate fire flow.

In conclusion, staff recommends:

- ❖ The Commission approves option #2 outlined in this report. Option #2 is a metric-based analysis that includes clean-up items, parcels that are within 50 feet of the mainline, and 13 of the 16 District recommendations (81%), and 6 Other Parcels.
- ❖ The Commission adopts the five Recommended Conditions of Approval outlined in Section VIII.
- ❖ RNVWD develop a strategic plan as outlined in the Municipal Service Review.
- ❖ Adopt the attached Resolution finding the project exempt from CEQA pursuant to Section 15061(b)(3) of the CEQA Guidelines, acting as Lead Agency, the LAFCO determines that the project is exempt from CEQA.

Attachments:

Action Item – Resolution of the Local Agency Formation Commission of Solano County
Approving the Rural North Vacaville Water District Sphere of Influence Update
Exhibit A – Updated District Maps with List of APNs as Determined by LAFCO
Commission on June 12, 2023 (To be determined)

Attachment A – Rural North Vacaville Water District Resolution 2023-68
Attachment B – Vacaville Fire Protection District: Fire Suppression Standards
Attachment C – Two Maps of Existing RNVWD: Parcels only, Map with water line
Attachment D – Three Maps of Analyzed Options: Option 1, Option 2, Option 3
Attachment E – Memorandum Citing LAFCO Purpose and Authority
Attachment F – CALFIRE Fire Hazard Severity Zones (Draft)

⁵"GUIDELINES FOR ESTABLISHING SPHERES OF INFLUENCE IN SOLANO COUNTY", Amended by the Local Agency Formation Commission April 8, 2013

RESOLUTION NO. 2023-XX

RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION OF SOLANO COUNTY APPROVING THE SPHERE OF INFLUENCE UPDATE OF THE RURAL NORTH VACAVILLE WATER DISTRICT (LAFCO Project No. 2021-08)

WHEREAS, pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization (CKH) Act, commencing with §56000, *et seq.* of the Government Code (GC), and specifically in accordance with GC §56425 and the adopted Sphere of Influence (SOI) Policy of the Solano Local Agency Formation Commission (LAFCO); and,

WHEREAS, GC §56425(f) requires that LAFCO review and update the SOI boundaries every five years, as necessary; and

WHEREAS, GC §56430 requires that municipal services reviews (MSR) are conducted prior to or in conjunction with an SOI update; and

WHEREAS, the Solano Local Agency Formation Commission (LAFCO) adopted LAFCO Resolution #2022-09 on August 8, 2022, which adopted the Rural North Vacaville Water District MSR and found it to be adequate and complete pursuant to the requirements of GC §56430 and the Commission’s adopted standards and policies, and

WHEREAS, the municipal service review describes and discloses the information required for the review and SOI Update of the subject listed Districts; and

WHEREAS, no change in regulation, land use, or development will occur as a result of updating the District SOI; and

WHEREAS, the Solano LAFCO, acting as the Lead Agency under the California Environmental Quality Act, determines that the subject sphere of influence update is exempt pursuant to Section 15061(b)(3); and,

WHEREAS, in the form and manner prescribed by law (GC§ 56427), the Executive Officer has given notice of the proposed SOI updates including: published in the Daily Republic, mailed to the District, emailed to affected agencies (Solano County Resource Management, Solano County Planning, and Solano Irrigation District), and posted on the Commission’s website; and

WHEREAS, the SOI update was duly considered at a public hearing held on June 12, 2023; and

WHEREAS, upon the date, time, and place specified in said notice of hearing and in any order or orders containing such hearing, the Commission has received, heard, discussed and considered all oral and written testimony related to the sphere of influence, including but not limited to comments, objections, the Executive Officer’s written and oral report and recommendation, information and determinations of the municipal service review and the environmental documents and determination, and the Commission’s adopted Standards and SOI policy.

NOW, THEREFORE, BE IT HEREBY RESOLVED, DETERMINED AND ORDERED as follows:

1. Pursuant to Section 15061(b)(3) of the CEQA Guidelines, acting as Lead Agency, the LAFCO Commission finds that the project is categorically exempt from CEQA since the project involves a sphere of influence update where the services provided by the RNVWD will not change as a result of this update and the Commission determines with certainty the update will have no possibility of significantly affecting the environment given no new land-use or municipal service authority is granted.
2. The SOI for the subject District is determined and approved as shown on the attached map marked “Exhibit A” and attached hereto and are incorporated herein by this reference.
3. Determinations with respect to the Sphere of Influence for the subject District is set forth and described as “Option 2 – Point System” in the attached marked “Exhibit B” and is incorporated herein by this reference.
4. The Executive Officer is hereby directed to file a Notice of Exemption in compliance with the California Environmental Quality Act and local ordinances implementing the same.
5. Pursuant to California Government Code Section (GC§ 56425(e)) the Commission hereby makes the following five findings and determinations:

CKH Mandatory Findings GC§ 56425 (5-Factors):

	FACTOR	FINDINGS AND DETERMINATION
1	<i>Present and planned land uses in the area, including agricultural and open space lands.</i>	Land use in the area includes a mix of agriculture uses on larger lots of 20+ acres and rural residential on smaller lots ranging in size from 2.5 to 5+ acres in what is generally referred to as the English Hills area. Adjustment of the District’s SOI would not require a change to the County’s current General Plan land use designations. Future lot splits done in accordance with existing zoning have the potential to significantly increase developable parcels.
2	<i>Present and probable need for public facilities and services in the area.</i>	RNVWD has adequate capacity to sustain the designed maximum transmission capacity for 533 water connections. Currently, the District consists of 398 “active connections” and has declared that they are not planning to expand the current system beyond 533. Potential subdivision growth includes 259 additional parcels within the District and 32 within the current SOI. In addition to potential subdivisions, many parcels are permitted by right to build up to 1,500 sq. ft. accessory dwelling units (ADUs), which would affect the average consumption rate per connection and may affect transmission capacity capabilities. ⁴

	FACTOR	FINDINGS AND DETERMINATION
3	<i>Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide</i>	There are two purposes the District was formed to provide: 1. Residential water service connections, and 2. Fire suppression water is consistent with Vacaville Fire Protection District standards. The present water system is adequate to meet the residential service meter demand. There is no documentation that the District is meeting the fire flow requirement.
4	<i>Existence of social or economic communities of interest in the area</i>	There are no known social or economic communities of interest within or contiguous to the District’s boundaries or SOI.
5	<i>Present and probable need for public facilities and services for DUCS within the existing sphere of influence.</i>	There are no disadvantaged unincorporated communities (DUCs) within the District, the District’s sphere of influence, or contiguous to RNVWD boundaries.

6. Pursuant to the Commission’s adopted standards set forth under GC § 56375(h) and Conditions of Approval pursuant to GC § 56886(v), the Commission hereby adopts the following Conditions of Approval:

- A. RNVWD Will-Serve Letters shall have a sign-off signature from a licensed qualified engineer with appropriate expertise confirming that, with the annexation, the RNVWD will continue to satisfy the Vacaville Fire Protection District’s minimum requirement that the system provides a minimum of 250 GPM at a minimum of 60 PSI for 20 minutes.
- B. RNVWD Board Resolution of Applications shall include a clause confirming that the District has the capacity to meet the CCR §64544 Maximum Daily Demand requirements.
- C. RNVWD Board adopted Resolutions of Application shall include a clause confirming that the District has the pressure to meet the Vacaville Fire Protection District’s minimum requirement that “the system provides a minimum of 250 GPM at a minimum of 60 PSI for 20 minutes.”
- D. Given that there are a limited number of available connections (135) and approximately 300 APNS without a connection (≈ 90 in-District and 210 in the existing SOI), District shall survey parcels to determine intent/interest in RNVWD services.
- E. The District shall publish connection information in the District Newsletter, prominently on the website, and/or direct mailing.

Continued on the next page

Agenda Item 7.C – Action Item: Resolution for Approval

The foregoing Resolution was duly passed and adopted by the Local Agency Formation Commission of Solano County at a regular meeting, held on the 12th day of June, 2023 by the following votes:

AYES:
NOES:
ABSENT:
ABSTAIN:

Nancy Shopay, Chair
Presiding Officer Solano Local Agency
Formation Commission

ATTEST:

Christina Love, Clerk to the Commission

Exhibit A – Updated District Maps with List of APNs as Determined by LAFCO Commission on
June 12, 2023

RESOLUTION NO. 2023-68

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE RURAL NORTH VACAVILLE WATER DISTRICT REQUESTING LAFCO APPROVE THE UPDATED DISTRICT BOUNDRY AND SPHERE OF INFLUENCE.

WHEREAS, Solano LAFCO updates the Municipal Service Review (MSR) and Sphere of Influence (SOI) every 5 years; and,

WHEREAS the MSR has been updated by LAFCO dated final April 22, 2022; and,

WHEREAS, the SOI update remains to be completed by LAFCO; and,

WHEREAS, LAFCO requires that the District provide a request to LAFCO for an updated Boundary and updated SOI ; and,

WHEREAS, there have been many revisions to the SOI since the Formation of the District ; and,

WHEREAS, the District wants to clear up the discrepancies in the data relating to properties in the Sphere and,

WHEREAS,; the District has employed the services of a land mapping company, CalCad to have the most current information regarding assessor parcel numbers and,

WHEREAS ; The District and it's consultant CalCad have fully evaluated all the current study and reports from LAFCO regarding status of in the current sphere; and,

WHEREAS, District Resolutions 2021-50 and 2021-51 have District approved annexation requests pending LAFCO updated SOI; and

WHEREAS, this updated SOI does not expand the number connections in any way nor obligate the District to any infrastructure improvements and it is the interest of the District to provide the requested information to LAFCO;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Rural North Vacaville Water District as follows:

1. The recitals set forth above are true and correct.
2. This Board finds the updated Boundary and SOI is a reasonable request as presented in Exhibit A Proposed Boundary, Exhibit B current LAFCO parcel designations, Exhibit C list of APNs to add to the sphere.
3. This Resolution shall take effect immediately upon its adoption.

Agenda Item 7.C – RNVWD SOI Update

PASSED AND ADOPTED by the Board of Directors of the Rural North Vacaville Water District, this 11th day of April 2023, by the following vote

AYES: Patrick Sweeney, Ken Swenson, Steve Stickland
NOES: Elizabeth Miles
ABSENT: Bob Whitehouse
ABSTAIN:

DocuSigned by:
Patrick J. Sweeney
(402 461 881 705 10 01)
Pat Sweeney – President
RNVWD Board of Directors

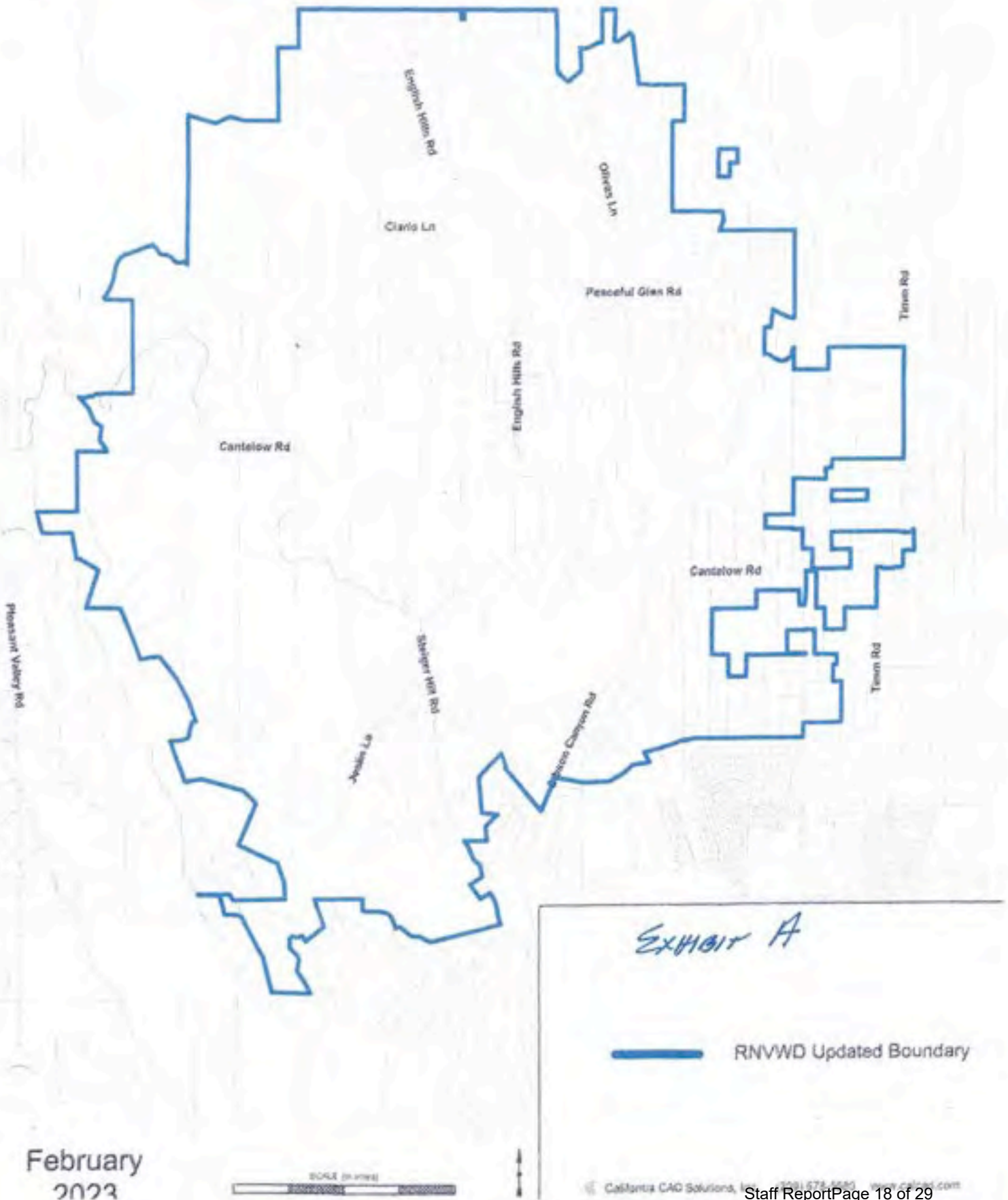
ATTEST:

