



# Vina Groundwater Sustainability Agency Agenda Transmittal

**Subject:** Consideration of a Memorandum of understanding Between the Vina GSA and Rock Creek Reclamation District GSA, and the Tuscan Water District

**Contact:** Dillon Raney

**Phone:** (530) 552-3582

**Meeting Date:** January 15, 2025

**Agenda Item:** 4.3

## Summary

The purpose of this agenda item is to present the Memorandum of Understanding (MOU) between the Tuscan Water District (Tuscan), the Rock Creek Reclamation District Groundwater Sustainability Agency (Rock Creek GSA), and the Vina Groundwater Sustainability Agency (Vina GSA) for Board consideration and approval. This MOU establishes a formal collaborative and cooperative working relationship among Tuscan, Rock Creek GSA, and Vina GSA to implement the Vina Subbasin Groundwater Sustainability Plan (GSP). It enables Tuscan to participate as a partner in Sustainable Groundwater Management Act (SGMA) activities within the Vina Subbasin while maintaining the GSAs' respective roles and responsibilities.

## Background:

The Tuscan Water District was formed to provide its landowners with sustainable management of groundwater resources within Tuscan's boundaries, including, within those boundaries, implementation of the Sustainable Groundwater Management Act (SGMA) as well as the adopted Groundwater Sustainability Plan for the Vina Subbasin (Vina Subbasin GSP). LAFCo's conditions of approval for Tuscan's formation included the requirement for an MOU with overlapping GSAs to establish roles, communication methods, and cooperation in implementing the Vina Subbasin GSP.

The formation of the Tuscan Water District received support from multiple stakeholders, including the Butte County Board of Supervisors, which submitted a letter endorsing its establishment. The proposed MOU formalizes the relationship between Tuscan and the GSAs, acknowledging the distinct roles and responsibilities of the GSAs and Tuscan under the Sustainable Groundwater Management Act (SGMA) while providing a framework for collaboration on projects and management actions to achieve groundwater sustainability.

## Summary of Key Provisions in the MOU:

### 1. Roles and Responsibilities:

- Tuscan will represent its landowners in developing projects and activities supporting groundwater sustainability.
- Rock Creek GSA and Vina GSA will retain their full authority under SGMA and will lead the implementation and amendment of the Vina Subbasin GSP within their respective boundaries.

### 2. Communication and Collaboration:

- The parties commit to sharing data and collaborating on projects, grants, and funding opportunities related to the Vina Subbasin GSP.
- Annual meetings will be held among designated points of contact to discuss ongoing efforts and address challenges.

### 3. Conditions of Termination and Amendment:

- The MOU is effective for five years and may be terminated or amended by mutual agreement.

## Requested Action:

Approve the Memorandum of Understanding with the Tuscan Water District and authorize the Board Chair to execute the agreement or provide direction to staff.

## Fiscal Impact:

This MOU does not impose any financial obligations on the parties.

**MEMORANDUM OF UNDERSTANDING AMONGST AND BETWEEN TUSCAN  
WATER DISTRICT, ROCK CREEK RECLAMATION DISTRICT GROUNDWATER  
SUSTAINABILITY AGENCY, AND VINA GROUNDWATER SUSTAINABILITY  
AGENCY**

THIS MEMORANDUM OF UNDERSTANDING (**MOU**) is entered into by and between TUSCAN WATER DISTRICT, a California water district (**Tuscan**), ROCK CREEK RECLAMATION DISTRICT GROUNDWATER SUSTAINABILITY AGENCY (**Rock Creek GSA**), and VINA GROUNDWATER SUSTAINABILITY AGENCY (**Vina GSA**) this \_\_\_\_ day of \_\_\_\_\_, 2024 (**Effective Date**). Tuscan, Rock Creek GSA, and Vina GSA may each be referred to individually as a “**Party**” and collectively as the “**Parties**.”

**RECITALS**

**A.** Tuscan is a newly created California water district within Butte County formed to provide its landowners with sustainable management of groundwater resources within Tuscan’s boundaries, including, within those boundaries, implementation of the Sustainable Groundwater Management Act (**SGMA**) as well as the adopted Groundwater Sustainability Plan for the Vina Subbasin (**Vina Subbasin GSP**).

