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CONSENT
<p><u>AGENDA ITEM #6A:</u></p> <p>A. Minutes April 10, 2023</p> <p><u>AGENDA ITEM #6B:</u></p> <p>B. Financial Reports – April and May 2023</p>
<small>2</small>

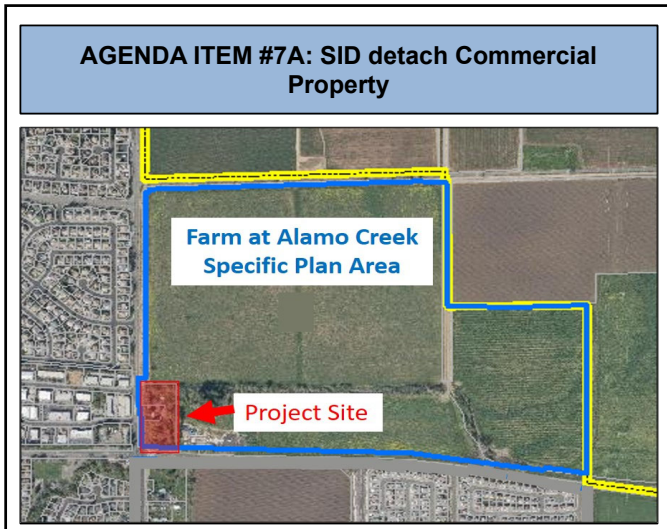
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DISCUSSION
<ol style="list-style-type: none"> 1. SID detachment of Commercial Property 2. SID detachment of Habitat for Humanity Property 3. Rural North Vacaville Water District SOI Update 4. Independent Auditor Final Report for FYs 2021/22 5. Adoption of New Leasing Policy per GASB 87 6. Executive Officer Update 7. Closed Session
<small>3</small>

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AGENDA ITEM #7A
<ul style="list-style-type: none"> <input type="checkbox"/> LAFCO Project # 2022-03 Solano Irrigation District detachment of Commercial Property (Vacaville) (APN 0138-010-010 and -0138-010-020)
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AGENDA ITEM #7A: Project Description

- 5.41-acres including other lands that are part of ROW dedication for roadways.
- Parcel is zoned Neighborhood Commercial under City of Vacaville's Municipal Code.
- Satisfies JEPAs between SID and City.
- There is 100% landowner consent.
- Project area is uninhabited.
- Project area is exempt from noticing and public hearing requirements.
- LAFCO may waive the conducting authority proceedings

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AGENDA ITEM #7A: Project Analysis

- California Environmental Quality Act (CEQA)
 - The District, as the Lead Agency, has determined the Farm at Alamo Creek Specific Plan EIR. proposal to be exempt from CEQA.
- Statutory and Policy Considerations
 - Staff analysis confirms the project is consistent with existing state law and the Commission's adopted Standards (1-11).
- Waive conducting authority proceedings
 - Parcel is uninhabited and there is 100% landowner consent.

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AGENDA ITEM #7A: Findings and Determinations

Staff recommends ten findings/determinations, including:

1. Detachment allows for City/SID JEPAs compliance and eliminates the potential for duplication of service providers.
2. Area is uninhabited and all landowners have consented, therefore, Commission waives the protest procedure.
3. City has fulfilled its obligations under CEQA and the EIR and associated environmental documents adequately disclose and describe the change of organization project.

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AGENDA ITEM #7A: Terms and Conditions

1. Commission orders the proposed change of organization without an election (GC § 56885.5)
2. Following LAFCO approval, property owners shall submit warrants for the SBOE for \$350 and the County Assessor-Recorder for \$119.
3. The effective date of the change of organization is the date of the recordation with the County Recorder.

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AGENDA ITEM #7A: Recommendations

1. **ADOPT**
 - The Resolution reaffirming the Farm at Alamo Creek Environmental Impact Report as the Responsible Agency pursuant to CEQA.
2. **WAIVE**
 - The conducting authority proceedings (protest hearing) pursuant to GC § 56079.5.
3. **CONSIDER and ADOPT**
 - The LAFCO Resolution approving the detachment of 5.41 acres from SID, referred to as Commercial Property, in the City of Vacaville (APNs 0138-010-010 & 020).