Nancy A. Veerkamp
Nancy Veerkamp
RNVWD Board Clerk



Rural North Vacaville Water District

Agenda Item 7.C – RNVWD SOI Update



February
2023



Rural North Vacaville Water District

Agenda Item 7.C – RNVWD SOI Update

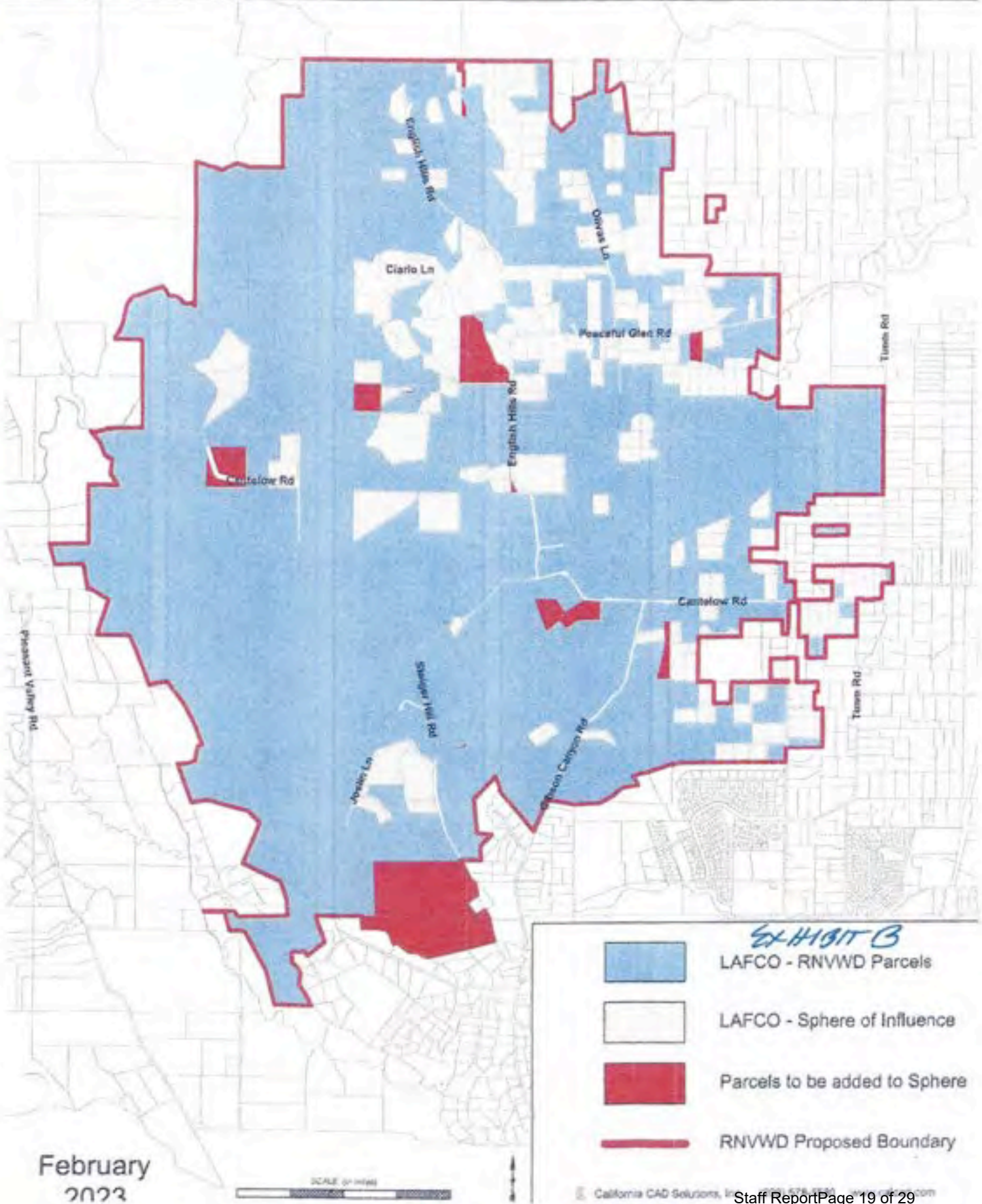


EXHIBIT C

Agenda Item 7.C – RNWWD SOI Update

EXHIBIT C

#	ACRES	APN	2016 sphere map designation	Legal with NOTES	*Total APN's making up the legal property	2023 RECOMMENDED DESIGNATION	COLOR KEY
1	0.17	0105200180	NO DESIGNATION	REWARD RESOLUTION 2017-50 PERBMS	SEE RESO	Add_to_Sphere	LEGAL PROPERTY IS NOT IN THE DISTRICT OR IN THE SPHERE IN 2016 MAP
2	77.77	01210300660	NO DESIGNATION	RNWOOD RESOLUTION 2011-51 ENGLISH HILLS LLC	SEE RESO	Add_to_Sphere	LEGAL PROPERTY IS NOT IN THE DISTRICT OR IN THE SPHERE IN 2016 MAP
3	54.29	0121070020	NO DESIGNATION	RNWOOD RESOLUTION 2011-51 ENGLISH HILLS LLC	SEE RESO	Add_to_Sphere	LEGAL PROPERTY IS NOT IN THE DISTRICT OR IN THE SPHERE IN 2016 MAP
4	18.16	0102230070	IN DISTRICT	WENT TO "NO DESIGNATION WITH A WATER RIGHT" ON BOUNDARY LAUNO LUNA MAP FROM 2017	1	CONFORM TO 2016 MAP	LEGAL PROPERTY CURRENTLY "IN THE DISTRICT" IN 2016 MAP
5	1.10	0104150350	NO DESIGNATION	LEGAL W/ 305-040-090 (already in sphere 2016 "fire")	2	Add_to_Sphere	LEGAL PROPERTY IN CURRENT SPHERE/FIRE IN 2016 MAP
6	1.54	0104150450	NO DESIGNATION	LEGAL W/ 304-150-460 (already in sphere 2016 "fire")	2	Add_to_Sphere	LEGAL PROPERTY IN CURRENT SPHERE/FIRE IN 2016 MAP
7	18.82	0105050410	NO DESIGNATION	E	1	Add_to_Sphere	LEGAL PROPERTY IS NOT IN THE DISTRICT OR IN THE SPHERE IN 2016 MAP
8	13.52	0105050420	NO DESIGNATION	LEGAL W/ 305-040-090 (already in sphere 2016 "fire")	2	Add_to_Sphere	LEGAL PROPERTY IN CURRENT SPHERE/FIRE IN 2016 MAP
9	0.34	0105050950	NO DESIGNATION	E	1	Add_to_Sphere	LEGAL PROPERTY IS NOT IN THE DISTRICT OR IN THE SPHERE IN 2016 MAP
10	5.01	0105060460	IN SPHERE/FIRE	WENT TO "NO DESIGNATION" ON MOUNTAIN LAUNO LUNA MAP FROM 2017	1	CONFORM TO 2016 MAP	LEGAL PROPERTY IN CURRENT SPHERE/FIRE IN 2016 MAP
11	0.16	0105070310	NO DESIGNATION	LEGAL W/ 305-070-320 (already in sphere 2016 "fire")	2	Add_to_Sphere	LEGAL PROPERTY IN CURRENT SPHERE/FIRE IN 2016 MAP
12	11.40	0105070870	NO DESIGNATION	LANDLOCKED ACCESS TRUCK IN	1	Add_to_Sphere	LEGAL PROPERTY IS NOT IN THE DISTRICT OR IN THE SPHERE IN 2016 MAP
13	8.40	0105110750	IN DISTRICT	MORGAN PHASE 1 "NEW PARCELS"	1	UPDATE RECORDS	LEGAL PROPERTY CURRENTLY "IN THE DISTRICT" IN 2016 MAP
14	5.93	0105170050	NO DESIGNATION	LEGAL W/ 305-180-780 THEN THE 2016 DESIGNATION WAS "NO SPHERE" IN FIRE	2	Add_to_Sphere	LEGAL PROPERTY IN CURRENT SPHERE/FIRE IN 2016 MAP
15	1.64	0105170100	NO DESIGNATION	LEGAL W/ 305-180-770 THE 2016 DESIGNATION WAS "NO SPHERE" IN FIRE	1	Add_to_Sphere	LEGAL PROPERTY IN CURRENT SPHERE/FIRE IN 2016 MAP
16	9.72	0105170250	IN DISTRICT	MORGAN PHASE 1 "NEW PARCELS"	1	UPDATE RECORDS	LEGAL PROPERTY CURRENTLY "IN THE DISTRICT" IN 2016 MAP
17	0.58	0105220120	NO DESIGNATION	LEGAL W/ 0105-210-130. SEE ADDITIONAL BREAKDOWN BELOW, part of #18	3	Add_to_Sphere	LEGAL PROPERTY IN CURRENT SPHERE/FIRE IN 2016 MAP
18	0.08	0105220130	NO DESIGNATION	LEGAL W/ 0105-210-110 (4.24 acres) already in sphere 2016 "fire" AND LEGAL WITH 0105-210-120 (in 2016 listed as "no designation"). Part of #17 above	3	Add_to_Sphere	LEGAL PROPERTY IN CURRENT SPHERE/FIRE IN 2016 MAP

VACAVILLE FIRE PROTECTION DISTRICT

Agenda Item 7.C – RNVWD SOI Update

420 Vine Street
Vacaville, CA 95688
(707) 447-2252



HOWARD F. WOOD
FIRE CHIEF

February 13, 1998

Frank P. Volpi
Local Manager, Dixon District
California Water Service Company
110 E. Mayes Street
Dixon, CA 95620

Dear Mr. Volpi:

After our Discussion on the Rural North Vacaville Water District, the following would be the minimum requirement for service to the area of the existing homes.

1. System should be able to provide a minimum of 250 G.P.M. at a minimum of 60 P.S.I. for 20 minutes.
2. The area would require approximately 60 to 100 Hydrants as recommended by the Advisory Committee.
3. Hydrant style would be equal to 6" Long Beach Hydrants as approved by the Advisory Committee.
4. The final location of the Hydrants would be done at the time the project starts. We have calculated the Hydrants on the basis of the existing area and the recommendation of the Advisory Committee. It should be noted that this would only be for the existing homes, and any future development would require to be built under current codes.

If you have any further questions, please do not hesitate to call me.

Sincerely,

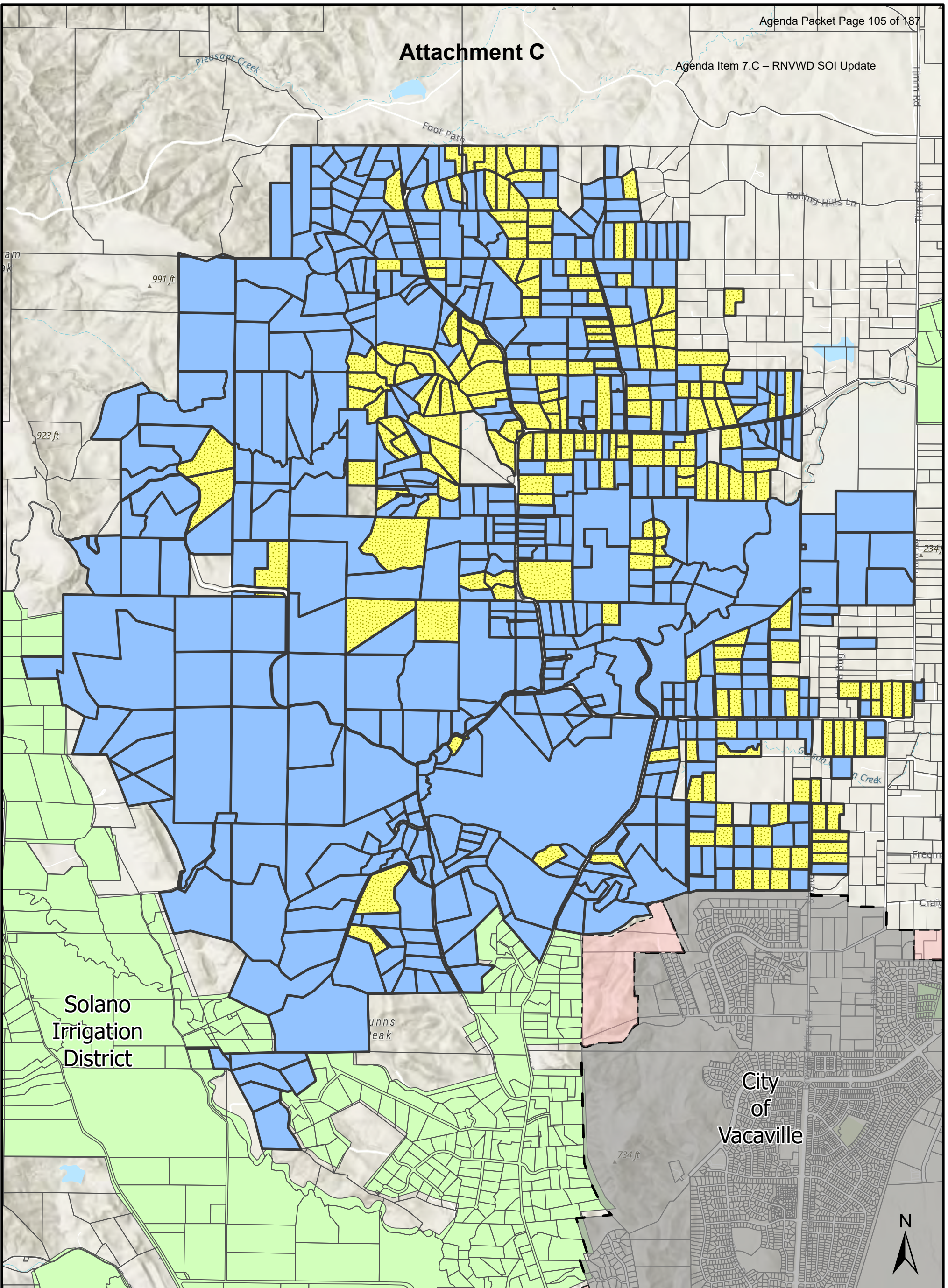
Howard F. Wood

Howard F. Wood
Fire Chief

cc: Englebright

Attachment C

Agenda Item 7.C – RNWWD SOI Update



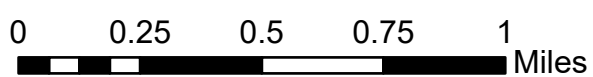
Rural North Vacaville Water District Current Boundary and SOI

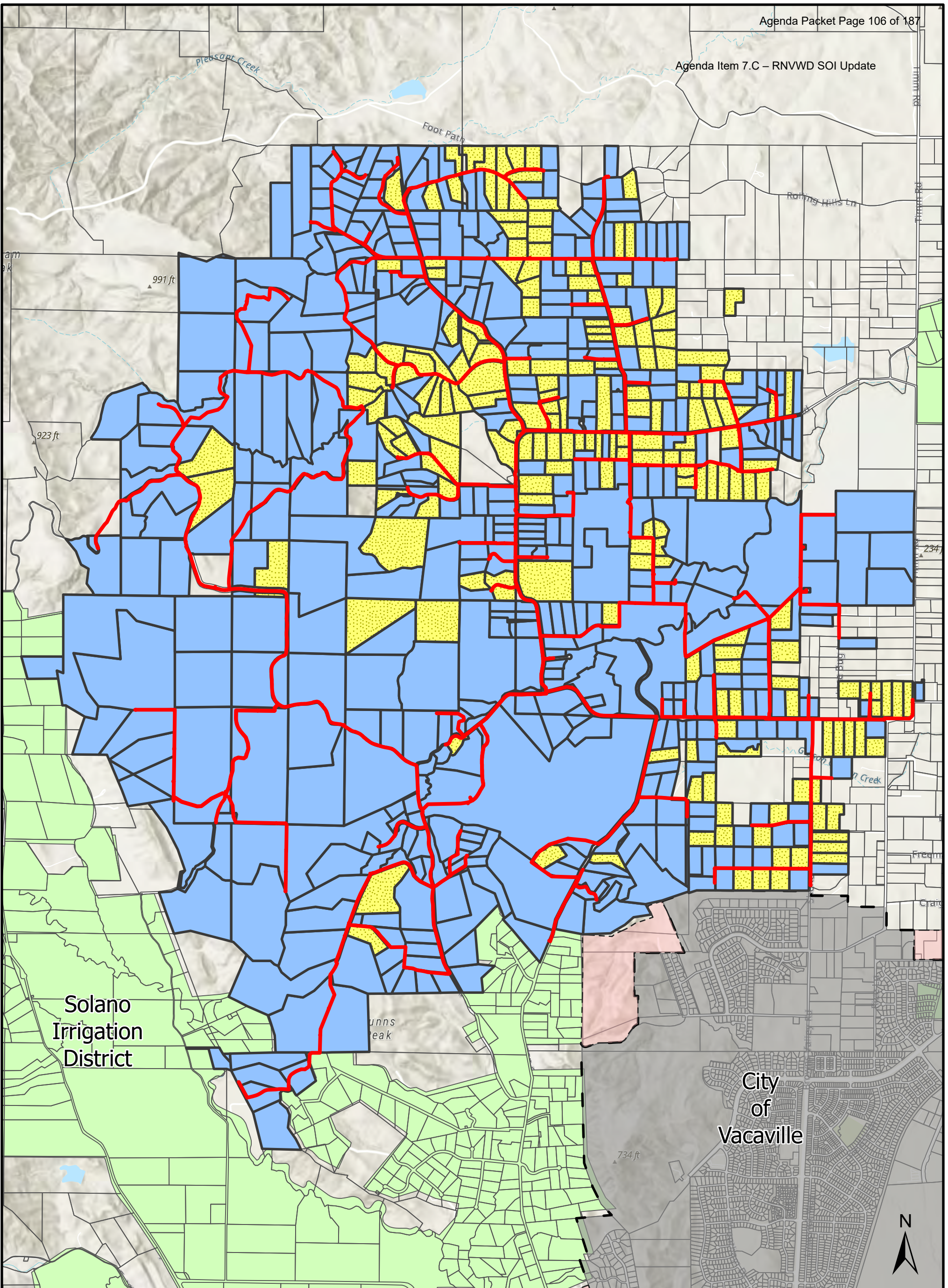
RNWWD Parcels

- In District
- In SOI

- SID Boundary
- Vacaville Boundary
- Vacaville SOI
- Parcels

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

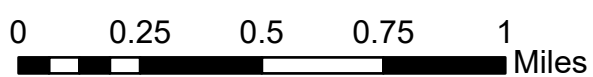




Rural North Vacaville Water District Current Boundary, SOI, and Water Lines

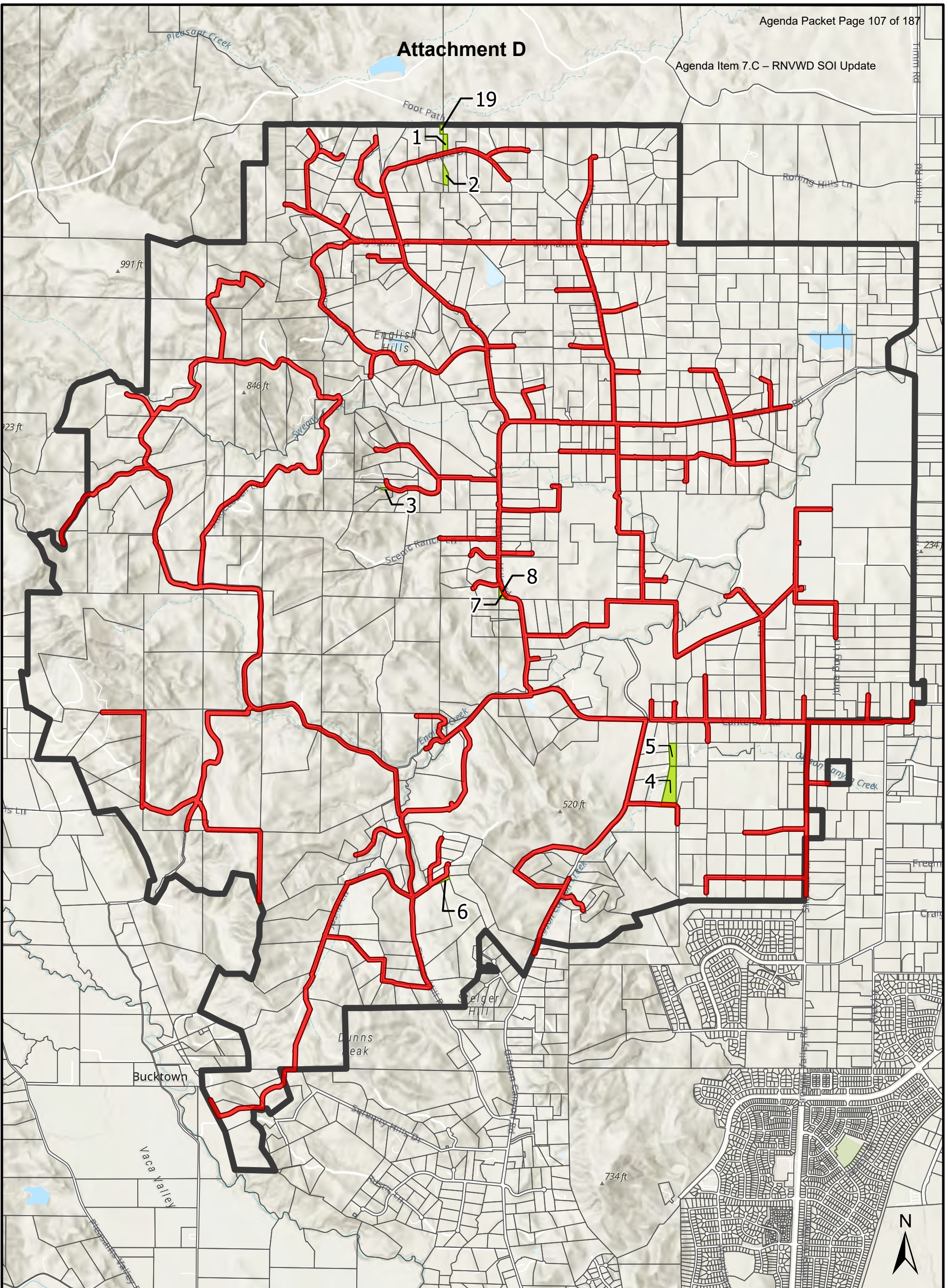
- RNWWD Parcels**
- In District
 - In SOI
 - Water Lines
 - SID Boundary
 - Vacaville Boundary
 - Vacaville SOI
 - Other Parcels