**B.** There are two Groundwater Sustainability Agencies (**GSAs**) within The Vina Subbasin (Subbasin 5-021.57) (Rock Creek GSA and Vina GSA). There is a single groundwater sustainability plan for the Vina Subbasin – the Vina Subbasin GSP. The GSAs are responsible for preparing, adopting, and implementing the Vina Subbasin GSP within their respective boundaries.

**C.** The boundaries of the Tuscan overlap with the GSA boundaries. Tuscan was formed in 2024, well after Rock Creek GSA and Vina GSA became GSAs, in 2016 and 2019 respectively. Tuscan is not a GSA and has not adopted the Vina Subbasin GSP. However, the Tuscan recognizes the Vina Subbasin GSP is the planning document that provides guidance with regard to achieving groundwater sustainability in the Vina Subbasin, including the land within the Tuscan boundary. Tuscan’s primary purpose as a California water district is to sustainably manage groundwater resources within its boundaries and pursue projects and management actions designed to achieve and maintain groundwater sustainability.

**D.** Rock Creek GSA commented to the Local Agency Formation Commission of the County of Butte (**LAFCo**) during the process to form Tuscan as a California water district. In its May 11, 2021 comment letter, Rock Creek GSA supported formation of Tuscan, subject to the following principles and understandings:

1. Tuscan will not perform any service currently performed by RCRD;
2. RCRD, in its capacity as a GSA, will retain its autonomy to develop, adopt, and implement the Vina Subbasin GSP within its boundaries. Tuscan may, however, participate in the development and implementation of the Vina Subbasin GSP; and
3. Tuscan will, subject to an agreement with RCRD, cooperate with the Rock Creek GSA in the pursuit of projects and management actions identified in the Vina Subbasin GSP.

**E.** LAFCo, by its Resolution No. 18 2022/2023, approved the formation of Tuscan as a California water district. LAFCo's Certificate of Completion for the formation of Tuscan dated February 1, 2024 and recorded on the same date as Document No. 2024-0003918 in the Official Records of Butte County (**Certificate of Completion**) identifies the conditions of formation required by LAFCo. Condition 13 (**Condition 13**) requires Tuscan, within one year from recordation of the Certificate of Completion, to enter into a memorandum of understanding with Rock Creek GSA and other GSAs within the Vina Subbasin whose jurisdictional boundaries overlap with Tuscan establishing the formal government to government working relationship between Tuscan and the Vina Subbasin GSAs (including (1) acknowledgment of the roles of each agency under SGMA, and methods for communication, cooperation and collaboration, and (2) establishing points of contact and any other matter leading to cooperation in the implementation of the Vina Subbasin GSP, and identifying Tuscan as a GSA partner.

**F.** Condition 18 provides, in part, that before approving any groundwater sustainability plan (**GSP**) implementation activity subject to the California Environmental Quality Act (**CEQA**), Tuscan should work with the Vina GSA to ensure such projects are consistent with the Vina Subbasin GSP.

**G.** The Parties desire to enter into this MOU to comply with Condition 13.

THEREFORE, the Parties agree as follows:

## **AGREEMENT**

**1. Purpose.** The purpose of this MOU is to establish a formal collaborative and cooperative working relationship between Tuscan, on the one hand, and Rock Creek GSA and Vina GSA, on the other hand, in the implementation of the Vina Subbasin GSP enabling Tuscan to serve as a partner with those GSAs implementing SGMA within the Vina Subbasin.

**2. Acknowledgement of Roles.**

**(a) Tuscan:**

1. Tuscan will represent its landowners in the development of projects and activities funded by Tuscan in achieving groundwater sustainability.
2. Tuscan will serve as a partner to Rock Creek GSA and Vina GSA and provide support through implementation of projects and management actions as identified in the Vina Subbasin GSP, as that GSP may be amended from time to time. Tuscan is not a GSA and will not undertake any duties or authorities of a GSA.
3. Except as otherwise provided in this MOU, Tuscan may participate in the implementation of SGMA and the Vina Subbasin GSP to the same extent as any interested party within the Vina Subbasin.