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AGENDA ITEM #7B

- LAFCO Project # 2023-04 SID detachment of Habitat for Humanity Property (Fairfield)

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AGENDA ITEM #7B: Habitat for Humanity Project



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AGENDA ITEM #7B: Project Description

- Request to detach 0.36 acres (two parcels) from the Solano Irrigation District for the Solano-Napa Habitat for Humanity development.
- APNs 028-280-210 & 028-280-300 are within the City of Fairfield and located at the southwest corner of Woolner Avenue and Columbus Drive.
- The land is to be developed by Habitat for Humanity for qualifying low-income residential units.
- Project area is uninhabited and zoned residential low-medium.
- There is 100% landowner consent.
- Satisfies JEPAs between SID and City.
- Project area is exempt from noticing and public hearing requirements.
- LAFCO may waive the conducting authority proceedings

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AGENDA ITEM #7B: Project Analysis

- California Environmental Quality Act (CEQA)
 - The District, as the Lead Agency, has determined that the proposal is consistent with the City of Fairfield’s determination that the project is exempt from CEQA.
- Statutory and Policy Considerations
 - Staff analysis confirms the project is consistent with existing state law and the Commission’s adopted Standards (1-11).
- Waive conducting authority proceedings
 - Parcel is uninhabited and there is 100% landowner consent.

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AGENDA ITEM #7B: Findings and Determinations

Staff recommends ten findings/determinations, including:

1. Detachment allows for City/SID JEPAs compliance and eliminates the potential for duplication of service providers.
2. Area is uninhabited and all landowners have consented, therefore, Commission waives the protest procedure.
3. City has fulfilled its obligations under CEQA and the EIR and associated environmental documents adequately disclose and describe the change of organization project.

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AGENDA ITEM #7B: Terms and Conditions

1. Commission orders the proposed change of organization without an election (GC § 56885.5)
2. Following LAFCO approval, property owners shall submit warrants for the SBOE for \$300 and the County Assessor-Recorder for \$119.
3. The effective date of the change of organization is the date of the recordation with the County Recorder.
4. Certificate of Completion shall not be recorded until the project map and legal description are approved and signed by the Solano County Surveyor.

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AGENDA ITEM #7B: Recommendations

- ❑ **WAIVE** the conducting authority proceedings (protest hearing)
- ❑ **CONSIDER** and **ADOPT** the LFACO Resolution approving the detachment of lands from SID.
- ❑ **DIRECT** the Executive Officer to file a Notice of Exemption in Compliance with the California Environmental Quality ACT and local ordinances.

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AGENDA ITEM #7C

- ❑ LAFCO Project # 2021-08: Rural North Vacaville Water District Sphere of Influence Update.

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**AGENDA ITEM #7C:
Spheres of Influence: What and Why**

- Spheres of influence define the probable physical boundaries and service area of an agency in accordance with State law.
- State law requires the Commission to review and update, as necessary, SOIs at least once every five years with service review
- Solano LAFCO's SOI policy also discourages the inclusion of land in an SOI if a need for services within 5-20 years cannot be demonstrated.
- All jurisdictional changes, such as annexations and detachments, must be consistent with the spheres of the affected local agencies.
- Before territory can be annexed to a district, it must be within the district's sphere. Being in the SOI does not guarantee annexation.¹⁹

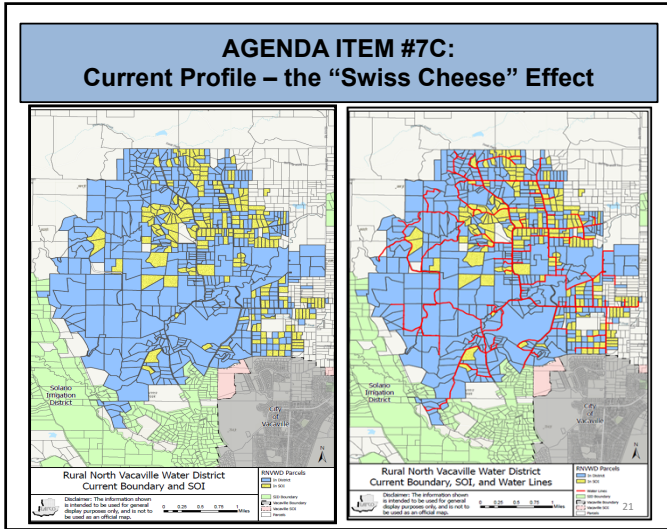
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AGENDA ITEM #7C: RNVWD Background