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



Attachment D

Agenda Item 7.C – RNWWD SOI Update

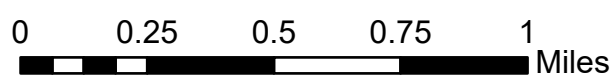


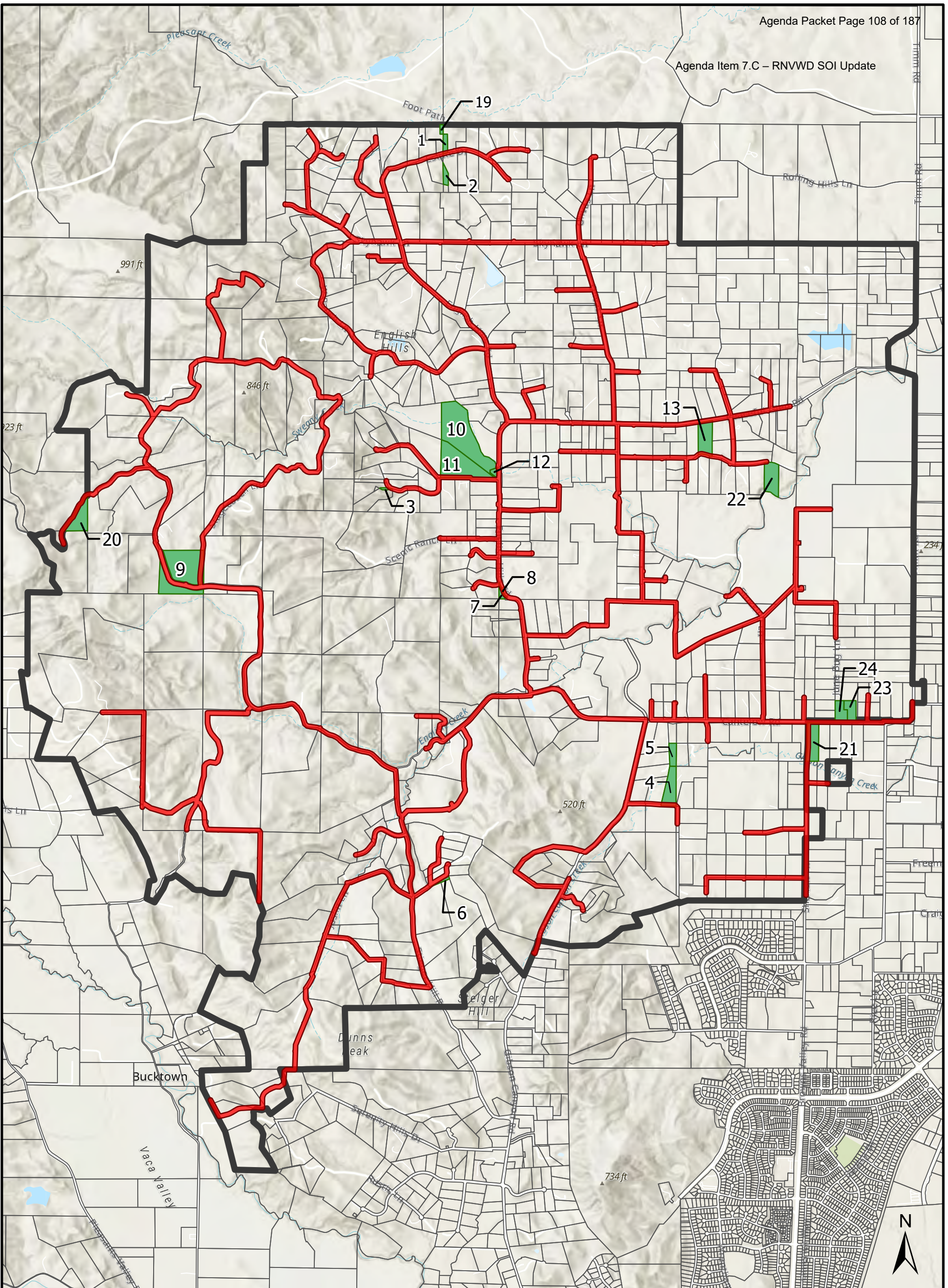
Option 1 for the Rural North Vacaville Water District Sphere of Influence Amendment

- 50' Water Main Halo
- Option 1
- 1998 Study Area
- Parcels



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



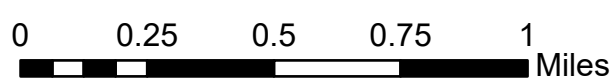


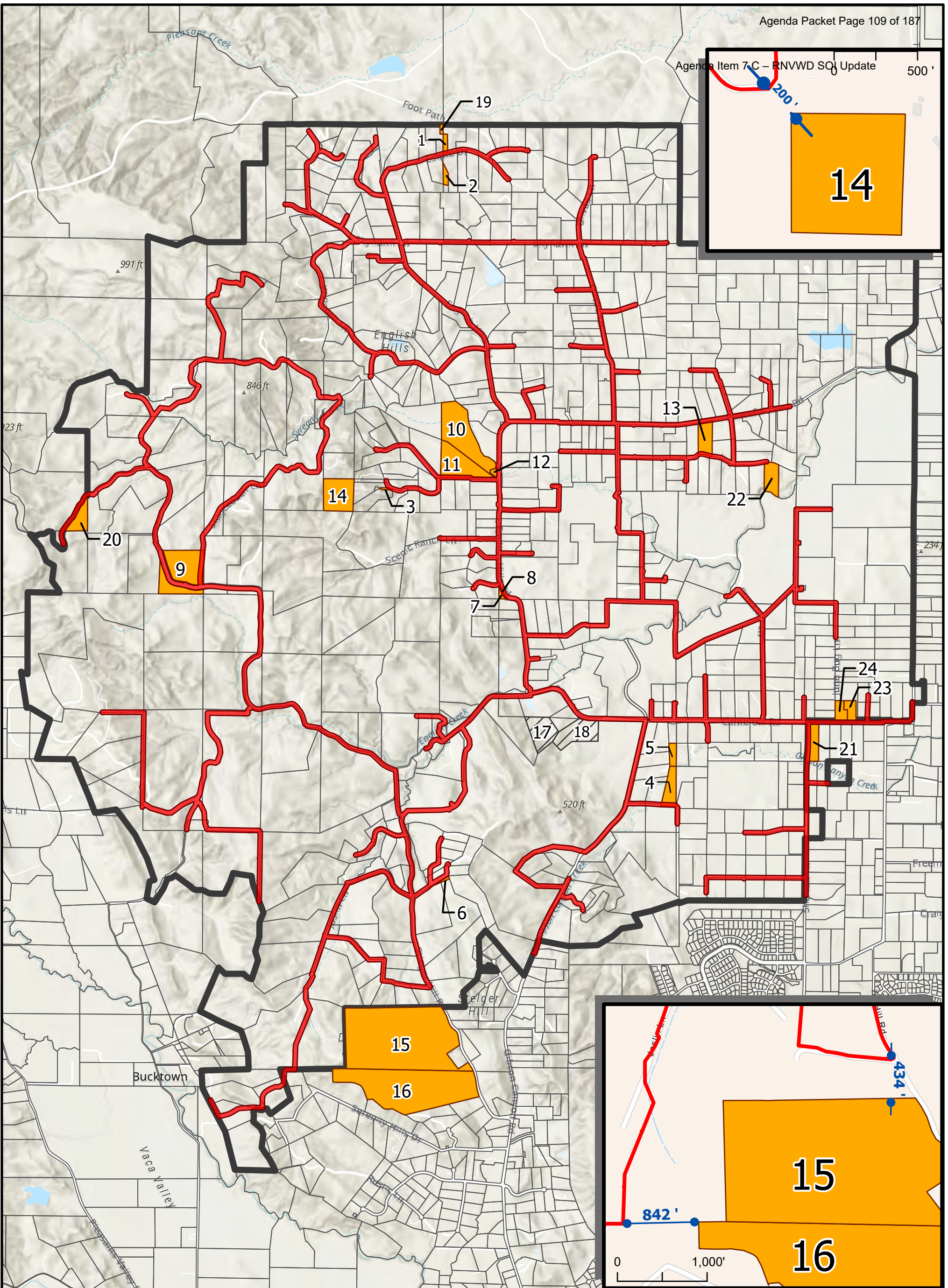
Option 2 for the Rural North Vacaville Water District Sphere of Influence Amendment

- 50' Water Main Halo
- Option 2
- 1998 Study Area
- Parcels



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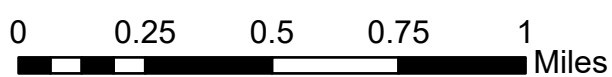


Option 3 for the Rural North Vacaville Water District Sphere of Influence Amendment

- █ 50' Water Main Halo
- █ Option 3
- 1998 Study Area
- Parcels



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



ATTACHMENT E

Memorandum identifying Government Code sections related to LAFCO purpose and authority

This is an informational attachment that outlines the sections of LAFCO Law, also called Cortese -Knox-Hertzberg (CKH), that state LAFCO's purpose and authority to conduct Service Reviews, Sphere of Influence Updates, and any related requests for documentation or evidence that LAFCO deems necessary to evaluate a special district and their ability to provide the services they were formed to.

All emphasis was added to more precisely identify the related sections.

Legislative Findings and Determinations

56001 [...] Therefore, the Legislature further finds and declares that this policy should be effected by the logical formation and modification of the boundaries of local agencies, with a preference granted to accommodating additional growth within, or through the expansion of, the boundaries of those local agencies which can best accommodate and provide necessary governmental services and housing for persons and families of all incomes in the most efficient manner feasible.

[...] The Legislature also finds that, whether governmental services are proposed to be provided by a single-purpose agency, several agencies, or a multipurpose agency, responsibility should be given to the agency or agencies that can best provide government services.

General – purpose of commission

56301. Among the purposes of a commission are discouraging urban sprawl, preserving open-space and prime agricultural lands, encouraging the efficient provision of government services, and encouraging the orderly formation and development of local agencies based upon local conditions and circumstances. One of the objects of the commission is to make studies and to obtain and furnish information which will contribute to the logical and reasonable development of local agencies in each county and to shape the development of local agencies so as to advantageously provide for the present and future needs of each county and its communities.

Spheres of Influence

56425. (a) In order to carry out its purposes and responsibilities for planning and shaping the logical and orderly development and coordination of local governmental agencies subject to the jurisdiction of the commission to advantageously provide for the present and future needs of the county and its communities, the commission shall develop and determine the sphere of influence of each city and each special district, as defined by Section 56036, within the county and enact policies designed to promote the logical and orderly development of areas within the sphere.

(h) In determining a sphere of influence, the commission may assess the feasibility of governmental reorganization of particular agencies and recommend reorganization of those agencies when reorganization is found to be feasible and if reorganization will further the goals of orderly development and efficient and affordable service delivery. The commission shall make all reasonable efforts to ensure wide public dissemination of the recommendations.

(i) When adopting, amending, or updating a sphere of influence for a special district, the commission shall establish the nature, location, and extent of any functions or classes of services provided by existing districts.

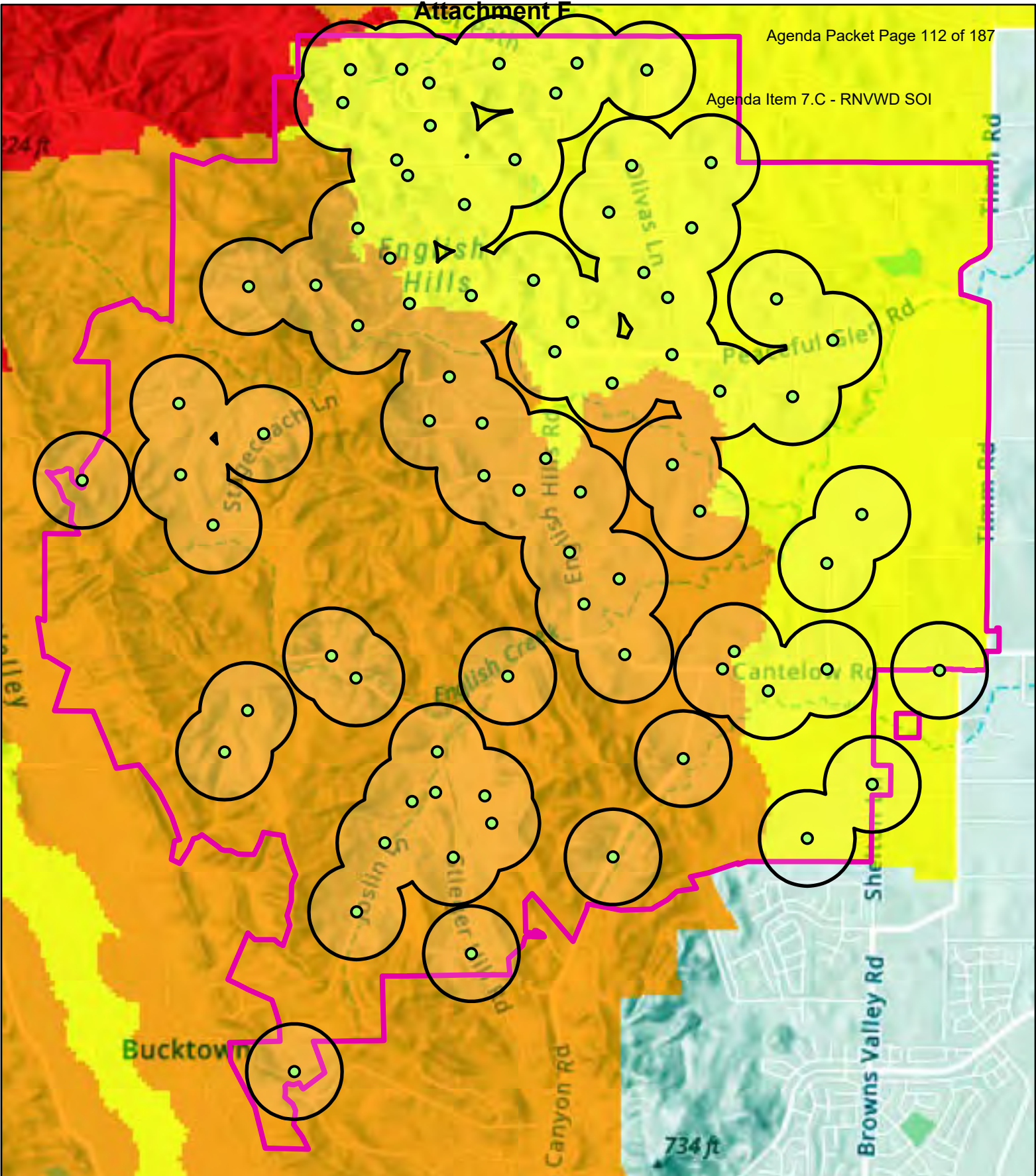
(j) When adopting, amending, or updating a sphere of influence for a special district, the commission may require existing districts to file written statements with the commission specifying the functions or classes of services provided by those districts.

Service Reviews

56430. (a) In order to prepare and to update spheres of influence in accordance with Section 56425, the commission shall conduct a service review of the municipal services provided in the county or other appropriate area designated by the commission. The commission shall include in the area designated for service review the county, the region, the subregion, or any other geographic area as is appropriate for an analysis of the service or services to be reviewed, and shall prepare a written statement of its determinations with respect to each of the following:

- (1) Growth and population projections for the affected area.
- (2) The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.
- (3) Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.
- (4) Financial ability of agencies to provide services.
- (5) Status of, and opportunities for, shared facilities.
- (6) Accountability for community service needs, including governmental structure and operational efficiencies.
- (7) Any other matter related to effective or efficient service delivery, as required by commission policy.

(d) The commission may request information, as part of a service review under this section, from identified public or private entities that provide wholesale or retail supply of drinking water, including mutual water companies formed pursuant to Part 7 (commencing with Section 14300) of Division 3 of Title 1 of the Corporations Code, and private utilities, as defined in Section 1502 of the Public Utilities Code



CAL FIRE Fire Hazard Severity Zones within the Rural North Vacaville Water District

2022 Draft FHSZ

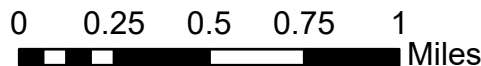
- Very High
- High
- Moderate

Fire Hydrants

Staff Report Page 29 of 29
1998 Study Area



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



	<p align="center">Solano Local Agency Formation Commission</p>
	<p align="center">675 Texas St. Ste. 6700 • Fairfield, California 94533</p>
	<p align="center">(707) 439-3897 • FAX: (707) 438-1788</p>

Staff Report

DATE: June 10, 2023
 TO: Local Agency Formation Commission
 FROM: Rich Seithel, Executive Officer
 SUBJECT: **FY 2023-2024 FINAL BUDGET and WORKPLAN**

Recommendation:

REVIEW, CONSIDER public testimony, and APPROVE or Approve with modifications the 2023-24 Final Budget and Workplan via the adoption of the attached LAFCO Resolution.

DIRECT staff to distribute the Final Budget to the cities, County, special districts, and the Auditor per GC §56381.

Discussion:

On April 10, 2023, the Commission adopted the Proposed Budget and Workplan for fiscal year (FY) 2023-24. The Commission directed staff to distribute the Proposed Budget and solicit input from the cities and County. The Proposed Budget included funding for step increases and cost of living adjustments. The Final Budget includes the same for Commission’s consideration and approval.

Staff presented the Proposed Budget and Work Plan to the Community Development Directors’ Group on April 21, 2023 and the City/County Managers Group on May 24, 2023. Neither group voiced comments on the Proposed Budget.

The Final Budget for FY 2023-24 is identical to the Proposed Budget adopted by the Commission on April 10, 2023. A detailed narrative was provided in the May Proposed Budget staff report and is included as Attachment A.

Attachments:

Action Item – Resolution of The Local Agency Formation Commission of Solano County Adopting a Final Budget and Workplan Fiscal Year 2023-2024, and
 Exhibit A – FY 2023-24 Final Budget
 Exhibit B – FY 2023-24 Workplan

Attachment A – April 10, 2023 LAFCO Staff Report for Proposed FY 2023-24 Budget and Workplan

Commissioners

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

Alternate Commissioners

Robert Guerrero • Alma Hernandez • Wanda Williams

Staff

Rich Seithel, Executive Officer • Christina Love, Deputy Executive Officer • Aaron Norman, Analyst II • Mala Subramanian, Lead Legal Counsel

RESOLUTION NO. 2023-

**RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION
OF SOLANO COUNTY ADOPTING A FINAL BUDGET AND WORKPLAN
FISCAL YEAR 2023-2024**

WHEREAS, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000(CKH) section 56000 et seq. of the California Government Code (GC) requires the Local Agency Formation Commission (LAFCO or Commission) of Solano County to perform planning duties by encouraging the orderly development and coordination of local agencies; and,

WHEREAS, the Commission is required to adopt annual final budgets by June 15; and,

WHEREAS, staff consulted with the Budget Committee group on March 23, 2023 to help inform and make decisions regarding the agency’s funding requirements; and,

WHEREAS, the Executive Officer prepared a written report and recommendations on a proposed budget and proposed work plan for the fiscal year 2023-24 adopted by the Commission on April 10, 2023, and subsequently circulated for review and comment to all funding agencies; and,

WHEREAS, the Commission has heard and considered all oral and written testimony submitted, including, but not limited to, the final budget, work plan and priorities for 2023-24, and the Executive Officer’s report and recommendations presented at a public hearing held on April 10, 2023; and,

WHEREAS, the Commission determined the proposed budget projects the staffing and program costs of the Commission as accurately and appropriately as possible; and,

WHEREAS, the Commission’s operating budget for FY 2023-24 is \$1,045,559; and,

WHEREAS, the operating budget is approximately \$3,229; or 0.3%; less than the previous fiscal year’s operating budget; and,

WHEREAS, the Commission finds that, even though the Final Budget is less than the previous fiscal year, the Final Budget for FY 2023-24 is sufficient to meet LAFCO’s funding and project projections for the fiscal year; and,

WHEREAS, the Commission considered, supported, and approved a cost of living adjustment for staff; and

WHEREAS, expenses for FY 2023-24 are hereby allocated by budget category in the following manner:

Salaries and Employee Benefits	\$ 659,443
Services and Supplies	\$ 386,116
Designated Reserve	\$ 0
Total Expenses	\$ 1,045,559

WHEREAS, revenues for FY 2023-24 or the means of financing the LAFCO program will be by monies derived from the following sources of funding:

Anticipated Revenue	\$ 50,000
Anticipated Interest	\$ 5,000
Fund Balance	\$ 94,711
City/County Apportionment	\$ 895,788
Total Revenue	\$1,045,559

NOW, THEREFORE, BE IT RESOLVED AND ORDERED, that the Local Agency Formation Commission of the County of Solano does approve and adopt the Final Budget as shown in Exhibit A and the Workplan as shown in Exhibit B for the Fiscal Year 2023-24, attached, and by this reference incorporated herein and does further order and direct the following:

Section 1: The Executive Officer shall transmit the Final Budget to the Auditor and all parties specified in Government Code §56381(a) as promptly as possible.