**(b) Rock Creek GSA and Vina GSA:**

1. Rock Creek GSA and Vina GSA will fulfill their duties and responsibilities as GSAs in the Vina Subbasin; neither GSA has delegated to Tuscan, and they each will retain, all of their authority as a GSA under SGMA, including all of their authority to amend and implement the Vina Subbasin GSP.
2. Rock Creek GSA and Vina GSA shall continue to fulfill their respective duties as GSAs, which may include, but is not limited to, submission of annual reports, updates to the Vina Subbasin GSP, continued collaboration with the Department of Water Resources, and implementation of projects and management actions identified for each in the Vina Subbasin GSP. In the event either GSA collaborates with Tuscan on any of those projects and management actions, the GSA reserves for its discretion the scope of that collaboration.

3. **Methods for Communication, Cooperation, and Collaboration.** The Parties shall communicate, cooperate, and collaborate in the following ways:

**(a) Information Sharing:**

1. The Parties agree to share data, studies, reports, and other information related to groundwater conditions, Vina Subbasin GSP projects and management actions, and other topics reasonably related to groundwater management in the Vina Subbasin.
2. The Parties shall each commit to timely and transparent communication regarding any changes or updates to projects and management actions that may affect the other Party.

**(b) Cooperation and Collaboration:**

1. Subject to and as provided under Condition 18, Tuscan may develop and implement groundwater projects and management actions within those areas of Tuscan's boundaries overlapping with Rock Creek GSA and Vina GSA and commits to inform and collaborate with the GSAs on such endeavors.
2. The Parties will use their best efforts to identify opportunities to work together on groundwater management projects and management actions benefitting the sustainability goals outlined in the Vina Subbasin GSP.
3. The Parties may collaborate to secure grants and funding for Vina Subbasin GSP projects and other groundwater sustainability actions in the Vina Subbasin.

4. **Points of Contact.** Tuscan, Rock Creek GSA, and Vina GSA shall each designate and maintain a primary point of contact to facilitate communication and coordination. In the event of any change in the point of contact, the designating Party shall promptly notify the

others of the change. The designated points of contact for each Party shall meet, either in-person or by videoconference, at least annually to discuss water management activities in the Vina Subbasin, including ongoing Vina Subbasin GSP implementation efforts, opportunities for collaboration, and any potential challenges needing to be addressed.

**5. Term, Termination, and Amendment.**

- (a) This MOU will remain in effect for a period of five (5) years following the Effective Date and may be extended upon mutual agreement of the Parties.
- (b) Any Party may terminate its participation in this MOU upon sixty (60) days' written notice to the other Parties. However, before sending any notice of termination to the other Parties, the Party seeking to terminate participation in this MOU shall meet and confer informally with the other Parties to attempt resolution of any concern or dispute giving rise to its desire to no longer participate in this MOU.
- (c) This MOU may be amended or modified in writing by mutual consent of all Parties at any time during the term of MOU.

**6. General Provisions.**

- (a) Except as expressly provided in this MOU, nothing in this MOU creates any financial rights or obligations among the Parties. Any sharing of costs among the Parties will be the subject of a separate written agreement.
- (b) This MOU (i) is the final and complete expression of the agreement among the Parties regarding its subject matter and may not be contradicted by evidence of any prior or contemporaneous oral or written agreement or representation, (ii) may not be amended, nor may any of its provisions be waived, except by an instrument in writing signed by all Parties, (iii) will be construed according to the laws of the State of California, and (iv) has been jointly negotiated and drafted, and Civil Code section 1654 will not apply in its interpretation.

TUSCAN WATER DISTRICT

ROCK CREEK RECLAMATION  
DISTRICT GSA

By: \_\_\_\_\_  
Richard McGowan, President      Date

By: \_\_\_\_\_  
Darren Rice, Chairman      Date

VINA GSA

By: \_\_\_\_\_  
Evan Tuchinsky, Board Chair      Date

Requested by and when recorded mail to:

Executive Officer  
BUTTE LOCAL AGENCY FORMATION COMMISSION  
1453 Downer Street, Suite C, Oroville, CA 95965

Attest: February 1, 2024

The following 106 page document is a correct copy of the original on file and of record in the LAFCO office.