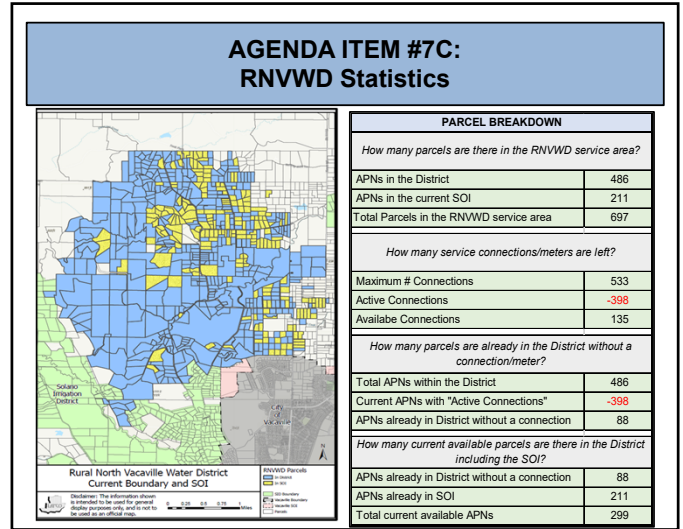
- RNVWD was formed in 1996 for two purposes: provide potable water and provide water for fire suppression at a minimum of 250 GPM at a minimum of 60 PSI for 20 minutes.
- District water system was designed to serve parcels that "opted-in", not necessarily to serve a geographic area.
- System was designed for a capacity of 533 water connections.
- According to District staff, the main water line has not changed since the 2016 infrastructure map.

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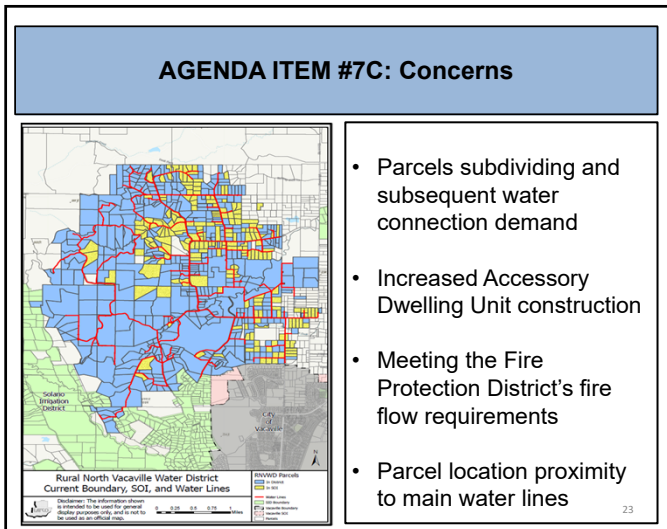
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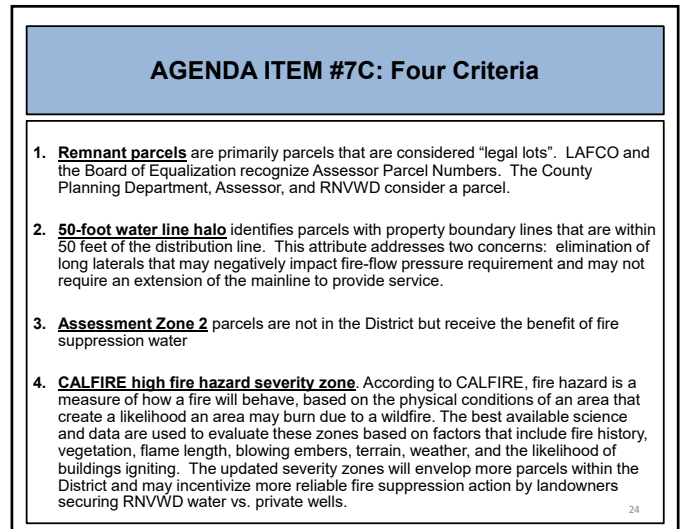
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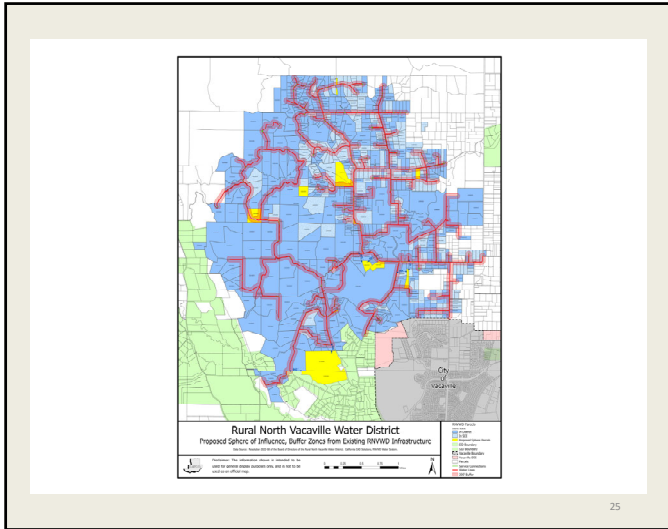
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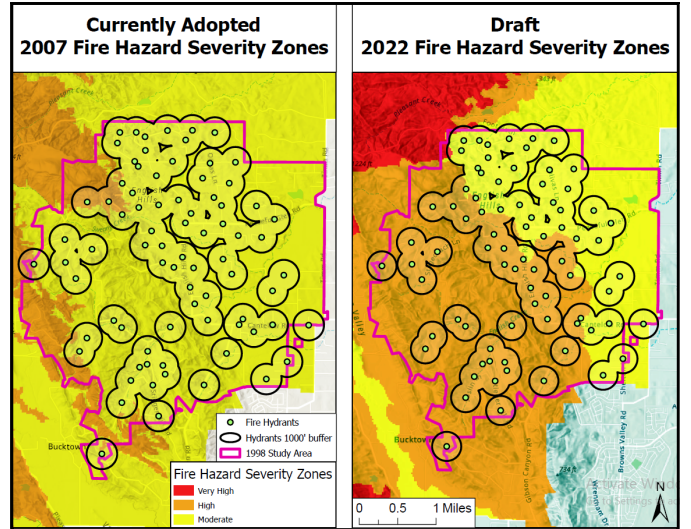
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AGENDA ITEM #7C: APN List and Criteria