Section 2: The Auditor shall apportion the budget as specified in Government Code §56381(b) and request payment from each city and the County no later than July 1, 2023, as specified in §56381(c).

Section 3: If a city or the County does not remit its required payment within 60 days, the Auditor is requested to collect an equivalent amount from the property tax or any fee or eligible revenue owed to the city or County as described in §56381(c).

The foregoing resolution was duly passed and adopted by the Local Agency Formation Commission of the County of Solano at a duly noticed public hearing held on June 12, 2023, by the following roll call vote:

AYES:
 NOES:
 ABSENT:
 ABSTAIN:

Nancy Shopay, Chair
 Presiding Officer of Local Agency Formation
 Commission County of Solano, State of California

ATTEST:

Christina Love, Clerk of the Commission

Exhibit A: 2023-24 Final Budget
 Exhibit B: 2023-24 Workplan

**EXHIBIT A
FY 23/24 PROPOSED BUDGET**

	Sub-object	Object Description	22/23 Adjusted Budget (AB)	23/24 Proposed Budget (PB)	Diff Between PB and AB [PB-AB]	
EXPENSES	1000	SALARIES AND EMPLOYEE BENEFITS				
	1110	SALARY/WAGES REGULAR	\$426,170	\$498,740	\$72,570	
	1210	RETIREMENT-EMPLOYER	\$50,452	\$50,714	\$262	
	1212	DEFERRED COMP-COUNTY MATCH	\$520	\$520	\$0	
	1220	FICA-EMPLOYER	\$6,180	\$7,014	\$834	
	1230	HEALTH INS-EMPLOYER	\$66,259	\$63,786	(\$2,473)	
	1231	VISION CARE INSURANCE	\$781	\$584	(\$197)	
	1240	COMPENSATION INSURANCE	\$1,900	\$2,000	\$100	
	1241	LT DISABILITY INSURANCE ER	\$3,666	\$3,831	\$165	
	1250	UNEMPLOYMENT INSURANCE	\$1,500	\$900	(\$600)	
	1260	DENTAL INS-EMPLOYER	\$3,638	\$4,493	\$855	
	1270	ACCRUED LEAVE CTO PAYOFF	\$25,000	\$23,092	(\$1,908)	
	1290	LIFE INSURANCE-EMPLOYER	\$3,507	\$3,770	\$263	
		TOTAL	SALARIES AND EMPLOYEE BENEFITS	\$589,573	\$659,443	\$69,870
		2000	SERVICES AND SUPPLIES			
		2021	COMMUNICATION-TELEPHONE SYSTEM	\$1,000	\$11,904	\$10,904
		2026	CELL PHONE ALLOWANCE	\$2,500	\$2,100	(\$400)
		2028	TELEPHONE SERVICES	\$4,800	\$12,180	\$7,380
		2051	LIABILITY INSURANCE	\$7,467	\$8,089	\$622
		2140	MAINTENANCE-BLDGS & IMPROVE	\$500	\$500	\$0
		2170	MEMBERSHIPS	\$11,550	\$11,498	(\$52)
		2180	BOOKS & SUBSCRIPTIONS	\$400	\$488	\$88
		2200	OFFICE EXPENSE	\$15,000	\$12,000	(\$3,000)
		2201	EQUIPMENT UNDER \$1,500	\$0	\$15,000	\$15,000
		2202	CONT ASSETS COMPUTER RELATED	\$3,000	\$1,500	(\$1,500)
		2204	COMPUTER RELATED ITEMS:<\$500	\$1,000	\$1,000	\$0
		2205	POSTAGE	\$1,000	\$700	(\$300)
		2235	ACCOUNTING & FINANCIAL SERVICE	\$29,500	\$15,000	(\$14,500)
	2239	LEGAL SERVICE	\$40,000	\$30,200	(\$9,800)	
	2245	CONTRACTED SERVICES	\$180,000	\$130,000	(\$50,000)	
	2250	OTHER PROFESSIONAL SERVICES	\$33,500	\$16,000	(\$17,500)	
	2255	CREDIT CARD PROCESSING FEES	\$0	\$0	\$0	
	2266	CENTRAL DATA PROCESSING SVCE	\$23,100	\$41,157	\$18,057	
	2271	SOFTWARE RENTAL / SUBSCRIPTION	\$3,000	\$2,400	(\$600)	
	2280	PUBLICATIONS AND LEGAL NOTICES	\$1,500	\$1,000	(\$500)	
	2285	LEASE EXPENSE-COPIERS/MFD'S ST	\$8,400	\$7,000	(\$1,400)	
	2295	LEASE EXPENSE - BUILDINGS ST	\$25,000	\$28,000	\$3,000	
	2310	EDUCATION & TRAINING	\$1,000	\$8,000	\$7,000	
	2335	TRAVEL EXPENSE	\$12,000	\$18,600	\$6,600	
	2339	MANAGEMENT BUSINESS EXPENSE	\$2,000	\$2,000	\$0	
	2354	CAR ALLOWANCE	\$7,200	\$7,800	\$600	
	2355	PERSONAL MILEAGE	\$1,000	\$2,000	\$1,000	
		TOTAL SERVICES AND SUPPLIES	\$415,417	\$386,116	(\$29,301)	
		OTHER EXPENSES				
	730	20% RESERVE POLICY ADJUSTMENT	\$43,798	\$0	(\$43,798)	
		TOTAL TOTAL EXPENSES	\$1,048,788	\$1,045,559	(\$3,229)	
REVENUES	9200	LICENSES & PERMITS-OTHER				
	9229	LICENSES & PERMITS-OTHER	\$75,000	\$50,000	(\$25,000)	
	9400	REVENUE FROM USE OF MONEY/PROP				
	9401	INTEREST INCOME	\$3,000	\$5,000	\$2,000	
	9500	INTERGOVERNMENTAL REVENUES				
	9511	OTHER GOVERNMENTAL AGENCIES	\$895,788	\$895,788	\$0	
		OTHER REVENUE				
		FUND BALANCE FROM PRIOR YEAR	\$75,000	\$94,771	\$19,771	
	740	TOTAL REVENUES	\$1,048,788	\$1,045,559	(\$3,229)	
SUMMARY	EXPENSES	1000	\$589,573	\$659,443	\$69,870	
		2000	\$415,417	\$386,116	(\$29,301)	
		Reserve Adjustment	\$43,798	\$0	(\$43,798)	
		TOTAL EXPENSES	\$1,048,788	\$1,045,559	(\$3,229)	
	REVENUES	9200	\$75,000	\$50,000	(\$25,000)	
		9400	\$3,000	\$5,000	\$2,000	
		9500	\$895,788	\$895,788	\$0	
		Fund Balance Appropriation	\$75,000	\$94,771	\$19,771	
		Encumbrance Roll-over	\$0	\$0	\$0	
		TOTAL REVENUES	\$1,048,788	\$1,045,559	(\$3,229)	

**Exhibit B
2023-2024 Proposed Workplan**

#	Task/Project	Priority	Category	Comments
1	Municipal Service Review (MSR) and Sphere of Influence (SOI) Updates	High	P	<ul style="list-style-type: none"> • <i>City of Suisun</i> (c 2016) • <i>City of Dixon</i> (c 2014) • <i>City of Vacaville</i> (c 2017) • <i>Solano Irrigation District</i> (c 2014) • <i>Cemetery Districts</i> (c 2012)
2	Fire Services: City of Fairfield Fire Services Contract	High	P/L	GC §56134 Out-of-Agency Services Contract for Fairfield Fire Department and Cordelia Fire Protection District
3	Fire Services	High	C	Continue working with the districts, stakeholders, and Fire Ad Hoc Committee in analyzing fire services.
4	SOI Updates	High	C/P	<ul style="list-style-type: none"> • Rural North Vacaville Water District • Adopt remaining SOI for Reclamation Districts with boundary issues
5	Reorganizations	High	P	<p><i>Suisun</i></p> <ul style="list-style-type: none"> • Suisun Logistics Center • Highway 12 Logistics Center <p><i>Fairfield:</i></p> <ul style="list-style-type: none"> • Island Annexations Phase 1 <ul style="list-style-type: none"> ○ Sunset Ave/ East Tabor Ave (Redtail) ○ Pittman Road (DeNova) ○ Sunset Ave /Railroad Ave (Blessed Baptist Church) • Island Annexations Phase 2 <ul style="list-style-type: none"> ○ 7 Remnant Parcels <p><i>Vacaville:</i></p> <ul style="list-style-type: none"> • Nut Tree Airport vicinity (Island Annexation) • Fields at Alamo Creek (east of Leisure Town) • McMurtry Creek Estates • Valley Church (Leisure Town/Sequoia) <p><i>Dixon:</i></p> <ul style="list-style-type: none"> • Lewis Planned Communities (SE Dixon) • Lombardo Property

Exhibit B

#	Task/Project	Priority	Category	Comments
6	Outreach	High	C	<p>Ongoing outreach to local agencies, cities, county, developers, and the public:</p> <ul style="list-style-type: none"> • <i>Ag Innovation Group</i> • <i>Solano Economic Development Corporation</i> • <i>Planning Directors Meeting</i> • <i>CALAFCO</i> • <i>Bay Area EO Group</i> • <i>Fire District Chiefs Association</i> <p>Improve outreach with continued website updates</p>
7	Fees Update	Medium	A	Update application charge-out rates to reflect the Commission’s current costs for processing projects.
8	Website	Medium	L	Continued and ongoing updates of information accessible online



Solano Local Agency Formation Commission

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

Public Hearing

DATE: April 10, 2023
 TO: Local Agency Formation Commission
 FROM: Finance Committee (Commissioners Kott and Mashburn) and Staff
 SUBJECT: **PROPOSED BUDGET & WORK PLAN FISCAL YEAR 2023-2024**

Recommendations:

The Finance Committee and staff recommend the Commission:

1. REVIEW the Proposed Budget and Work Plan for Fiscal Year (FY) 2023/24
2. ADOPT or adopt with modifications the Proposed Budget and Work Plan.
3. DIRECT staff to distribute the Proposed Budget to the County and cities.
4. SCHEDULE a public hearing for June 12 to consider and adopt the Final Budget.

Executive summary:

The Commission is required to adopt a Proposed Budget by May 1 and a Final Budget by June 15 per California Government Code (GC) Section 56381(a). The Commission's past practice has been to direct its Finance Committee to work with staff to develop the Commission's annual Proposed Budget for its consideration and adoption. Additionally, after the adoption of a proposed budget, the Commission circulates the Proposed Budget to the County and cities (Solano LAFCO's funding agencies) to solicit their comments before adopting the Final Budget at its June meeting.

On March 23, 2023, the LAFCO Finance Committee and staff met to develop the Proposed Budget for FY 2023/24. Overall, the Draft Proposed Budget (Attachment A) includes appropriations totaling \$1,045,559, reflecting a decrease of \$3,229 or 0.3% from the prior year's adjusted budget of \$1,048,788. Most notably, the Draft Proposed Budget recommends zero increase to the billing charges to the County and cities.

Discussion:

The discussion section of this report includes: a) Summary of the Draft Proposed Budget, b) Cortese-Knox-Hertzberg Act (CKH) requirements and the Commission's Policies, c) Expenses by budget categories (Table 1), Sources of Funding (Table 2), d) Revenues from Project Applications, e) Notable Changes from Prior Year (Table 3), f) estimated cities and County Apportionment/Billing (Table 4), g) Fund Balance Appropriation, and h) Statutory Deadlines (Table 5) followed by an explanation of the Proposed Work Plan. The report concludes with the Finance Committee and staff's recommendation. Finally, Attachment A is the line-item Draft Proposed Budget, while Attachment B is the Proposed Work Plan for FY 23/24.

Commissioners

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

Alternate Commissioners

Robert Guerrero • Alma Hernandez • Wanda Williams

Staff

Rich Seithel, Executive Officer • Christina Love, Deputy Executive Officer • Aaron Norman, Analyst II •

Mala Subramanian, Lead Legal Counsel

Staff Report Page 7 of 13

Agenda Item 9.C – Draft Proposed Budget FY 23/24

a) Summary of the Draft Proposed Budget:

The Draft Proposed Budget as presented, includes appropriations totaling \$1,045,559, reflecting a decrease of \$3,229 or .3% from the prior year's adjusted budget of \$1,048,788. The Proposed Budget recommends:

- An increase in salaries and benefits (1000s budget category) by \$69,870 or 12% due to anticipated full staffing of 4 FTEs¹;
- A decrease to services and supplies (2000s category) by \$29,301 or 7%;
- A decrease in revenue (sub-object 9229) from project application fees by \$25,000;
- A \$2,000 increase to the anticipated interest income; and
- Approximately \$100,000 is appropriated from fund balance;
- No change to the Commission's reserve account (sub-object 730) currently at \$209,760; and most notably
- No increase in the billing charges to the County and cities. The prior year's billing totaled \$895,788. The proposed FY 23/24 billing is the same, \$895,788.

b) CKH and Solano LAFCO Policies:

The Proposed Budget was developed with considerations of CKH requirements as well as the Commission's Policies.

1. Per GC Section 56381(a), the Commission is required to adopt a budget that at a minimum shall be equal to the budget adopted for the previous fiscal year unless the Commission finds that reduced program costs will nevertheless allow the Commission to fulfill its purposes and programs. Since the Proposed Budget recommends a decrease of .3% of the prior year's budget, the Commission must determine that it is able to fulfill its purposes/programs with a reduced budget.
2. The Commission's Reserves Policy, Section A, requires maintaining a contingency reserve fund of not less than 20 percent of the annual budgeted expenditures. Maintaining the current Reserve, budget line item 730, at \$209,760 (20%) meets the Commission's Policy.
3. The Draft Proposed Budget recognizes LAFCO's municipal service review (MSR) and sphere of influence (SOI) responsibilities. The Proposed Work Plan recommends conducting an MSR and SOI update for Solano's cemetery districts, the Cities of Suisun, Dixon, Vacaville, and Solano Irrigation District.

¹ FTE = full-time equivalents

Agenda Item 9.C – Draft Proposed Budget FY 23/24

c) Expenses and Funding Sources by Budget Category:

Table 1: Summary of Expenses				
Budget Categories	2022-23 Adjusted Budget	2023-24 Proposed Budget	+/-	% Change
<i>Salaries and Benefits (1000)</i>	\$589,573	\$659,443	\$69,870	12%
<i>Services and Supplies (2000)</i>	\$415,417	\$386,116	(\$29,301)	-7%
<i>Designated Reserve (730)</i>	\$43,798	\$0	(\$43,798)	-100%
Total Expenses	\$1,048,788	\$1,045,559	(\$3,229)	-0.3%

Table 2: Sources of Funding				
Budget Categories	2022-23 Adjusted Budget	2023-24 Proposed Budget	+/-	% Change
<i>Licenses, Permits, Franchise (9200)</i>	\$75,000	\$50,000	(\$25,000)	-33%
<i>Revenue from Use of Money (9400)</i>	\$3,000	\$5,000	\$2,000	67%
<i>Intergovernmental Revenues (9500)</i>	\$895,788	\$895,788	\$0	0%
<i>Fund Balance Appropriation</i>	\$75,000	\$94,771	\$19,771	26%
<i>Encumbrance Roll-Over</i>	\$0	\$0	\$0	N/A
Total Revenue	\$1,048,788	\$1,045,559	(\$3,229)	-0.3%

d) Revenues from Project Fees:

Anticipated revenues from project fees are expected to decrease from the prior year \$25,000 from \$75,000 to \$50,000. FY 22-23 was a robust year for reorganization certificate of completions and realizing revenue from deposits from deferred revenue (deposits). However, staff anticipates revenue in FY 23/24 from the following projects:

- Fairfield Island annexations Phase 1
- Fairfield Island annexations Phase 2
- Vacaville Island Annexation - Nut Tree Airport Vicinity
- Vacaville - Fields at Alamo Creek

Agenda Item 9.C – Draft Proposed Budget FY 23/24

- Vacaville - McMurtry Creek Estates
- Solano Irrigation District detachment
- Rural North Vacaville Water District annexations

e) Notable Changes:

Table 3: Notable Changes (≥\$10,000) from FY 22/23 Adjusted Budget			
Line Item	Description	Explanation	FY 22/23 Proposed vs. FY 22/23 Adjusted Budget
1110	Salaries/Wages	Step Adjustments and COLA	\$72,570
2235	Accounting and Financial Svcs	Bi-annual audit performed in FY 22/23 (year early)	(\$14,500)
2239	Legal Service	Anticipated cost-savings with BB&K	(\$9,800)
2245	Contracted Services	est. \$60,000 in consulting contracts for regional projects that we are attempting to encumber.	(\$50,000)
2250	Other Pro Services	One-time website set-up cost in FY '23	(\$17,500)
2266	Central Data Processing Svcs	GIS charges have increased \$15,000.	\$18,057
N/A	20% Reserve Policy	20% reserve is est. to be over 20% EOFY '23	(\$43,798)
9229	Licenses & Permits - Other	FY 23 budget included the intake of regional projects that are delayed	(\$25,000)
9511	Intergovernmental Agencies	FY 24 budget utilizes fund balance to offset expenses - no change in agency billing	\$0

f) Cities and County Apportionment:

As reflected in Table 2: Sources of Funding, the most substantial source of funding for LAFCO’s operational cost comes from the County and the seven cities. For FY 23/24, the proposed invoice to the County and cities total \$895,788, a slight decrease of \$3,229 from the prior year.

Staff calculated the *estimated* cost to the County and cities using the most recent financial report from the State Controller’s Office (SCO) and based on the “Governmental Funds Revenues” per the Solano County Auditor-Controller. Table 4 on the following page provides the *estimated* billing to the County and the seven cities.