By Krystal Bradford, Deputy

**2024-0003918**

Butte

Keaton Denlay  
County Clerk-Recorder  
02/01/2024 03:11 PM

**CONFORMED COPY**

Copy of document recorded.  
Has not been compared with original.

**CERTIFICATE OF COMPLETION**

As Executive Officer of the Butte Local Agency Formation Commission, I hereby certify that the attached documents are complete and in accordance with the boundaries, modifications and conditions specified by the Commission in its Resolution No. 18 2022/23 approving this action pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, as follows:

A. The short-form title of the above-mentioned proceeding is:

21-06 – Formation of the Tuscan Water District

B. The name of each affected local agency involved in this change of organization or reorganization:

Tuscan Water District

C. The name of the County or Counties in which the entire District is located is Butte County

D. Type of Action taken: Change of Organization – Formation of Special District

E. Boundary description and any terms and conditions:

As identified in Butte Local Agency Formation Commission Resolution No. 18 2022/23 as set forth in the "Attachment "A" and by reference incorporated herein.

The following conditions require specified actions to be taken by the Tuscan Water District for which the failure to execute these actions may result in the dissolution of the District for failure to perform the District formation terms and conditions: Conditions 6.a (revenue measure); 6.b (municipal service review and sphere of influence application); 9 (electoral divisions created); 13 (Memorandum of Understanding with Groundwater Sustainability Agencies).


F. The change of organization was:

       Ordered without an election.

  X   Confirmed by the landowner voters by a mailed ballot election on December 5, 2023.

Local Agency Formation Commission

Dated: February 1, 2024

By:   
STEPHEN LUCAS, Executive Officer

**Resolution No. 18 2022/23**

**AMENDED RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION  
OF THE COUNTY OF BUTTE MAKING DETERMINATIONS  
AND APPROVING THE FORMATION OF THE TUSCAN WATER DISTRICT –  
LAFCO FILE NO. 21-06**

**RESOLVED**, by the Local Agency Formation Commission of the County of Butte, State of California, that:

**WHEREAS**, a Petition of Application signed by 57-percent of the landowners in the proposed Water District was filed with the Commission to initiate the change of organization; and

**WHEREAS**, application has been made to this Commission pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Sections 56000 et seq.) for consideration of a proposal for the formation of the Tuscan Water District as shown in Exhibit "A" attached hereto and made a part hereof; and

**WHEREAS**, an application to form the Tuscan Water District, a California Water District as defined in the California Water Code, Section 34000 et seq., has been filed with the Executive Officer of the Local Agency Formation Commission of Butte County, California by petition, and said application complied with all the requirements of law and the Commission; and

**WHEREAS**, the Executive Officer has given the notices required by law and forwarded copies of his report to officers, persons and public agencies prescribed by law; and

**WHEREAS**, the Executive Officer, pursuant to Government Code Section 56658, set December 2, 2021, as the initial hearing date and gave the required notice of public hearing; and the matter was continued to the meeting of January 6, 2022, and continued again to February 3, 2022, in the City of Oroville City Council Chambers; and

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

**WHEREAS**, this Commission has considered the application materials, studies, attachments, and other documentation at the December 2, 2021, January 6, 2022, and February 3, 2022, public hearings which is incorporated by reference herein; and

**WHEREAS**, on December 2, 2021, January 6, 2022, and February 3, 2022, this Commission heard and received, all oral and written protests, objections and evidence, which were made, presented, or filed, and all persons present were given the opportunity to hear and be heard in respect to any matter concerning this proposal; and

**WHEREAS**, this Commission considered the factors determined by the Commission to be relevant to this proposal, including, but not limited to, factors specified in Government Code Sections 56301, 56668; and 56886.5(a); and the California Water Code Section 34000; and

**WHEREAS** the Commission adopted Resolution No. 11 2021/22 on February 3, 2022, approving the formation of the Tuscan Water District (TWD) and ordering the formation subject to protest proceeding and election; and

**WHEREAS**, protest proceedings were duly held and protests were not received representing a majority protest, so the Executive Officer, pursuant to the Resolution requested that the Board of Supervisors of Butte County (BOS) call an election with regard to the formation, election of a board of directors, and adoption of a parcel charge to fund the operation of the district; and