APN	CRITERIA			
	Remnant Parcel (4 Points)	Within 50' Water Line Halo (3 Points)	CAL FIRE High Fire Hazard Severity Zone 2 (2 Points)	In Assessment Zone 2 (1 Point)
1 0104150350	✓	✓	✓	✓
2 0104150450	✓	✓	✓	✓
3 0105070310	✓	✓	✓	✓
4 0105170050	✓	✓	✓	✓
5 0105170100	✓	✓	✓	✓
6 0105200180	✓	✓	✓	✓
7 0105220120	✓	✓	✓	✓
8 0105220130	✓	✓	✓	✓
9 0105230070	✓	✓	✓	✓
10 0105050410	✓	✓	✓	✓
11 0105050420	✓	✓	✓	✓
12 0105050950	✓	✓	✓	✓
13 0105060460	✓	✓	✓	✓
14 0105070370	✓	✓	✓	✓
15 0123030060	✓	✓	✓	✓
16 0123070020	✓	✓	✓	✓
17 0105110730	✓	✓	✓	✓
18 0105170250	✓	✓	✓	✓

APN	Remnant Parcel	Water Line Halo	High Fire Hazard Zone 2	In Assessment Zone 2
19 0104120080	✓	✓	✓	✓
20 0105070020	✓	✓	✓	✓
21 0105180290	✓	✓	✓	✓
22 0105060550	✓	✓	✓	✓
23 0105150310	✓	✓	✓	✓
24 0105150320	✓	✓	✓	✓
25 0105180620	✓	✓	✓	✓
26 0105180190	✓	✓	✓	✓
27 0105180110	✓	✓	✓	✓
28 0105180180	✓	✓	✓	✓
29 0105180920	✓	✓	✓	✓
30 0105050120	✓	✓	✓	✓
31 0105150090	✓	✓	✓	✓
32 0105120320	✓	✓	✓	✓
33 0105140090	✓	✓	✓	✓
34 0105140110	✓	✓	✓	✓
35 0105140350	✓	✓	✓	✓
36 0105140100	✓	✓	✓	✓
37 0105140020	✓	✓	✓	✓
38 0105140080	✓	✓	✓	✓
39 0105060930	✓	✓	✓	✓
40 0105050760	✓	✓	✓	✓
41 0104120470	✓	✓	✓	✓
42 0104120320	✓	✓	✓	✓
43 0104120390	✓	✓	✓	✓
44 0104120400	✓	✓	✓	✓
45 0104120410	✓	✓	✓	✓
46 0104120420	✓	✓	✓	✓
47 0104120430	✓	✓	✓	✓
48 0104120440	✓	✓	✓	✓
49 0104120450	✓	✓	✓	✓
50 0104120460	✓	✓	✓	✓
51 0105050340	✓	✓	✓	✓
52 0105060200	✓	✓	✓	✓
53 0105180050	✓	✓	✓	✓

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AGENDA ITEM #7C: Options

Option 1 - Cleanup Parcels

Primarily remnant parcels that are considered legal lots. It is recommended that remnant parcels should be added to the SOI. The Clean-up Option includes 9 parcels: 8 of the 16 parcels that RNVWD is requesting and 1 of the Other Parcels.