Table 4: Estimated Billing to Cities and County FY 23/24					
Agency	Gov Funds General Revenues (FY 20/21)*	Cost %	FY 22/23	FY 23/24 Estimate	+/-
Benicia	\$ 53,954,445	7.80%	\$ 34,947	\$ 34,947	\$ -
Dixon	\$ 55,731,875	8.06%	\$ 36,098	\$ 36,098	\$ -
Fairfield	\$ 173,601,383	25.10%	\$ 112,444	\$ 112,444	\$ -
Rio Vista	\$ 13,904,985	2.01%	\$ 9,006	\$ 9,006	\$ (1.00)
Suisun City	\$ 25,477,824	3.68%	\$ 16,502	\$ 16,502	\$ -
Vacaville	\$ 183,599,010	26.55%	\$ 118,919	\$ 118,919	\$ -
Vallejo	\$ 185,231,735	26.79%	\$ 119,977	\$ 119,977	\$ -
Subtotal: Cities	\$ 691,501,257	100.00%	\$ 447,894	\$ 447,894	\$ (1.00)
County			\$ 447,894	\$ 447,894	\$ -
TOTAL			\$ 895,788	\$ 895,788	\$ -
*Most recent report available as of 3/17/23					

Please note- SCO usually releases a more current report post-adoption of LAFCO's final budget.

g) Fund Balance Appropriation:

Historically, the Commission applies fund balance from prior years to future years. For FY 23/24, the Finance Committee recommends:

- The Commission appropriates \$94,771 from fund balance to partially offset the cost of funding the Proposed Budget, thus keeping the billing to the County and the seven cities the same as the prior year. The Finance Committee based this recommendation on the concern that the high-profile regional projects anticipated in FY 23/24 could quickly consume fund balance. The Committee also discussed fund availability for LAFCO staffing expansion, as well as, unforeseen relocation costs.

h) Statutory Deadlines:

GC §56381 specifies certain statutory deadlines for adopting the LAFCO’s Proposed and Final Budget. Table 5 lists the Statutory deadlines and how the Commission plans to comply with the Statute.

<u>Table 5: Statutory Deadlines</u>		
Deadlines	Statutory Requirement	Planned Action
May 1	LAFCO must adopt a Proposed Budget	April 10 Public Hearing
June 15	LAFCO must adopt a Final Budget	June 12 Public Hearing
July 1	The Auditor requests payment from cities and the County	
August 30	Payments must be received by the Auditor	

Proposed Work Plan (Attachment B)

In conjunction with a proposed budget, the Commission adopts an annual work plan. The Work Plan typically includes tasks and projects, prioritization, categorization, and, task comments. The proposed Work Plan includes eight task categories and projects.

All identified items are important; however, given available resources, it is helpful to prioritize the items identified. A high-priority classification indicates that the item is: time-sensitive, high-value, and critical. The Work Plan includes six high-priority projects/tasks and two medium-priority tasks. There are four categories: Projects (P); Commission Directives (C); Administrative (A); and; Legislative (L). These categories are described as follows:

- *Projects* – In consultation with agencies, a list of near-term projects has been developed. These projects have been submitted or are anticipated in FY 23/24.
- *Commission Directive* – Solano LAFCO provides leadership and partnership roles in Solano County through proactive initiatives designed to support the efficient delivery of municipal services and to foster relationships among local and regional agencies and organizations.
- *Administrative* – The proposed FY 23/24 Work Plan includes administrative projects that support organizational effectiveness and internal efficiencies. In addition to the daily LAFCO office duties and Commission meeting prep and follow-up, the proposed Work Plan includes administrative tasks that help keep local agencies and the public informed and improve organizational effectiveness. It is critical to maintain internal efficiencies that support Solano LAFCO’s organizational effectiveness and to meet statutory requirements.
- *Legislative* - Solano LAFCO is required by Statute to process organization and reorganization changes, conduct sphere of influence updates, conduct municipal service review studies, adopt local policies and procedures, and fulfill other legal mandates.

Conclusion and Recommendation

The Proposed Budget for FY 23/24 reflects the costs and resource needs for carrying out LAFCO's responsibilities including the FY 23/24 Work Plan. In the coming weeks, staff will be presenting the Proposed Budget to the City/County Manager's Group and the Community Development/Planning Director's Group to solicit comments. Staff will inform the Commission of their remarks at the June 12 Public Hearing.

The Finance Committee and staff recommend the Commission adopt or adopt with modifications the Proposed Budget and Work Plan for FY 23/24.

Attachments:

A – Draft Proposed Budget FY 23/24

B – Draft Proposed Work Plan FY 23/24



Solano Local Agency Formation Commission

675 Texas St. Ste. 6700 • Fairfield, California 94533

(707) 439-3897 • FAX: (707) 438-1788

Staff Report

DATE: June 12, 2023
 TO: Local Agency Formation Commission
 FROM: Christina Love, Deputy Executive Officer
 SUBJECT: **LAFCO Project No. 2022-09 Independent Auditor's Final Report for Fiscal Years 2022 and 2021**

Recommendation:

RECEIVE, ADOPT, and DIRECT staff to file the FY 2022 and 2021 Independent Auditor's Final Report.

REVIEW and ADOPT attached LAFCO Resolution for new Lease Capitalization Policy in compliance with GASB 87, as part of the Audit's recommendations.

Executive Summary:

The Independent Auditor's report shows that Solano LAFCO's financial reporting is in compliance with State and Federal laws for independent agencies. However, one observation made was the Solano LAFCO did not have a Lease Capitalization Policy, as required by the Governmental Accounting Standards Board (GASB) statement number 87 – generally referred to as GASB 87. GASB 87 requires the recognition of all leases over 12 months to be recorded as liabilities and right-of-use assets. The proposed new Lease Capitalization Policy language is recommended by the Independent Auditor and meets GASB 87.

Discussion:

Audit Report

The Commission's outside audit firm, James Marta & Company, LLP (Auditor), has completed the LAFCO biennial audit for fiscal years FY 2022 and FY 2021. The purpose of the biennial audit is for an independent third-party to review and assess the Commission's financial records to determine their compliance with generally accepted governmental accounting standards and adopted state laws. The outside audit provides an opportunity for a third-party to identify reporting errors and omissions as well as to make suggestions for improvements.

The Auditor's *Final Financial Statements with Independent Auditor's Report* (Report) is Attachment A. On page 1 of the report is a clear statement that James, Marta & Company, LLP, found that the accompanying financial statements present fairly, in all material respects, the

Commissioners

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

Alternate Commissioners

Robert Guerrero • Alma Hernandez • Wanda Williams

Staff

Rich Seithel, Executive Officer • Christina Love, Deputy Executive Officer • Aaron Norman, Analyst II •

Mala Subramanian, Lead Legal Counsel

Staff Report Page 1 of 62

financial position of the governmental activities, the general fund and the aggregate remaining fund information of the Commission as of June 30, 2022 and 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

On pages 7-13 of the Report is the Management Discussion and Analysis (MD&A), as written by Solano LAFCO staff and reviewed by the Auditor for its accuracy. Included in the MD&A are the following Financial Highlights:

- The Commission finished June 30, 2022, ended with a net position of \$816,030; a change of \$350,003 from the prior year. June 30, 2021, ended with a net position of \$466,027; a change of \$122,400 from the prior year. The net position¹ includes all pension and post-employment liabilities. (see Section IV of the MD&A)
- The Commission finished June 30, 2022, with a fund balance of \$776,174; and June 30, 2021, with \$545,110. The entire fund balance² is unassigned and includes the Commission's contingency designated reserve of 20% of annual budgeted expenditures in any given year. (see Section V of the MD&A)

Given the above discussion and that found in the MD&A in the Report, staff recommends that the Commission receive, adopt, and direct staff to file the FY 2022 and 2021 financial audit.

New Policy

The Governmental Account Standards Board is the independent, private-sector organization based in Norwalk, Connecticut, that establishes accounting and financial reporting standards for U.S. state and local governments that follow Generally Accepted Accounting Principles (GAAP).

The GASB standards are recognized as authoritative by state and local governments, state Boards of Accountancy, and the American Institute of CPAs (AICPA). The GASB develops and issues accounting standards through a transparent and inclusive process intended to promote financial reporting that provides useful information to taxpayers, public officials, investors, and others who use financial reports.

Their mission is to establish and improve financial accounting and reporting standards to provide useful information to investors and other users of financial reports and educate stakeholders on how to most effectively understand and implement those standards.

Statement Number 87 was initiated in May 2019 with an effective/implementation date of July 2021. However, during the COVID pandemic, enforcement was lenient. Therefore, staff and the independent auditor recommend adopting the policy now.

¹ Net position is the difference between all of the Commission's assets, deferred outflows, liabilities, and deferred inflows. The Commission has no capital assets and no restricted net position.

² The Commission's fund balance includes unassigned fund balance (the residual classification for the general fund and includes the contingency reserve fund of not less than 20% of annual budgeted expenditures in any given year intended for extraordinary, unbudgeted, and high-priority expenditures).

Attachments:

Action Item – Resolution of the Solano Local Agency Formation Commission adopting the Solano LAFCO GASB 87 Lease Capitalization Policy
Exhibit A – Draft Policy

Attachment A – Financial Statements with Independent Auditor’s Report for the Fiscal Years ended June 30, 2022 and 2021

LAFCO RESOLUTION NO. 2023-

RESOLUTION OF THE SOLANO LOCAL AGENCY FORMATION COMMISSION ADOPTING THE SOLANO LAFCO GASB 87 LEASE CAPITALIZATION POLICY

WHEREAS, Solano LAFCO hired James Marta & Company to conduct an independent audit for Fiscal Years 2022 and 2021; and;

WHEREAS, James Marta & Company found that Solano LAFCO to be in compliance with governmental accounting and auditing standards, and;

WHEREAS, James Marta & Company recommended that Solano LAFCO adopt a new Lease Capitalization Policy for compliance with Governmental Accounting Standards Board statement number 87, and;

WHEREAS, James Marta & Company reviewed the attached Solano LAFCO GASB 87 Lease Capitalization Policy and found it to be consistent with GASB 87 and meets the statement’s requirements, and;

WHEREAS, Solano LAFCO Commission reviewed, considered, and heard testimony on the attached GASB 87 Lease Capitalization Policy at the duly noticed June 12, 2023 meeting.

NOW, THEREFORE, BE IT HEREBY DETERMINED AND ORDERED as follows:

1. The Solano LAFCO Lease Capitalization Policy, as shown in Exhibit A, shall be adopted and effective retroactively to July 1, 2021.

PASSED AND ADOPTED by the Local Agency Formation Commission of Solano County at a regular meeting, held on the 12th day of June 2023, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Nancy Shopay, Chair
 Presiding Officer Solano Local Agency
 Formation Commission

ATTEST:

Christina Love, Deputy Executive Officer

Exhibit A – Solano LAFCO GASB 87 Lease Capitalization Policy

EXHIBIT A

Solano LAFCO
GASB 87 Lease Capitalization Policy
Effective Date: Retroactive to July 1, 2021

General Policy

The Commission shall not enter into a lease with a duration of more than one year (12 months), nor a lease with an option to extend beyond one year unless such a lease provides the Commission with preferred pricing or another significant business advantage.

Leases that are not classified as short-term and whose aggregate payments made or received exceed \$35,000 will be capitalized (“Capitalization Threshold”) in compliance with GASB 87, except as noted below:

- Leases that transfer ownership and do not contain termination options
- Short-term leases (12 months or less)
- Leases of assets that are investments
- Intangible assets (mineral rights, patents, software, copyrights)
- Biological assets (timber, living plants, living animals)
- Supply contracts
- \$1 Leases or similar, not an exchange/exchange-like transaction

This policy shall be reviewed annually and adjusted as conditions warrant. This policy and future changes to it will be approved by the Executive Officer.

Definitions

Lease: A contract that conveys control of the right to use another entity’s nonfinancial asset (underlying asset) as specified by the contract for a period of time in an exchange or exchange-like transaction.

Short-term lease: A lease that, at the beginning of its term, has a maximum possible term under the contract, including any option to extend, of 12 months or less.

Financed purchase: If a contract (1) transfers ownership of the underlying asset to the lessee by the end of the contract and (2) does not contain termination options other than fiscal funding or cancellation clauses, the contract is not a lease and should be reported as a financed purchase.

Finance Lease: A finance lease is a leasing arrangement in which the lessee obtains ownership of the leased asset by the end of the lease term. With the implementation of GASB 87 effective for fiscal years beginning after June 15, 2021, there is no longer an operating vs. capital classification. Instead, all leases will be referred to as financing leases.

Measurement of a Finance Lease

As of the commencement date of a lease, the lessee measures the liability and the right-of-use asset associated with the lease. These measurements are derived as follows:

Lease Liability: The present value of the lease payments, discounted at the discount rate for the lease. This rate is the rate implicit in the lease when that rate is readily determinable. If not, the lessee instead uses its incremental borrowing rate.

Right-of-Use Asset: The initial amount of the lease liability, plus any lease payments made to the lessor before the lease commencement date, plus any initial direct costs incurred, minus any lease incentives received.

Determining Lease Term

Noncancelable Period
+ Period covered by option to terminate when it is NOT certain to be exercised
+ Period covered by the option to extend when it is reasonably certain to be exercised
= Total Lease Term

The Commission will reassess the lease term if one or more of the following occurs:

- Lessee or lessor elects to exercise an option even though originally determined that the lessee or lessor would not exercise that option.
- Lessee or lessor elects to not exercise an option even though previously determined that the lessee or lessor would exercise that option.
- An event specified in the contract that requires an extension or termination of the lease takes place.

This Board policy will be reviewed annually and adjusted as conditions warrant, such as changes in net assets, or other required updates by the GASB.



JAMES MARTA & COMPANY LLP

**LOCAL AGENCY FORMATION COMMISSION
OF SOLANO COUNTY**

**FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITOR'S REPORT**

**FOR THE FISCAL YEARS ENDED
JUNE 30, 2022 AND 2021**

WWW.JPMCPA.COM

701 HOWE AVENUE, E3
SACRAMENTO, CA 95825

(916) 993-9494
(916) 993-9489 FAX

LOCAL AGENCY FORMATION COMMISSION OF SOLANO COUNTY

JUNE 30, 2022 AND 2021

COMMISSION MEMBERS

John Vasquez
Solano County Supervisor

Nancy Shopay
Public Member

Harry Price
Mayor of Fairfield

Ron Rowlett
Mayor of Vacaville

Jim Spering
Solano County Supervisor

ALTERNATE COMMISSION MEMBERS

Ron Kott
Mayor of Rio Vista

Robert Guerrero
Public Member

Mitch Mashburn
Solano County Supervisor

LOCAL AGENCY FORMATION COMMISSION OF SOLANO COUNTY

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James Marta & Company LLP
Certified Public Accountants

Accounting, Auditing, Consulting, and Tax

INDEPENDENT AUDITOR'S REPORT

To the Commissioners of
 Local Agency Formation Commission of Solano County
 Fairfield, California

Opinions

We have audited the financial position of the governmental activities, the general fund and the aggregate remaining fund information of the Local Agency Formation Commission of Solano County (the Commission), as of and for the years ended June 30, 2022 and 2021, and the related Statement of Governmental Fund Revenues, Expenses and Changes in Fund Balance and Statement of Activities and notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the governmental activities, the general fund and the aggregate remaining fund information of the Commission as of June 30, 2022 and 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Commission and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Responsibilities of Management for the Financial Statements

The Commission's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

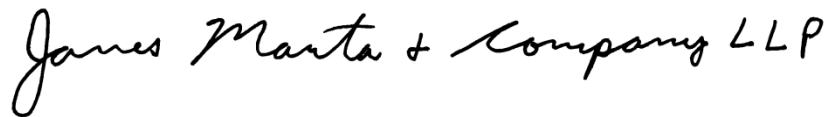
Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion, Analysis, Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget (Non-GAAP) and Actual - General Fund, Schedule of Proportionate Share of Net Pension Liability and Schedule of Contributions be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 18, 2023 on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "James Marta & Company LLP". The signature is written in a cursive, flowing style.

James Marta & Company LLP
Certified Public Accountants
Sacramento, California
May 18, 2023

MANAGEMENT’S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS**JUNE 30, 2022 AND 2021**

The Management's Discussion and Analysis (MD&A) provides an overview of the financial activities of the Local Agency Formation Commission of Solano County, California (the Commission) for the fiscal years ending on June 30, 2022, and June 30, 2021. These statements are supported by notes to the basic financial statements. The required financial statements include the Statement of Net Position and Governmental Funds Balance; and the Statement of Activities and Governmental Funds Revenues, Expenditures, and Changes in Fund Balances. All statements must be considered together to obtain a complete understanding of the financial picture at the Commission.

I. Financial Highlights

While the MD&A provides a more detailed discussion and explanation of the Audit Report, the following are general highlights:

- The Commission finished June 30, 2022, ended with a net position of \$816,030; a change of \$350,003 from the prior year. June 30, 2021, ended with a net position of \$466,027; a change of \$122,400 from the prior year. The net position¹ includes all pension and post-employment liabilities. (see Section IV of the MD&A)
- The Commission finished June 30, 2022, with a fund balance of \$776,174; and June 30, 2021, with \$545,110. The entire fund balance² is unassigned and includes the Commission's contingency designated reserve of 20% of annual budgeted expenditures in any given year. (see Section V of the MD&A)

II. Office Activities for FY 2021 and FY 2022

Fiscal Years 2022 and 2021 continued to experience the effects of the COVID-19 Pandemic. However, both fiscal years also included unforeseen significant staffing changes and turnover that resulted in benefit payouts. Workload continued to increase, many projects were complicated, complex, and longer-term projects. A brief summary of each year's notable events is as follows:

FY 2022

- **Staffing:** The final budget accounted for salary and benefits of four full-time staff persons – an Executive Officer position, a Senior Analyst position, an Analyst II position, and a new Deputy Executive Officer position. The Sr. Analyst resigned in August 2021, and the Analyst II resigned in June 2022 resulting in significant payouts of benefits (categorized as Compensated Absences and Long-Term Liabilities reductions). Additionally, both departures resulted in periods of time where there were only two staff persons, as opposed to the budgeted four persons.
- **Workplan:** The RNVWD Municipal Service Review and Fire District Reorganization projects continued through FY 2022, and grew in scope and complexity. The Commission also entered into a contract to conduct a municipal service review for Solano Irrigation District. The Commission was also provided notice by the State Controller of inactive Reclamation Districts that required the

1 Net position is the difference between all of the Commission's assets, deferred outflows, liabilities, and deferred inflows. The Commission has no capital assets and no restricted net position.

2 The Commission's fund balance includes unassigned fund balance (the residual classification for the general fund and includes the contingency reserve fund of not less than 20% of annual budgeted expenditures in any given year intended for extraordinary, unbudgeted, and high-priority expenditures).

MANAGEMENT'S DISCUSSION AND ANALYSIS**JUNE 30, 2022 AND 2021**

Commission to consider dissolution. Additionally, several more annexations and detachments for RNVWD and SID were received but later completed.