**WHEREAS** the BOS by minute order on April 7, 2022, directed the Elections Officer to proceed with a mailed ballot election as requested; and

**WHEREAS**, the Elections Department prepared a ballot form and proceeded to conduct the mailed ballot election; and

**WHEREAS**, On September 16, 2022, James McCabe sent a letter to the Butte County Clerk Recorder objecting to the election proceeding. He pointed out that the Elections Office had failed to send the Notice of Election required by Government Code § 57130. And that the proposed ballot measure for a parcel charge to fund the operation of the district was contrary to the requirements of Prop 218. AquAlliance raised similar objections in a letter dated September 19, 2022; and

**WHEREAS**, On September 27, 2022, the County Elections Official posted a News Release stating that "due to concerns that were raised regarding whether adequate notice of the election was provided, the Elections Official has determined that the official canvass will not be conducted as scheduled, and no results will be certified at this time. A new election will instead be re-noticed and scheduled for a future date;" and

**WHEREAS**, LAFCo was requested by the County to submit a new request to the BOS calling for a new election.

**WHEREAS**, On December 7, 2022, Mr. McCabe sent a further letter to the Butte County Administrative Officer outlining his concerns with the TWD election process, the proposed parcel charge, and originating LAFCo Resolution No. 11 2021/22 adopted February 3, 2022; and

**WHEREAS**, On January 3, 2023, Butte County Counsel provided a letter to LAFCo stating that "On behalf of the Clerk of the Board of Supervisors and the Clerk-Recorder/Registrar of Voters Office, the Butte County Counsel's Office is requesting that the Butte LAFCo Commission review Mr. McCabe's letter and adopt, if appropriate, a revised TWD Formation resolution to submit to the County that addresses the issues he has raised."; and

**WHEREAS**, The Commission has determined that it is appropriate and necessary to adopt a new Resolution No. 18 2022/23, amending and restating Resolution No. 11 2021/22 to address the concerns raised; and

**WHEREAS**, after a duly noticed public hearing and consideration of any further testimony received.

**NOW THEREFORE**, the Local Agency Formation Commission of the County of Butte **DOES HEREBY RESOLVE, DETERMINE AND ORDER**, to adopt Resolution No. 18 2022/23, amending and restating Resolution No. 11 2021/22 to read as follows:



## Section 1. Environmental Findings:

A. Based upon its review of the entire record, including the Staff Report, any public comments or testimony presented to the Commission, and the facts outlined herein, the Commission finds that the formation of the Tuscan Water District is not subject to CEQA for the following reasons:

i. The formation of the Tuscan Water District is not a "project" under CEQA

LAFCo approval of a change of organization (such as a special district formation) is a project under CEQA when the action has a potential for resulting in either a direct or reasonably foreseeable indirect physical change in the environment. (CEQA Guidelines §§ 15060(c) & 15378.) For example, a local government change of organization approval is a CEQA project when it constitutes an essential and conclusive step that foreseeably will culminate in some action that may affect the environment (e.g., approval of annexation of territory to a city for the planned development of that territory). But, when the LAFCo approval leaves open the issue of whether, what, where, or when any actual physical change affecting the environment would ultimately take place, the approval is not a project.

The formation of a water district under these facts and at this time is not a CEQA project because the Groundwater Sustainability Plan (GSP) has not yet received approval by the Department of Water Resources (DWR) (under review) and the Groundwater Sustainability Agencies (GSAs) must then consider how to best implement the GSP, assuming the project and management actions (PMAs) will evolve throughout this stage and the preferred or planned GSP actions and projects to be implemented have not yet been fully vetted beyond cursory identification. Therefore, under the current circumstances, approval of district formation will not result in any reasonably foreseeable change to the environment.

ii. The formation of the Tuscan Water District is exempt from CEQA

Even if formation of the Tuscan Water District was a "project" under CEQA, there are six CEQA exemptions that apply to LAFCo's action:

- Common sense exemption. CEQA does not apply "where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment." (CEQA Guidelines § 15061(b)(3).) At the time of the water district formation, there will not be any identifiable environmental changes that are reasonably foreseeable because GSP implementation actions will be evaluated, determined, and implemented at a much later stage in the SGMA/GSP process.
- Organizational activity exemption. Similarly, CEQA defines "project" to exclude "organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment." (CEQA Guidelines § 15378(b)(5).) At this stage and as part of the planning work toward implementing groundwater regulation, LAFCo's organizational action to create a new water district is exempt because that action at this time will not result in any physical change in the environment.
- Section 15320 Exemption. Section 15320 exempts from CEQA review requirements "changes in the organization or reorganization of local governmental agencies where the

changes do not change the geographical area in which previously existing powers are exercised." In this case the newly formed TWD will only have the authority to exercise powers already exercisable by the County Water Authority and the \*\*\* Sustainable Groundwater Management Agency (SGA) within the territory of the proposed District. Therefore the formation of the district is merely a reorganization of who exercises existing authority within the territory of the proposed district and is within the scope of the 15320 exemption.

- Funding mechanism creation exemption. A principal objective for water district formation is to create a local agency with the authority to generate local revenue through fees or assessments and fund GSP implementation projects. The creation of a government funding mechanism is not a project. (CEQA Guidelines § 15378(b)(4).)
- Natural resource protection exemption. LAFCo is a government agency authorized by state law to regulate local government changes of organization. LAFCo approval of water district formation is an action to facilitate GSP implementation, which is an action to maintain and restore the groundwater, a natural resource and a matter involving environmental protection. The regulatory process involves procedures for protection of the environment because LAFCo will create a new water district (a local government agency subject to CEQA) that must evaluate its projects under CEQA before approving GSP implementation actions. The Proposal therefore is exempt under CEQA Guidelines sections 15307 and 15308.
- Planning study exemption. "Feasibility or planning studies for possible future actions which the agency, board, or commission has not approved, adopted, or funded does not require the preparation of an EIR or negative declaration." (CEQA Guidelines § 15262.) Water district formation is exempt under this provision because it is a GSP planning-related action that will facilitate future GSP implementation actions that LAFCo, GSA, and the water district have not yet approved, adopted, or funded.
- SGMA exemption. SGMA contains a special CEQA exemption: "[CEQA] does not apply to the preparation and adoption of plans pursuant to this chapter. Nothing in this part shall be interpreted as exempting from [CEQA] a project that would implement actions taken pursuant to a plan adopted pursuant to this chapter." (Water Code § 10728.6.) This exemption distinguishes between GSP preparation and adoption (exempt) and later GSP implementing projects (not exempt). Petitioners are pursuing water district formation concurrent with GSA preparation of the Vina GSP in order for the district to exist and be able to start GSP implementation after the Vina GSP is adopted. Water district formation therefore is an organizational activity that is part of GSP preparation and adoption. At this time, the SGMA/GSP process is in the planning (exempt) phase and water district formation at this stage similarly should be considered exempt. Conversely, if LAFCo were to treat district formation as a CEQA project and undertake detailed environmental review of potential Vina GSP implementation actions, then the environmental analysis would need to evaluate the potential actions to later implement the Vina GSP, which would be inconsistent with the SGMA exemption for GSP adoption.

### iii. Environmental Review is Premature

Choosing the precise time for CEQA compliance involves a balancing of competing factors. EIRs and negative declarations should be prepared as early as feasible in the planning process to enable environmental considerations to influence project program and design and yet late enough to provide meaningful information for environmental assessment. (CEQA Guidelines § 15004(b).)

Since the preferred or planned GSP actions and projects to be implemented have not yet been determined, it would be difficult to identify and formulate a project for thorough and meaningful environmental assessment at this time. Consequently, detailed CEQA environmental review of the district formation at this time would be premature because (a) the analysis would occur too early in the GSP planning and development process to allow meaningful analysis of potential environmental impacts, (b) the final GSP will propose several different projects and options such that analysis of potential environmental impacts would be wholly speculative, and (c) the potential future environment-changing projects and actions are so varied and uncertain at this time that preparation of an initial study or EIR at this planning stage would be so speculative as to be meaningless.