Option 2 - Point System (Staff Recommendation)

The point system is a metric-based methodology with an emphasis on "appropriate and probable" (GC). Parcels earn points based on meeting criteria. Criteria are weighted by necessity (4 pts), fire flow/water line proximity (3 pts), located in high fire hazard severity zone (2 pts), and located in Benefit Assessment Zone 2 (1 point). Parcels scoring 4 or higher met qualification. The Point System Option includes 19 parcels: 13 of the 16 parcels RNVWD is recommending and 6 Other.

Option 3 - Option 2 plus Balance of District Request

Adds three District requested parcels that are a concerning proximity to water line.

Option 4 - LAFCO Commission Recommendation

Informed recommendation including info from the public hearing. (Includes Option 2)

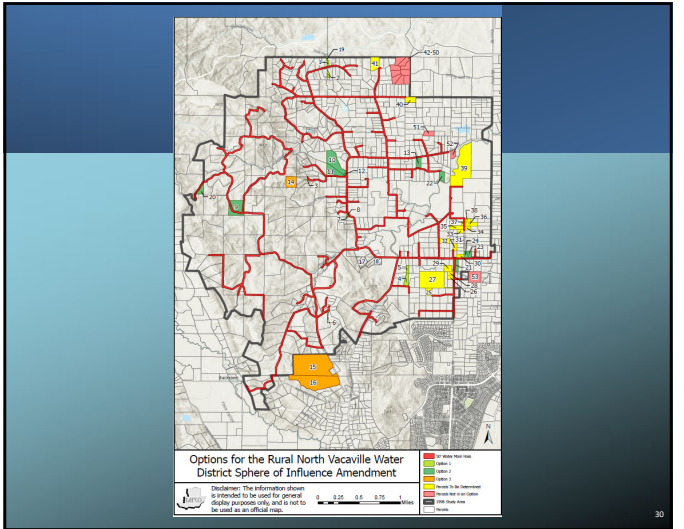
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TABLE 1: PARCEL ANALYSIS

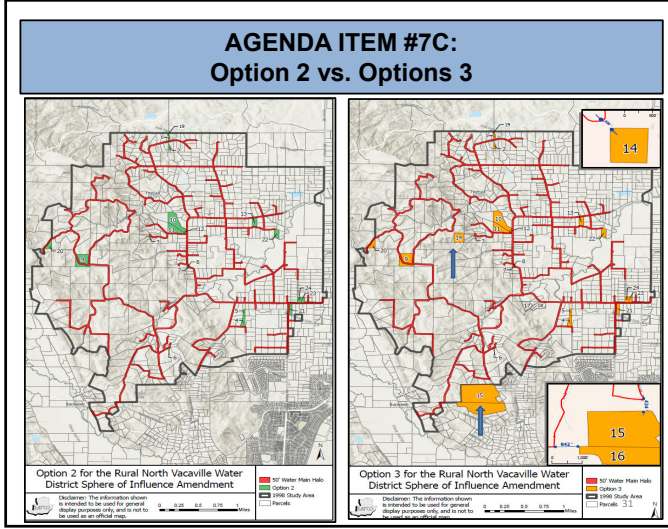
APNs	CRITERIA				OPTIONS			
	Parcel APNs	Parcel APNs	Parcel APNs	Parcel APNs	Option 1: No Change	Option 2: Add	Option 3: Remove	Option 4: Add/Remove
1000000000000000000	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000001	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000002	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000003	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000004	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000005	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000006	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000007	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000008	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000009	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000010	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000011	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000012	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000013	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000014	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000015	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000016	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000017	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000018	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000019	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000020	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000021	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000022	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000023	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000024	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000025	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000026	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000027	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000028	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000029	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000030	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000031	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000032	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000033	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000034	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000035	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000036	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000037	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000038	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000039	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000040	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000041	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000042	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000043	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000044	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000045	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000046	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000047	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000048	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000049	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1000000000000000050	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Notes: These parcel numbers are not being... These parcel numbers are already... The inclusion of these parcels is... for discussion... The information shown is intended to be used for general... and is not to be used as an official map.