FY 2021

- **Staffing:** The Final Budget accounted for the salary and benefits of three full-time staff persons – an Executive Officer position, a Senior Analyst position, and a new Analyst II position. However, the Senior Analyst staffer was on long-term medical leave for approximately 6 months resulting in a decrease in benefits and salary expenses (categorized as Employee Services) because they were paid by long-term disability. Additionally, an agency-wide wage adjustment was deferred, which resulted in lower expenses in the Actual Budget than was approved for the Final Budget. The vacated position took longer to fill than normal due to COVID and salary issues.
- **Workplan:** Staff began several projects and encumbered contract amounts related to the Rural North Vacaville Water District (RNVWD) Municipal Service Review, Fire District Reorganization analysis reports, an audit, and the countywide Levee and Reclamation District Municipal Service Review. Additionally, there were several applications for annexations or detachments from RNVWD and Solano Irrigation District that were received, but later completed.

III. Basic Financial Statements

The Commission's basic financial statements are comprised of government-wide financial statements and fund financial statements.

1. Government-wide financial statements (pages 10-11). The government-wide financial statements provide a longer-term view of the Commission's activities as a whole and comprise the statement of net position and statement of activities.
2. Fund financial statements (pages 12-14). The fund financial statements report the Commission's operations in more detail than the government-wide statements and focus primarily on short-term activities of the Commission's intergovernmental funds. The fund financial statements measure only current revenues and expenditures and fund balances; they exclude capital assets, long-term debt and other long-term amounts.
3. Governmental funds (page 12-14). Governmental Fund Financial Statements are prepared on a modified accrual basis, which means they measure only current financial resources and uses. Capital assets (of which the Commission has none) and other long-lived assets, along with long-term liabilities, are not presented in the Governmental Fund Financial Statements. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the Commission's near-term financing requirements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Commission's budgetary comparison schedule for the General Fund and the schedule of funding progress for the retirement program. Required supplementary information can be found on pages 31-35 of this report.

MANAGEMENT’S DISCUSSION AND ANALYSIS

JUNE 30, 2022 AND 2021

IV. Government-wide Financial Analysis

Government-wide Financial Statements are prepared on an accrual basis, which means they measure the flow of all economic resources of the Commission as a whole. The statement of net position and the statement of activities present information about the following:

The statement of net position provides information about the financial position of the Commission as a whole, including any capital assets and long-term liabilities on a full accrual basis. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Commission is improving or deteriorating. (page 10)

The statement of activities provides information about all of the Commission’s revenues and all of its expenses, also on a full accrual basis, with emphasis on measuring net revenues or expenses of the Commission’s programs. The statement of activities explains in detail the change in Net Position for the year. Revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. (page 11)

In the case of the Commission, the net position was \$816,030 at June 30, 2022 and \$466,027 at June 30, 2021. The Commission’s net position is entirely categorized as unrestricted net position which may be used to meet the Commission’s ongoing obligations to citizens and creditors. Governmental activities increased the Commission’s net position by \$350,003 during FY 2022, and increased the Commission’s net position by \$122,400 during FY 2021. The reasons for the increases are explained in the following table and discussion.

SUMMARY OF NET POSITION

	As of June 30:		
	2022	2021	2020
Current Assets	\$ 861,736	\$ 672,861	\$ 464,583
Total Assets	<u>861,736</u>	<u>672,861</u>	<u>464,583</u>
Deferred outflows of resources related to pensions	<u>83,889</u>	<u>61,183</u>	<u>49,407</u>
Current Liabilities	85,562	127,751	64,573
Long-Term Liabilities	43,698	139,184	103,243
Total Liabilities	<u>129,260</u>	<u>266,935</u>	<u>167,816</u>
Deferred inflows of resources related to pensions	<u>335</u>	<u>1,082</u>	<u>2,547</u>
Net Position	<u>\$ 816,030</u>	<u>\$ 466,027</u>	<u>\$ 343,627</u>

Assets: Assets refer to cash and investments, prepaid expenses, and deposits with other agencies. The Commission’s assets primarily consist of cash and investments, which is the accumulated fund balance at the

MANAGEMENT’S DISCUSSION AND ANALYSIS

JUNE 30, 2022 AND 2021

end of each fiscal year. The Commission is required to participate in Solano County’s external investment pool because Solano County holds the Commission’s cash deposit and investments. (pages 21-22)

- Current assets increased by \$188,875 from FY 2021 to 2022. This increase is reflective of market investments with positive returns, and because the fund balances increased because expenses, specifically salaries/benefits, were less than anticipated due to the aforementioned staff turnover. Fund balance increases are further discussed in Section V of the MD&A.

Liabilities: Current liabilities refer to any debt less than one year, such as accounts payable, outstanding warrants/checks, and unearned revenue. Whereas long-term liabilities refer to any debts over one year, such as pensions and compensated absences (vacation and sick leave). (pages 12, 13, and 22)

- Current liabilities decreased by \$42,189 from FY 2021 to 2022. The primary reason for the decrease is that staffing was anticipated and budgeted for four employees, however with extensive turnover there were extended periods of time where there were only two staff members – reducing accounts payable actuals. Additionally, several project applications were submitted with fees held in unearned revenues, only to be completed beyond the fiscal year with the fees remaining in unearned revenues until completed.
- Long-term liabilities decreased by \$95,486 primarily due to payouts in compensated absences and pension liability because of staffing turnover.

V. Financial Analysis of the Commission's Governmental Funds

The Commission uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The “General Fund” is a governmental fund type employed to account for general government functions of the Commission. The focus of the Commission’s governmental fund is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Commission’s financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. (pages 11 and 14)

SUMMARY CHANGES IN NET POSITION

	For the Year Ended June 30:		
	<u>2022</u>	<u>2021</u>	<u>2020</u>
Revenues	\$ 789,536	\$ 767,033	\$ 700,176
Expenses	(558,872)	(621,933)	(639,598)
Excess (Deficiency)	<u>\$ 230,664</u>	<u>\$ 145,100</u>	<u>\$ 60,578</u>
	As of June 30:		
	<u>2022</u>	<u>2021</u>	<u>2020</u>
Fund Balances	\$ 776,174	\$ 545,110	\$ 400,010
Net Position	\$ 816,030	\$ 466,027	\$ 343,627

MANAGEMENT'S DISCUSSION AND ANALYSIS**JUNE 30, 2022 AND 2021**

Revenues: Revenues include intergovernmental contributions, program revenues/charges for services (application fees), and interest income. Governmental revenues totaled \$711,404 in FY 2022 and \$711,793 in FY 2021. The increases are due to the increase in operating costs billed to the County and cities.

- Intergovernmental contributions nominally increased by \$389 from 2021 to 2022 because the adopted budgets and mandatory reserves were nearly the same.
- Program revenues increased from FY 2021 to 2022 by \$26,000 because of staff's ability to complete and close projects, allowing fees to be transferred from unearned revenue to actual revenue.

Expenses: Expenses refer to employee services (payroll), professional and contract services, office supplies and equipment, office space and equipment rentals, memberships, and travel. Expenses totaled \$558,872 in FY 2022 and \$621,933 in FY 2021. The decrease in FY 2022 is primarily due to the unanticipated decrease in employee services and travel expenses related to COVID-19. (page 14)

- Professional and contract expenses decreased FY 2022 because many projects were encumbered in FY 2021 but not completed – such as two consultant contracts for Sphere of Influence Updates and related Municipal Service Review. Additionally, Employee Services decreased because one employee left and hiring the new Deputy EO was delayed, leaving an extended period of time with only two employees.
- In FY 2021, a part-time contract employee was hired due to a long-term disability absence. The part-time contract employee helped in processing projects and general workload, but was limited in scope and time. However, employee services and overall expenses decreased with fewer full-time employees and the third being compensated by disability insurance.

Fund Balance: The Commission's fund balance consists of unspent and unrestricted funds at the end of the year, which includes monies in the 20% designated reserve. Fund balance is also affected by the cost of covering liabilities – such as being able to payout pension liability and compensated absences should a staff person retire or leave.

- The fund balance increased by \$145,100 in June 30, 2021; and \$230,664 in June 30, 2022.
 - o In the fiscal year 2021, one staff person was on extended medical leave and then left LAFCO after returning. During medical leave, salary is in part paid by short-term disability – therefore the Commission's salary and benefits expenses were lower than planned. Therefore, the fund balance at the end of the year increased.
 - o In fiscal year 2022, the Commission anticipated four staff persons, with the fourth being a new hire for the newly created Deputy Executive Officer position. However, one staff person left at the beginning of the fiscal year, and another left at the end of the fiscal year. In between, filling the new position was delayed because of the staffing loss. As a result, both employees were paid-out on their balance of unused vacation and admin leave (compensated absences) and pension liabilities decreased. With just two out of four employees for an extended period of time, anticipated salaries and benefits were substantially lower and therefore fund balance at the end of the fiscal year increased.

MANAGEMENT'S DISCUSSION AND ANALYSIS**JUNE 30, 2022 AND 2021**

VI. Debt Administration

Long-term obligations: Long-term obligations are the long-term liabilities for compensated absences (vacation, sick pay, and administrative leave) and net pension liabilities. This amount shown is entirely backed by the full faith and credit of the Commission. (page 22)

- June 30, 2022 reflected a balance of \$43,698 which consisted of \$66,788 of compensated absences and (\$23,090) of pension liability. The pension liability reflects a negative because a long-time employee left the Commission about mid-year
- June 30, 2021 reflected a balance of \$139,184 which consisted of \$93,193 in compensated absences and \$45,991 in pension liability.

VII. Economic Factors and Next Year's Operating Activities

The Commission's management acknowledges the continued Covid-19 pandemic economic impact and the effects of staff turnover. However, management anticipates operating activities to improve and increase in the coming year with a full and complete staff of four members.

VIII. Requests for Information

This financial report is designed to provide a general overview of the Commission's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Solano Local Agency Formation Commission, 675 Texas Street, Suite 6700, Fairfield, CA 94533.

BASIC FINANCIAL STATEMENTS

STATEMENT OF NET POSITION

JUNE 30, 2022 AND 2021

ASSETS	2022	2021
Cash and investments	\$ 861,198	\$ 671,117
Prepaid expenses	531	531
Deposits with others	(28)	285
Due from other agencies	35	928
Total Assets	861,736	672,861
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows of resources related to pensions (note 5)	83,889	61,183
LIABILITIES		
Accounts payable and accrued expenses	40,139	35,911
Outstanding warrants	1,400	1,493
Due to other agencies	-	714
Unearned revenue	44,023	89,633
Compensated absences	66,788	93,193
Net pension liability	(23,090)	45,991
Total Liabilities	129,260	266,935
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows of resources related to pensions (note 5)	335	1,082
NET POSITION		
Unrestricted	816,030	466,027
Total Net Position	\$ 816,030	\$ 466,027

See accompanying notes to the basic financial statements.

STATEMENT OF NET ACTIVITIES

FOR THE YEARS ENDED JUNE 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
EXPENSES:		
Employee Services	\$ 286,231	\$ 472,295
Professional Services	93,233	111,280
Rent Expense	23,510	24,985
Non Capitalized expense	8,593	7,317
Supplies	619	1,772
Insurance	6,653	-
Memberships	8,694	8,745
Communication	6,709	6,323
Travel	1,830	8,347
Miscellaneous	<u>3,461</u>	<u>3,569</u>
Total expenditures/expenses	<u>439,533</u>	<u>644,633</u>
Program revenues:		
Charges for services	<u>75,000</u>	<u>49,000</u>
Net program expenses	<u>364,533</u>	<u>595,633</u>
General revenues		
Intergovernmental Revenue	711,404	711,793
Interest Income	3,132	6,240
Other income	<u>-</u>	<u>-</u>
Total general revenues	<u>714,536</u>	<u>718,033</u>
Change in net position	<u>350,003</u>	<u>122,400</u>
Net position beginning	<u>466,027</u>	<u>343,627</u>
Net position - ending	<u><u>\$ 816,030</u></u>	<u><u>\$ 466,027</u></u>

See accompanying notes to the basic financial statements.

GOVERNMENTAL FUND BALANCE SHEET

JUNE 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and investments	\$ 861,198	\$ 671,117
Prepaid expenses	531	531
Deposits with others	(28)	285
Due from other agencies	<u>35</u>	<u>928</u>
Total Assets	<u>861,736</u>	<u>672,861</u>
LIABILITIES		
Accounts payable and accrued expenses	40,139	35,911
Outstanding warrants	1,400	1,493
Due to other agencies	-	714
Unearned revenue	<u>44,023</u>	<u>89,633</u>
Total Liabilities	<u>85,562</u>	<u>127,751</u>
FUND BALANCE		
Unassigned	<u>776,174</u>	<u>545,110</u>
Total fund balance	<u>776,174</u>	<u>545,110</u>
Total Liabilities and Fund Balances	<u>\$ 861,736</u>	<u>\$ 672,861</u>

See accompanying notes to the basic financial statements.

**RECONCILIATION OF THE BALANCE SHEET OF THE GOVERNMENTAL FUND
 TO THE STATEMENT OF NET POSITION**

FOR THE FISCAL YEARS ENDED JUNE 30, 2022 AND 2021

	2022	2021
Total fund balances - governmental funds	\$ 776,174	\$ 545,110
<p>Amounts reported for assets and liabilities for governmental activities in the statement of net position are different from amounts reported in governmental funds because:</p> <p>Long-term liabilities: In governmental funds, only current liabilities are reported. In the statement of net position, all liabilities, including long-term liabilities, are reported. Long-term liabilities relating to governmental activities consist of:</p>		
Net pension liability	23,090	(45,991)
Compensated absences payable	(66,788)	(93,193)
<p>Deferred outflows and inflows of resources relating to pensions: In governmental funds, deferred outflows and inflows of resources relating to pensions are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to pensions are:</p>		
Deferred outflows of resources related to pensions	83,889	61,183
Deferred inflows of resources related to pensions	(335)	(1,082)
Total net position, governmental activities:	\$ 816,030	\$ 466,027

See accompanying notes to the basic financial statements.

**STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE**

GOVERNMENTAL FUNDS

FOR THE FISCAL YEARS ENDED JUNE 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
REVENUES:		
Intergovernmental Contributions	\$ 711,404	\$ 711,793
Charges for Services	75,000	49,000
Interest Income	3,132	6,240
Total revenues	<u>789,536</u>	<u>767,033</u>
EXPENSES:		
Employee Services	405,570	449,595
Professional Services	93,233	111,280
Rent Expense	23,510	24,985
Non Capitalized expense	8,593	7,317
Supplies	619	1,772
Insurance	6,653	-
Memberships	8,694	8,745
Communication	6,709	6,323
Travel	1,830	8,347
Miscellaneous	3,461	3,569
Total expenditures/expenses	<u>558,872</u>	<u>621,933</u>
Excess/ (deficiency) of revenues over/ (under) expenditures	230,664	145,100
FUND BALANCES:		
Beginning of the Year	<u>545,510</u>	<u>400,010</u>
Ending of the Year	<u>\$ 776,174</u>	<u>\$ 545,110</u>

See accompanying notes to the basic financial statements.

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUND TO THE
 STATEMENT OF ACTIVITIES**

FOR THE FISCAL YEARS ENDED JUNE 30, 2022 AND 2021

	2022	2021
Total net change in fund balances - governmental funds	\$ 230,664	\$ 145,100
<p>Amounts reported for governmental activities in the statement of activities are different from amounts reported in governmental funds because:</p>		
<p>Compensated absences in governmental funds are measured by the amounts paid during the period. In the statement of activities, compensated absences are measured by the amounts earned. The difference between compensated absences paid and compensated absences earned was:</p>		
Compensated absences payable	26,405	(24,504)
<p>Pensions: In government funds, pension costs are recognized when employer contributions are made in the statement of activities, pension costs are recognized on the accrual basis. This year, the difference between accrual-basis pension costs and actual employer contributions was:</p>		
	92,934	1,804
Total change in net position - governmental activities	\$ 350,003	\$ 122,400

See accompanying notes to the basic financial statements.

NOTES TO THE BASIC FINANCIAL STATEMENTS**JUNE 30, 2022 AND 2021****1. REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****A. ORGANIZATION**

Local Agency Formation Commissions (LAFCOs or Commission) are independent regulatory commissions created by the California Legislature to determine the boundaries of cities and most special districts. LAFCOs are tasked by the Legislature to administer a section of State planning law known as the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. LAFCOs have regulatory and planning powers. Regulatory duties include approving or disapproving proposals involving (a) city incorporations, disincorporations, or subsidiary districts (b) special district formations, consolidations, mergers, and dissolutions, (c) city and special district annexations and detachments, and (d) city and special district outside service extensions. LAFCOs planning activities include: establishing, updating, and amending spheres of influence for all local governmental agencies

Solano LAFCO is comprised of five members including: two county supervisors, two city mayors and one member representing the public at large. Commission members serve four-year terms.

B. BASIS OF PRESENTATIONGovernment-wide Financial Statements

The statement of net position and the statement of activities display information about the Commission. These statements include the financial activities of the overall government. Eliminations have been made to minimize the double counting of internal activities.

The government-wide statement of net position presents information on all of the Commission's assets, deferred outflows, liabilities and deferred inflows with the difference between the two presented as net position. Net position is reported as one of three categories: net investment in capital assets, restricted or unrestricted. Restricted net position is further classified as either net position restricted by enabling legislation or net position that are otherwise restricted. The Commission currently has no capital assets and no restricted net position.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the Commission's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are, therefore, clearly identifiable to a particular function. The Commission does not allocate indirect expenses to functions in the statement of activities. Program revenues include charges paid by the recipients of goods or services offered by a program, as well as grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues, which are not classified as program revenues, are presented as general revenues, with certain exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the Commission.

The Commission reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function.

Fund Financial Statements

Fund financial statements report detailed information about the Commission. The focus of

NOTES TO THE BASIC FINANCIAL STATEMENTS**JUNE 30, 2022 AND 2021**

governmental fund financial statements is on major funds rather than reporting funds by type. The Commission has only one operating fund.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTINGGovernment-Wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Assessments and service charges are recognized as revenues in the year for which they are levied. Expenses are recorded when liabilities are incurred.

Governmental Fund Financial Statement

Governmental fund financial statements (i.e., balance sheet and statement of revenues, expenditures and changes in fund balances) are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded under the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Available" means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the Commission, "available" means collectible within the current period or within 60 days after year-end.

Non-exchange transactions, in which the Commission receives value without directly giving equal value in return, include assessments and interest income. Under the accrual basis, revenue from assessments is recognized in the fiscal year for which the assessments are levied. Under the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

D. FUND ACCOUNTING

The accounts of the Commission are organized on the basis of funds or account groups, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. The Commission resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The Commission has one governmental fund.