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- ### AGENDA ITEM #7C: Suggested Conditions of Approval
1. RNVWD Will-Serve Letters shall have a sign-off signature/stamp from a licensed qualified engineer 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.

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AGENDA ITEM #7C: Recommendations

- ❑ 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. (This informs the District Board and LAFCO.)
- ❑ 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.

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**RNVWD
SOI
Update**

DISCUSSION

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AGENDA ITEM #9D

- FY 2023/24 Final Budget and Work Plan

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**AGENDA ITEM #7D:
Budget & Workplan Presentations**

- LAFCO Commission Adopted Proposed Budget on April 10, 2023
- Staff Presented to City/County Planning Directors on April 21, 2023
- Staff Presented to County/City Mangers Group on May 24, 2023

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Work Plan (continued)				
#	Task/Project	Priority	Category	Comments
6	Outreach	High	C	Ongoing outreach to local agencies, cities, county, developers, and the public: <ul style="list-style-type: none"> • Ag Innovation Group • Solano Economic Development Corporation • Planning Directors Meeting • CALAFCO • Bay Area EO Group • Fire District Chiefs Association Improve outreach with continued website updates
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

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- ### AGENDA ITEM #7D: Recommendations
- ADOPT** or adopt with modification(s) the Final Budget and Workplan for Fiscal Year (FY) 2023-24.
 - DIRECT** staff to distribute the Final Budget to the County and the cities.

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- ### AGENDA ITEM #8A
- LAFCO Project # 2022-09: Independent Auditor's Final Report for Fiscal Years 2022 and 2021, and Adoption of New Leasing Policy Consistent with GASB 87.

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- ### AGENDA ITEM #8A: Background
- Biennial Audit conducted by James Marta and Company.
 - Review of financials, policies, and reporting for consistency with Governmental Agency Standards Board (GASB) and Governmental Auditing Standards.
 - Auditor found Solano LAFCO to be consistent, except for missing GASB 87 policy – Leasing Capitalization Policy
 - Management Discussion and Analysis (MD&A) in the Final Report is a detailed summary of and explanation of the Report.

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AGENDA ITEM #8A: Net Position

- Net Position:** is the difference between all of LAFCO's assets, deferred outflows, liabilities, and deferred inflows. LAFCO has no capital assets and no restricted net position.
 - Finished June 30, 2022 with a net position of \$816,030; a change of \$350,003 from the prior year.
 - Finished June 30, 2021 with a net position of \$466,027; a change of \$122,400 from the prior year.
 - The net position includes all pension and post-employment liabilities.

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AGENDA ITEM #8A: Fund Balance

- 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)
 - Finished June 30, 2022, with a fund balance of \$776,174.
 - Finished June 30, 2021, with \$545,110.
 - The entire fund balance is unassigned and includes the LAFCO's contingency designated reserve of 20% of annual budgeted expenditures in any given year.

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AGENDA ITEM #8A: Fiscal Impacts

- 2022:**
 - Budgeted 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 Senior Analyst resigned in August 2021, delaying the interviews and hiring of DEO.
 - The Analyst II resigned in June 2022.
 - Both resulted in significant payouts of benefits (categorized as Compensated Absences and Long-Term Liabilities reductions).
 - Both departures resulted in periods of time where there were only two staff persons, as opposed to the budgeted four persons.
 - The vacated positions took longer to fill than normal due to COVID and salary issues.

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AGENDA ITEM #8A: Fiscal Impacts

- 2021:**
 - Budgeted 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.
 - Senior Analyst staffer was on long-term medical leave for 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.

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AGENDA ITEM #8A: GASB 87

- ❑ 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).
- ❑ 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 recommends adopting the proposed policy now, as reviewed by the independent auditor.

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AGENDA ITEM #8A: Recommendations

- ❑ RECEIVE, ADOPT, and DIRECT staff to file the FY2022 and 2021 Independent Auditor's Final Report.
- ❑ REVIEW and ADOPT attached LAFCO Resolution for new Lease Capitalization Policy in compliance with GASB 87.

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Executive Officer's Report/Update

- ❑ Office Relocation
- ❑ RDA Oversight Board Special District Election
- ❑ Fairfield Phased Island Annexations
- ❑ Vacaville MSR and annexations
- ❑ SID and Lagoon Valley
- ❑ City of Suisun EIR, MSR, and SOI
- ❑ Fire:
 - Contract
 - Reorganization

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CLOSED SESSION

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