Governmental Fund:

The General Fund is the general operating fund of the Commission. It is used to account for all

NOTES TO THE BASIC FINANCIAL STATEMENTS**JUNE 30, 2022 AND 2021**

transactions except those required or permitted by law to be accounted for in another fund.

E. BUDGETS

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. By state law, the Commission must adopt a final budget no later than June 15th. A public hearing must be conducted to receive comments prior to adoption. The Commissioners' satisfied these requirements.

F. CASH AND CASH EQUIVALENTS

For purposes of the statement of net position, the Commission considers all short-term highly liquid investments, including restricted assets, amounts held with fiscal agent and amounts held in the County's investment pool, to be cash and cash equivalents. Amounts held in the County's investment pool are available to the Commission.

G. CASH AND INVESTMENTS

As described in Note 2, the Commission's cash and investments are held with the Solano County Treasury, as part of the cash and investment pool with other County Funds. In accordance with GASB Statement No. 31, investments are stated at fair value. However, the value of the pool shares in the County Treasurer's investment pool that may be withdrawn is determined on an amortized cost basis, which is different from the fair value of the Commission's position in the pool. The County Treasurer's investment pool is subject to regulatory oversight by the Treasury Oversight Committee, as required by Section 27134 of the California Government Code. Statutes authorize the County to invest in the following:

1. Obligations of the County or any local agency and instrumentality in or of the State of California;
2. Obligations of the U.S. Treasury, agencies and instrumentalities;
3. Bankers' acceptances eligible for purchase by Federal Reserve System;
4. Commercial paper;
5. Repurchase agreements or reverse repurchase agreements;
6. Medium-term notes with a five-year maximum maturity of corporations operating within the United States and rated in the top three rating categories;
7. Guaranteed investment contracts

H. COMPENSATED ABSENCES

It is the Commission's policy to permit permanent employees to accumulate earned but unused vacation and sick leave benefits. Accrued vacation is paid at the time of the employee's separation based on established Commission limitations. When an employee terminates employment for reasons of regular or disability retirement or death, accrued sick leave is contributed to a Retirement Health Savings Account to assist in payment of retiree medical expenses in accordance with Commission policy. Termination of an employee's continuous services, except by reason of temporary layoff for lack of work or funds, shall cancel all sick leave accrued to the time of such termination, regardless of whether or not such person subsequently re-enters employment. Compensated absences leave is accrued when incurred in the government-wide financial statements. A liability is reported in the

NOTES TO THE BASIC FINANCIAL STATEMENTS**JUNE 30, 2022 AND 2021**

governmental fund only if unused vacation and sick leave after limitations are expected to be liquidated (paid out due to an employee separating from service with the Commission) with expendable available financial resources.

I. REVENUES

Operating revenues, which include service charges, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Revenues classified as non-operating revenues, such as assessments and investment earnings, result from non-exchange transactions or ancillary activities.

J. INCOME TAXES

The Commission is not subject to income tax under Section 115(1) of the Internal Revenue Code and Section 23701d of the California and Taxation Code. Accordingly, no provision for federal or state income taxes has been made in the accompanying financial statements.

K. USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

L. FUND BALANCE

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 54, "*Fund Balance Reporting and Governmental Fund Type Definitions*", the Commission is required to report fund balances in the following categories: Nonspendable, Restricted, Committed, Assigned and/or Unassigned.

Nonspendable Fund Balance reflects assets not in spendable form, either because they will never convert to cash (e.g. prepaid expense) or must remain intact pursuant to legal or contractual requirements.

Restricted Fund Balance reflects amounts that can be spent only for the *specific purposes* stipulated by constitution, external resource providers, or through enabling legislation.

Committed Fund Balance reflects amounts that can be used only for the *specific purposes* determined by a formal action of the government's highest level of decision-making authority: the Board of Commissioners. Commitments may be established, modified, or rescinded only through resolutions approved by the Board of Commissioners.

Assigned Fund Balance reflects amounts intended to be used by the government for *specific purposes* but do not meet the criteria to be classified as restricted or committed. In accordance with adopted policy, only the Board of Commissioners is authorized to assign amounts for specific purposes.

Unassigned Fund Balance represents the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications. The Commission maintains

NOTES TO THE BASIC FINANCIAL STATEMENTS**JUNE 30, 2022 AND 2021**

a contingency reserve fund of not less than 20 percent of annual budgeted expenditures in any given year intended for extraordinary, unbudgeted, and high priority expenditures.

When expenditures are incurred for purposes of which restricted, committed, assigned and unassigned fund balances are available, the Commission considers restricted funds to have been spent first, followed by committed, assigned and unassigned, respectively.

M. DEFERRED INFLOWS AND OUTFLOWS

In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s), and as such will not be recognized as an outflow of resources (expense/expenditures) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and as such, will not be recognized as an inflow of resources (revenue) until that time.

N. FINANCING LEASES

A lease is defined as a contract that conveys control of the right to use another entity's nonfinancial asset as specified in the contract for a period of time in an exchange or exchange-like transaction. The long-term liability and corresponding asset for financial leases are recorded in the financial statements to the extent that the Commission's lease capitalization threshold is met, \$30,000. Amortization of related assets using the straight-line method over the life of the contract. As of June 30, 2022, the Commission did not have any financial leases that met the threshold.

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2022 AND 2021

2. CASH AND INVESTMENTS

Cash and investments as of June 30, 2022 and 2021 consisted of Cash in County Treasury of \$861,198 and \$671,117, respectively.

The Commission maintains specific cash deposits and investments with the County of Solano and involuntarily participates in the external investment pool of the County. Its share of the investment pool is separately accounted for and interest earned, net of related expenses, is apportioned quarterly and based upon the relationship of its daily cash balance to the total of the pooled account. The weighted average maturity of the pool as of June 30, 2022 is 365 days and was 301 days as of June 30, 2021. The pool does not have a credit rating.

Investments, including derivative instruments that are not hedging derivatives, are measured at fair value on a recurring basis. Recurring fair value measurements are those that Governmental Accounting Standards Board (GASB) Statements require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments' fair value measurements at June 30, 2022 are as follows:

<u>Description</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
US Agency, Treasury & Municipal Notes (USATM):				
US Agency Notes:	\$ 355,122	\$ -	\$ -	\$ 355,122
US Treasury Notes:	277,492	-	-	277,492
Municipal Notes:	40,062	-	-	40,062
Supranationals	20,977	-	-	20,977
Corporate Stocks	39,551	-	-	39,551
Commercial Paper	-	20,869	-	20,869
Certificates of Deposit	-	13,047	-	13,047
LAIF	19,848	12,797	-	32,644
Money Market Accounts	-	57,635	-	57,635
Cash Held in Bank	3,799	-	-	3,799
Total	<u>\$ 756,851</u>	<u>\$ 104,347</u>	<u>\$ -</u>	<u>\$ 861,198</u>

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2022 AND 2021

2. CASH AND INVESTMENTS (continued)

Investments' fair value measurements at June 30, 2021 are as follows:

Description	Level 1	Level 2	Level 3	Total
US Agency, Treasury & Municipal Notes (USATM):				
US Agency Notes:	\$ 259,037	\$ -	\$ -	\$ 259,037
US Treasury Notes:	232,526	-	-	232,526
Municipal Notes:	20,782	-	-	20,782
Supranationals	10,531	-	-	10,531
Corporate Stocks	47,936	-	-	47,936
Commercial Paper	-	18,006	-	18,006
Certificates of Deposit	-	17,956	-	17,956
LAIF	12,427	8,012	-	20,439
Money Market Accounts	-	42,256	-	42,256
Cash Held in Bank	1,649	-	-	1,649
Total	<u>\$ 584,887</u>	<u>\$ 86,230</u>	<u>\$ -</u>	<u>\$ 671,117</u>

3. LONG-TERM OBLIGATIONS

The commission has long-term liabilities for compensated absences and net pension liabilities. The summaries for June 30, 2022 and 2021 are as follows:

	Balance June 30, 2021	Additions	Deletions	Balance June 30, 2022	Balance Due In One Year
Net pension liability (asset)	\$ 45,991	\$ -	\$ 69,081	\$ (23,090)	\$ -
Compensated Absences	93,193	-	26,405	66,788	-
Totals	<u>\$ 139,184</u>	<u>\$ -</u>	<u>\$ 95,486</u>	<u>\$ 43,698</u>	<u>\$ -</u>

	Balance June 30, 2020	Additions	Deletions	Balance June 30, 2021	Balance Due In One Year
Net pension liability	\$ 34,554	\$ 11,437	\$ -	\$ 45,991	\$ -
Compensated Absences	68,689	24,504	-	93,193	-
Totals	<u>\$ 103,243</u>	<u>\$ 35,941</u>	<u>\$ -</u>	<u>\$ 139,184</u>	<u>\$ -</u>

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2022 AND 2021

4. OPERATING LEASES

The Commission is under a current lease for building space at 675 Texas St., Suite 6700, Solano, California. The lease was originally for a five year term, to expire on December 31, 2019. The County and Commission desired to extend the agreement for one year, with two (2) one-year options to extend. The rent began at \$1,280 per month set to increase 2% on the first of January every year. As of June 30, 2022, future minimum lease payments are as follows:

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Minimum Payment</u>
2022	<u>8,479</u>
Total	<u>\$ 8,479</u>

Total rent expense for the years ended June 30, 2022 and 2021 was \$17,128 and \$17,128, respectively.

5. EMPLOYEE RETIREMENT PLAN

Plan Description

All qualified permanent and probationary employees are eligible to participate in Local Agency Formation Commission of Solano County’s cost-sharing multiple employer defined benefit pension plan administered by the California Public Employees’ Retirement System (CalPERS). Benefit provisions under the Plan is established by State statute and Local Agency Formation Commission of Solano County resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for the plan are applied as specified by the Public Employees’ Retirement Law.

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2022 AND 2021

5. EMPLOYEE RETIREMENT PLAN (continued)

The Plans' provisions and benefits in effect as of June 30, 2022 and 2021, respectively, are summarized as follows:

	June 30, 2022		June 30, 2021	
	Prior to January 1, 2013	On or after January 1, 2013	Prior to January 1, 2013	On or after January 1, 2013
Hire date				
Benefit formula	2.7% @ 55	2% @ 62	2.7% @ 55	2% @ 62
Benefit vesting schedule	5 years of service	5 years of service	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life	Monthly for life	Monthly for life
Retirement age	50 - 55	52 - 67	50 - 55	52 - 67
Monthly benefits, as a % of eligible compensation	2.0% to 2.7%	1.0% to 2.5%	2.0% to 2.7%	1.0% to 2.5%
Required employee contribution rates	7.000%	6.250%	7.000%	6.250%
Required employer contribution rates	14.870%	7.730%	15.037%	7.874%

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Commission is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the years ended June 30, 2022 and 2021, the contributions recognized as part of pension expense for the Plan were as follows:

	Miscellaneous	
	June 30, 2022	June 30, 2021
Contributions -employer	\$ 34,071	\$ 37,304

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2022 and 2021, the Local Agency Formation Commission of Solano County reported net pension liabilities for its proportionate share of the net pension liability of:

	Proportionate Share of Net Pension Liability (Asset)	
	June 30, 2022	June 30, 2021
Miscellaneous	\$ (23,090)	\$ 45,991

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2022 AND 2021

5. EMPLOYEE RETIREMENT PLAN (continued)

Local Agency Formation Commission of Solano County’s net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2021, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021 rolled forward to June 30, 2020 using standard update procedures. Local Agency Formation Commission of Solano County’s proportion of the net pension liability was based on a projection of the Commission’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The Commission’s proportionate share of the net pension liability for the Plan as of June 30, 2021 and 2020 was as follows:

Proportion - June 30, 2020	0.001090%
Proportion - June 30, 2021	-0.001216%
Change - Increase/(Decrease)	-0.002306%

Local Agency Formation Commission of Solano County’s net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2020, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020 rolled forward to June 30, 2019 using standard update procedures. Local Agency Formation Commission of Solano County’s proportion of the net pension liability was based on a projection of the Commission’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The Commission’s proportionate share of the net pension liability for the Plan as of June 30, 2020 and 2019 was as follows:

Proportion - June 30, 2019	0.000863%
Proportion - June 30, 2020	0.001090%
Change - Increase/(Decrease)	0.000227%

For the years ended June 30, 2022 and 2021, the Commission recognized pension expense of \$(1,804) and \$(92,534), respectively. The Commission’s reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	June 30, 2022		June 30, 2021	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	\$ -	\$ -	\$ -	\$ 328
Differences between Expected and Actual Experience	(2,589)	-	2,370	-
Differences between Projected and Actual Investment Earnings	20,156	-	1,366	-
Differences between Employer's Contributions and Proportionate Share of Contributions	16,100	-	12,801	-
Change in Employer's Proportion	16,151	335	7,342	754
Pension Contributions Made Subsequent to Measurement Date	34,071	-	37,304	-
	<u>\$ 83,889</u>	<u>\$ 335</u>	<u>\$ 61,183</u>	<u>\$ 1,082</u>

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2022 AND 2021

5. EMPLOYEE RETIREMENT PLAN (continued)

The amounts reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	June 30, 2022		Year Ended June 30	June 30, 2021	
	Deferred Outflows/(Inflows) of Resources			Deferred Outflows/(Inflows) of Resources	
2023	\$	18,385	2022	\$	10,837
2024		15,156	2023		7,532
2025		10,371	2024		3,772
2026		5,570	2025		655
2027		-	2026		-
Thereafter		-	Thereafter		-
	\$	<u>31,097</u>		\$	<u>22,796</u>

Actuarial Assumptions – The total pension liabilities in the June 30, 2021 and 2020 actuarial valuations were determined using the following actuarial assumptions:

	June 30, 2021	June 30, 2020
Valuation Date	June 30, 2020	June 30, 2019
Measurement Date	June 30, 2021	June 30, 2020
Actuarial Cost Method	Entry Age Normal Cost Method	Entry Age Normal Cost Method
Actuarial Assumptions		
Discount Rate	7.15%	7.15%
Inflation	2.50%	2.50%
Payroll Growth	2.75%	2.75%
Projected Salary Increase	Varies by Entry Age and Service	Varies by Entry Age and Service
Investment Rate of Return ⁽¹⁾	7.15%	7.15%
Mortality	Derived using CalPERS' Membership Data for All Funds	

⁽¹⁾ Compounded annually, net of administrative and investment expenses

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2020 valuation were based on the CalPERS Experience Study for the period from 1997 to 2007. Further details of the Experience Study can be found on the CalPERS website.

NOTES TO THE BASIC FINANCIAL STATEMENTS**JUNE 30, 2022 AND 2021****5. EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)**Discount Rate

The discount rate used to measure the total pension liability was 7.15% (7.15% for 2019) for the Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.15 (7.15% for 2019) percent discount rate is appropriate and the use of the municipal bond rate calculation is not deemed necessary. The long term expected discount rate of 7.15 (7.15% for 2019) percent is applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained from the CalPERS website under the GASB 68 section.

According to Paragraph 30 of Statement 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The 7.15 (7.15% for 2019) percent investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 7.15 (7.15% for 2019) percent. Using this lower discount rate has resulted in a slightly higher Total Pension Liability and Net Pension Liability. CalPERS checked the materiality threshold for the difference in calculation and did not find it to be a material difference.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2022 AND 2021

5. EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

The tables below reflect the long-term expected real rate of return by asset class as of June 30, 2022 and 2021, respectively. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	June 30, 2022		
	Assumed Asset Allocation	Real Return Years 1-10 ⁽¹⁾	Real Return Years 11+ ⁽²⁾
Global Equity	50.00%	4.80%	5.98%
Fixed Income	28.00%	1.00%	2.62%
Inflation Assets	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Estate	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
Total	100.00%		

⁽¹⁾ An expected inflation of 2.00% used for this period.

⁽²⁾ An expected inflation of 2.92% used for this period.

Asset Class	June 30, 2021		
	Assumed Asset Allocation	Real Return Years 1-10 ⁽¹⁾	Real Return Years 11+ ⁽²⁾
Global Equity	50.00%	4.80%	5.98%
Fixed Income	28.00%	1.00%	2.62%
Inflation Assets	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Estate	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
Total	100.00%		

⁽¹⁾ An expected inflation of 2.00% used for this period.

⁽²⁾ An expected inflation of 2.92% used for this period.

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2022 AND 2021

5. EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Commission’s proportionate share of the net pension liability for each Plan, calculated using the discount rate for each Plan, as well as what the Commission’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2022		
	Discount Rate - 1% 6.15%	Current Discount Rate 7.15%	Discount Rate +1% 8.15%
Plan's Net Pension Liability	\$ 50,190	\$ (23,090)	\$ (83,669)
	June 30, 2021		
	Discount Rate - 1% 6.15%	Current Discount Rate 7.15%	Discount Rate +1% 8.15%
Plan's Net Pension Liability	\$ 105,916	\$ 45,991	\$ (3,522)

Pension Plan Fiduciary Net Position

Detailed information about each pension plan’s fiduciary net position is available in the separately issued CalPERS financial reports.

Payable to the Pension Plan

The Commission had no outstanding amount of contributions to the pension plan required for the year ended June 30, 2022.

NOTES TO THE BASIC FINANCIAL STATEMENTS**JUNE 30, 2022 AND 2021**

6. SUBSEQUENT EVENTS

Management has reviewed its financial statements and evaluated subsequent events for the period of time from its year ended June 30, 2022, through May 18, 2023, the date the financial statements were issued. Management is not aware of any subsequent events, other than those described above, that would require recognition or disclosure in the accompanying financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

SOLANO LOCAL AGENCY FORMATION COMMISSION ORGANIZATION

Agenda Item 8.A – LAFCO Ref. No. 2022-09 Audit

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – BUDGET (NON-GAAP) AND ACTUAL**

GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2022

	Original and Final Budget	Actual	Budget Variance Favorable (Unfavorable)
REVENUES:			
Intergovernmental contributions	\$ 711,402	\$ 711,404	\$ 2
Charges for services	20,000	75,000	55,000
Interest income	3,000	3,132	132
Total Revenues	<u>734,402</u>	<u>789,536</u>	<u>55,134</u>
EXPENSES:			
Planning services	<u>775,355</u>	<u>627,209</u>	<u>148,146</u>
Excess/ (deficiency) of revenues over/ (under) expenditures	(40,953)	162,327	203,280
Beginning fund balance	<u>327,043</u>	<u>327,043</u>	-
Ending fund balance	<u>\$ 286,090</u>	<u>\$ 489,370</u>	<u>\$ 203,280</u>

SOLANO LOCAL AGENCY FORMATION COMMISSION ORGANIZATION

Agenda Item 8.A – LAFCO Ref. No. 2022-09 Audit

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – BUDGET (NON-GAAP) AND ACTUAL**

GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2021

	Original and Final Budget	Actual	Budget Variance Favorable (Unfavorable)
REVENUES:			
Intergovernmental contributions	\$ 711,738	\$ 711,793	\$ 55
Charges for services	10,000	49,000	39,000
Interest income	3,000	6,240	3,240
Total Revenues	<u>724,738</u>	<u>767,033</u>	<u>42,295</u>
EXPENSES:			
Planning services	<u>807,232</u>	<u>462,409</u>	<u>344,823</u>
Excess/ (deficiency) of revenues over/ (under) expenditures	(82,494)	304,624	387,118
Beginning fund balance	254,819	254,819	-
Ending fund balance	<u>\$ 172,325</u>	<u>\$ 559,443</u>	<u>\$ 387,118</u>

SOLANO LOCAL AGENCY FORMATION COMMISSION ORGANIZATION

**SCHEDULE OF COMMISSIONS PROPORTIONATE SHARE
OF NET PENSION LIABILITY**

FOR THE YEAR ENDING JUNE 30, 2022 AND 2021

	<u>June 30, 2014</u> ⁽¹⁾	<u>June 30, 2015</u> ⁽¹⁾	<u>June 30, 2016</u> ⁽¹⁾	<u>June 30, 2017</u> ⁽¹⁾	<u>June 30, 2018</u> ⁽¹⁾	<u>June 30, 2019</u> ⁽¹⁾	<u>June 30, 2020</u> ⁽¹⁾	<u>June 30, 2021</u> ⁽¹⁾
Proportion of the net pension liability	0.00091%	0.00102%	0.00097%	0.00094%	0.00091%	0.00086%	0.00109%	0.00122%
Proportionate share of the net pension liability (asset)	\$ 22,529	\$ 27,991	\$ 33,743	\$ 37,102	\$ 34,445	\$ 34,554	\$ 45,991	\$ (69,081)
Covered-employee payroll ⁽²⁾	\$ 144,690	\$ 82,358	\$ 91,786	\$ 219,919	\$ 241,470	\$ 243,645	\$ 341,282	\$ 304,271
Proportionate Share of the net pension liability as percentage of covered-employee payroll	15.57%	33.99%	36.76%	16.87%	14.26%	14.18%	13.48%	-22.70%
Plan's fiduciary net position as a percentage of the total pension liability	81.15%	79.89%	75.87%	75.39%	77.69%	77.73%	77.71%	90.49%
Proportionate share of aggregate employer contributions ⁽³⁾	\$ 16,554	\$ 9,757	\$ 16,483	\$ 22,967	\$ 28,278	\$ 22,967	\$ 37,304	\$ 34,071

(1) Historical information is required only for measurement period for which GASB 68 is applicable.

(2) Covered employee payroll represented above is based on pensionable earning provided by the employer.

(3) The plans proportionate share of aggregate contributions may not match the actual contributions made by the employer during the measurement period. The plan's proportionate share of aggregate contributions is based on the plan's proportion of fiduciary net position shown on line 5 of the table above as well as any additional side fund (or unfunded liability) contributions made by the employer during the measurement period.

SOLANO LOCAL AGENCY FORMATION COMMISSION ORGANIZATION

SCHEDULE OF CONTRIBUTIONS

FOR THE YEAR ENDING JUNE 30, 2022 AND 2021

	Fiscal Year ⁽¹⁾							
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Actuarially Determined Contribution ⁽²⁾	\$ 16,554	\$ 9,757	\$ 16,483	\$ 19,497	\$ 28,278	\$ 22,967	\$ 37,304	\$ 34,071
Contributions in relation to the actuarially determined contributions	(16,554)	(9,757)	(16,483)	(22,967)	(28,278)	(22,967)	(37,304)	(34,071)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ (3,470)	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll ⁽³⁾	\$ 144,690	\$ 82,358	\$ 91,786	\$ 219,919	\$ 241,470	\$ 243,645	\$ 341,282	\$ 304,271
Contributions as a percentage of covered-employee payroll ⁽³⁾	11.441%	11.847%	17.958%	8.866%	11.711%	9.426%	10.931%	11.198%

(1) Historical information is required only for measurement periods for which GASB 68 is applicable.

(2) Employers are assumed to make contributions equal to the actuarially determined contributions (which is the actuarially determined contributions). However, some employers may choose to make additional contributions towards their site fund or their unfunded liability. Employer contributions for such plans exceed the actuarially determined contributions. CalPERS has determined that employer obligations referred to as "side funds" do not conform to the circumstances described in paragraph 120 of GASB, therefore are not considered separately financed specific liabilities.

(3) Covered-employee payroll represented above is based on pensionable earnings provided by the employer.

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
 FOR THE YEAR ENDING JUNE 30, 2022 AND 2021**

PURPOSE OF SCHEDULES

A - Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget (Non-GAAP) and Actual - General Fund

The Commission employs budget control by object codes and by individual appropriation accounts. Budgets are prepared on the modified accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board. The budgets are revised during the year by the Board of Trustees to provide for revised priorities. Expenditures cannot legally exceed appropriations by major object code. The originally adopted and final revised budgets for the General Fund are presented as Required Supplementary Information. The basis of budgeting is the same as GAAP.

B - Schedule of Proportionate Share of the Net Pension Liability

Changes in Assumptions

There were no changes in assumptions.

Changes in Benefit Terms

There were no changes to benefit terms that applied to all members of the Public Agency Pool.

C - Schedule of Pension Contributions

If an employer's contributions to the plan are actuarially determined or based on statutory or contractual requirements, the employer's actuarially determined contribution to the pension plan (or, if applicable, its statutorily or contractually required contribution), the employer's actual contributions, the difference between the actual and actuarially determined contributions (or statutorily or contractually required), and a ratio of the actual contributions divided by covered-employee payroll. In the future, as data becomes available, ten years of information will be presented.

Fiscal year 2015 was the first year of implementation, therefore only eight years are shown.

	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Valuation Date	June 30, 2020	June 30, 2019
Measurement Date	June 30, 2021	June 30, 2020
Actuarial Cost Method	Entry Age Normal Cost Method	Entry Age Normal Cost Method
Actuarial Assumptions		
Discount Rate	7.15%	7.15%
Inflation	2.50%	2.50%
Payroll Growth	2.75%	2.75%
Projected Salary Increase	Varies by Entry Age and Service	Varies by Entry Age and Service
Investment Rate of Return ⁽¹⁾	7.15%	7.15%
Mortality	Derived using CalPERS' Membership Data for All Funds	

⁽¹⁾ Compounded annually, net of administrative and investment expenses

OTHER REPORTS



**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

INDEPENDENT AUDITOR’S REPORT

To the Commissioners of
Solano Local Agency Formation Commission Organization
675 Texas Street, Suite 6700
Fairfield, California 94533

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the governmental activities and major fund of Local Agency Formation Commission of Solano County, as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the Local Agency Formation Commission of Solano County’s basic financial statements, and have issued our report thereon dated May 18, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Local Agency Formation Commission of Solano County’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Local Agency Formation Commission of Solano County’s internal control. Accordingly, we do not express an opinion on the effectiveness of Local Agency Formation Commission of Solano County’s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

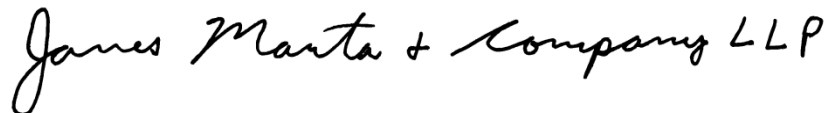
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Local Agency Formation Commission of Solano County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "James Marta & Company LLP". The signature is written in a cursive, flowing style.

James Marta & Company LLP
Certified Public Accountants
Sacramento, California
May 18, 2023



James Marta & Company LLP
Certified Public Accountants

Accounting, Auditing, Consulting, and Tax

Agenda Item 8.A – LAFCO Proj. No. 2022-09 Audit

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

May 18, 2023

Commissioners
 Local Agency Formation Commission of Solano County
 Fairfield, California

We have audited the financial statements of Local Agency Formation Commission of Solano County (the Commission) as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements and have issued our report thereon dated May 18, 2023. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated July 15, 2022, our responsibility, as described by professional standards, is to form and express an opinion(s) about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Commission solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, and our firm has complied with all relevant ethical requirements regarding independence.

We follow the AICPA Ethics Standard Rule 201C, in conjunction with this, we annually review with all engagement staff potential conflicts and obtain a conflict certification. In addition, we inquire on each engagement about potential conflicts with staff. We have not identified any relationships or other matters that in the auditor’s judgment may be reasonably thought to bear on independence.

Qualitative Aspects of the Entity’s Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the Commission is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during the year audited. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus. However, there are upcoming Governmental Accounting Standards that we have listed in Attachment I.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management’s current judgments.

The most significant accounting estimates affecting the financial statements are the Commission’s proportionate share of net pension liability. The estimate of the Commission’s proportionate share of net pension liability is based on an actuarial study. We evaluated key factors and assumptions used to develop the estimates and determined that it is reasonable in relation to the basic financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. We did not identify any disclosures that involve significant sensitive discretion.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. There were no uncorrected misstatements identified as a result of our audit procedures.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. In the current year, no uncorrected misstatements were identified as a result of our audit procedures. All adjustments were presented to us by management. These adjustments are summarized in Attachment II.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the Commission's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated May 18, 2023.

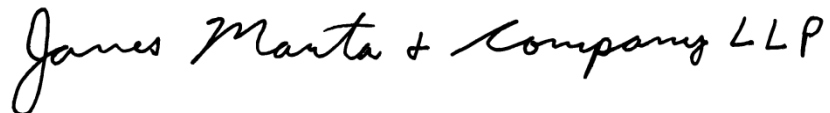
Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the Commission, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the Commission's auditors.

This report is intended solely for the information and use of the Commissioners and management of Local Agency Formation Commission of Solano County and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.



James Marta & Company LLP
Certified Public Accountants
Sacramento, California
May 18, 2023

The following pronouncements of the Governmental Accounting Standards Board (GASB) have been released recently and may be applicable to the Commission in the near future. We encourage management to review the following information and determine which standard(s) may be applicable to the Commission. For the complete text of these and other GASB standards, visit www.gasb.org and click on the “Standards & Guidance” tab. If you have questions regarding the applicability, timing, or implementation approach for any of these standards, please contact your audit team.

GASB Statement No. 91, Conduit Debt Obligations

Effective for the fiscal year ending June 30, 2023

The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures.

We do not expect this standard to have any significant impact on the Commission.

GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements

Effective for the fiscal year ending June 30, 2023

The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement.

This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction.

We do not expect this standard to have any significant impact on the Commission.

GASB Statement No. 96, Subscription-Based Information Technology Arrangements

Effective for the fiscal year ending June 30, 2023

This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended.

We do not expect this standard to have any significant impact on the Commission.

GASB Statement No. 99, Omnibus 2022

Effective dates vary

The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The practice issues addressed by this Statement are as follows:

- Classification and reporting of derivative instruments within the scope of Statement No. 53, Accounting and Financial Reporting for Derivative Instruments, that do not meet the definition of either an investment derivative instrument or a hedging derivative instrument – *Effective for the fiscal year ending June 30, 2024*
- Clarification of provisions in Statement No. 87, Leases, as amended, related to the determination of the lease term, classification of a lease as a short-term lease, recognition and measurement of a lease liability and a lease asset, and identification of lease incentives – *Effective for the fiscal year ending June 30, 2023*
- Clarification of provisions in Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, related to (a) the determination of the public-private and public-public partnership (PPP) term and (b) recognition and measurement of installment payments and the transfer of the underlying PPP asset – *Effective for the fiscal year ending June 30, 2023*
- Clarification of provisions in Statement No. 96, Subscription-Based Information Technology Arrangements, related to the subscription-based information technology arrangement (SBITA) term, classification of a SBITA as a short-term SBITA, and recognition and measurement of a subscription liability – *Effective for the fiscal year ending June 30, 2023*
- Extension of the period during which the London Interbank Offered Rate (LIBOR) is considered an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap that hedges the interest rate risk of taxable debt – *Effective immediately*
- Accounting for the distribution of benefits as part of the Supplemental Nutrition Assistance Program (SNAP) – *Effective immediately*
- Disclosures related to nonmonetary transactions – *Effective immediately*
- Pledges of future revenues when resources are not received by the pledging government – *Effective immediately*
- Clarification of provisions in Statement No. 34, Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments, as amended, related to the focus of the government-wide financial statements – *Effective immediately*

- Terminology updates related to certain provisions of Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position – *Effective immediately*
- Terminology used in Statement 53 to refer to resource flows statements. – *Effective immediately*

We do not expect this standard to have any significant impact on the Commission.

GASB Statement No. 100, Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62

Effective for the fiscal year ending June 30, 2024

The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements.

This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this Statement for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement. This Statement also requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements.

We do not expect this standard to have any significant impact on the Commission.

GASB Statement No. 101, Compensated Absences

Effective for the fiscal year ending June 30, 2025

The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

We do expect this standard to have an impact on the Commission.

Adjusting Journal Entries

Adjusting Journal Entry JE # 1			
To tie to Prior Year Equity			
0002200	Office Expense	4	
0006030	Fund Balance		4
Total		<u><u>4</u></u>	<u><u>4</u></u>
Adjusting Journal Entry JE # 2			
To adjust pension liability accounts			
0005600	Pension Liability	69,081	
0005700	Deferred inflows	747	
0005800	Deferred outflows	22,706	
0002600	Pension Expense		92,534
Total		<u><u>92,534</u></u>	<u><u>92,534</u></u>
Adjusting Journal Entry JE # 3			
To adjust accrued vacation for CY			
0005500	Accrued Vacation	26,405	
0002500	Vacation expense		26,405
Total		<u><u>26,405</u></u>	<u><u>26,405</u></u>

Reclassifying Journal Entries

None.

Proposed Journal Entries

None.



Solano Local Agency Formation Commission

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(707) 439-3897 • FAX: (707) 438-1788

ILLUSTRATIVE MANAGEMENT REPRESENTATION LETTER

May 18, 2023

James Marta & Company LLP
Certified Public Accountants
Sacramento, California

This representation letter is provided in connection with your audit of the governmental activities, the general fund of Local Agency Formation Commission of Solano County as of June 30, 2022 and 2021 and for the years then ended, and the related notes to the financial statements, for the purpose of expressing opinions on whether the basic financial statements present fairly, in all material respects, the financial position, results of operations, and cash flows, where applicable, of the various opinion units of Local Agency Formation Commission of Solano County in accordance with accounting principles generally accepted for governments in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of May 18, 2023.

Financial Statements

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated July 15, 2022, for the preparation and fair presentation of the financial statements of the various opinion units referred to above in accordance with U.S. GAAP.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- We acknowledge our responsibility for compliance with the laws, regulations, and provisions of contracts and grant agreements.
- We acknowledge that we are responsible for distributing the issued report as well as the communication with governance letter and internal control letter to all governing board members.
- We have reviewed, approved, and taken responsibility for the financial statements and related notes.

Commissioners

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

Alternate Commissioners

Robert Guerrero • Alma Hernandez • Wanda Williams

Staff

Rich Seithel, Executive Officer • Christina Love, Deputy Executive Officer • Aaron Norman, Analyst II •
Mala Subramanian, Lead Legal Counsel

- We have a process to track the status of audit findings and recommendations.
- We have identified and communicated to you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
- The effects of uncorrected misstatements summarized in the attached schedule and aggregated by you during the current engagement are immaterial, both individually and in the aggregate, to the applicable opinion units and to the financial statements as a whole.
- The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
- We have reviewed and approved the adjusting journal entries reflected in the audit statements and Attachment A.
- All component units, as well as joint ventures with an equity interest, are included and other joint ventures and related organizations are properly disclosed.
- All funds and activities are properly classified.
- All funds that meet the quantitative criteria in GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus* as amended, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users.
- All components of net position, nonspendable fund balance, and restricted, committed, assigned, and unassigned fund balance are properly classified and, if applicable, approved.
- Our policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position/fund balance are available is appropriately disclosed and net position/fund balance is properly recognized under the policy.
- All revenues within the statement of activities have been properly classified as program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- All expenses have been properly classified in or allocated to functions and programs in the statement of activities, and allocations, if any, have been made on a reasonable basis.
- All interfund and intra-entity transactions and balances have been properly classified and reported.
- Special items and extraordinary items have been properly classified and reported.
- Deposit and investment risks have been properly and fully disclosed.
- Capital assets, including infrastructure assets, are properly capitalized, reported, and if applicable, depreciated.
- All required supplementary information is measured and presented within the prescribed guidelines.
- With regard to investments and other instruments reported at fair value:
 - The underlying assumptions are reasonable and they appropriately reflect management's intent and ability to carry out its stated courses of action.

- The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
- The disclosures related to fair values are complete, adequate, and in accordance with U.S. GAAP.
- There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.

Information Provided

- We have provided you with:
 - Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records, documentation, meeting minutes, and other matters;
 - Additional information that you have requested from us for the purpose of the audit; and
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- All transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - Management;
 - Employees who have significant roles in internal control; or
 - Others where the fraud could have a material effect on the financial statements.
- We have no knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, vendors, regulators, or others.
- We are not aware of any pending or threatened litigation, claims, and assessments whose effects should be considered when preparing the financial statements
- We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.
- There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
- Local Agency Formation Commission of Solano County has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
- We have disclosed to you all guarantees, whether written or oral, under which Local Agency Formation Commission of Solano County is contingently liable.
- We have disclosed to you all nonexchange financial guarantees, under which we are obligated and have declared liabilities and disclosed properly in accordance with GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, for those guarantees where it is more likely than not that the entity will make a payment on any guarantee.
- For nonexchange financial guarantees where we have declared liabilities, the amount of the liability recognized is the discounted present value of the best estimate of the future outflows expected to be incurred as a result of the guarantee. Where there was no best estimate but a range of estimated future outflows has been established, we have recognized the minimum amount within the range.
- We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB Statement No. 62 (GASB-62), *Codification of Accounting and Financial Reporting Guidance Contained in Pre-*

November 30, 1989 FASB and AICPA Pronouncements. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.

- We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
- There are no:
 - Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
 - Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with GASB-62.
 - Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB-62
- Local Agency Formation Commission of Solano County has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
- We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

Pension and Postretirement Benefits

- We believe that the actuarial assumptions and methods used to measure pension and other postemployment benefit liabilities and costs for financial accounting purposes are appropriate in the circumstances.
- We are unable to determine the possibility of a withdrawal liability in a multiemployer benefit plan.

Required Supplementary Information

- With respect to the required supplementary information accompanying the financial statements:
- We acknowledge our responsibility for the presentation of the required supplementary information in accordance with accounting principles generally accepted in the United States of America and Governmental Accounting Standards.
- We believe the required supplementary information, including its form and content, is measured and fairly presented in accordance with accounting principles generally accepted in the United States of America and Governmental Accounting Standards.
- The methods of measurement or presentation have not changed from those used in the prior period.

To the best of our knowledge and belief, no events have occurred subsequent to the balance sheet date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements.



Richard Seithel, Executive Officer

**Attachment A
Journal Entry Report**

Adjusting Journal Entries

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