Detailed CEQA review therefore should wait until GSP implementation project plans have matured into firm and specific proposals. Tuscan Water District will be a local government agency with its own CEQA responsibilities and obligations, and it will review proposed GSP implementation actions under CEQA as and when it identifies appropriate GSP-implementing actions or projects. As a means to ensure later CEQA compliance by TWD, this resolution includes and imposes Condition 18 to require CEQA evaluation.

The Executive Officer is authorized and directed to prepare and file a CEQA Notice of Exemption consistent with this determination.

## **Section 2. General Findings, Terms and Conditions:**

- A. The Commission has considered the factors determined by the Commission to be relevant to this proposal, including, but not limited to, Sphere of Influence and General Plan consistency, and other factors specified in Government Code Sections 56301, 56668; and 56886.5(a); and the California Water Code Section 34000 and as described and discussed in the staff reports dated November 23, 2021 for the meeting of December 2, 2021 (Part A) and January 27, 2022, for the meeting of February 3, 2022 (Part B), and the Legal Counsel Memorandum of February 23, 2023 for the meeting of March 2, 2023.
- B. Based on the evidence, analysis, and conclusions set forth in this resolution and the Executive Officer's reports and Legal Counsel Memorandum, the Commission finds that the formation of this District serves to further the purposes of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 including, but not limited to, the following: efficiently providing government services and facilitating the orderly formation and development of local agencies based upon local conditions and circumstances.
- C. The Commission adopts the determinations regarding consistency with LAFCO law and Commission Policies contained in the staff report for this proposal and incorporates them by reference herein.

- D. The Commission recognizes its core responsibility to preserve and protect agricultural lands (GC 56100, 56301) and finds that this proposal conforms with, and will not alter, modify or amend any current land uses or County land use designations in the Butte County General Plan. Furthermore, the Commission finds that the Tuscan Water District (TWD) formation will assist and support the continued and consistent availability of irrigation water to agricultural lands that will encourage their continued productivity and economic viability resulting in far less pressure to convert marginal agricultural lands to urban development proposals. As agricultural land protection is at the core of LAFCo's role, the formation of the TWD will do no harm to current land use patterns and help maintain agricultural as a valued economic driver in Butte County.
- E. The subject territory includes approximately 97,625 acres and 3,138 parcels of mostly private and very limited public property as described and identified in the adopted map shown as Exhibit A to this resolution and is assigned the following distinctive short form designation: 21-06 - Formation of the Tuscan Water District.
- F. Pursuant to Government Code Section 56426.5(b), the Commission is adopting an interim coterminous Sphere of Influence for the District. The Commission will, within one year of the effective date of the TWD formation, determine the long-term sphere of influence for the TWD. The Commission's conditions of approval require the TWD, within 6 months of the recording of the Certificate of Completion for the formation of the Tuscan Water District, to submit an application to LAFCo to conduct a municipal service review (MSR) and determine the sphere of influence for the new district to LAFCo and that all fees and costs associated with the application shall be borne by the applicant (TWD), including an initial deposit in an amount deemed appropriate by the Executive Officer.
- G. Pursuant to Government Code Section 56886.5, the Commission determines, based upon the public record, the responses from alternative service providers lacking interest in assuming the role proposed by the TWD, the services currently provided to the affected territory by the County of Butte and other local agencies, the County's clear intent to not actively pursue water supply and irrigation projects, and its declared support for the formation application, that existing allied agencies are in support of the TWD formation and cannot feasibly provide the needed service or services in a more efficient and accountable manner than is proposed and that a new local agency is deemed necessary.
- H. The proposed TWD would have a landowner voter Board of Directors that would be focused on making decisions about the groundwater resources in the unincorporated service area of the Vina Groundwater Basin.
- I. The proposed TWD offers the opportunity for landowners to manage the groundwater resource. The GSP shows that the Vina Groundwater Basin is in decline and is in need of a more focused management effort. It is in the best interests of all users of the Basin to better manage the groundwater resources.
- J. The landowners proposing the TWD are willing to fund and form the District to sustainably manage the groundwater resources. This brings more resources to the management of the Basin. The County would not be responsible for the entire Basin. The District would assist in complying with SGMA. The TWD could bring in an estimated \$425,000 to perhaps \$1,000,000 annually to help implement the Vina GSP and comply with SGMA. This is money that the County would not have to spend on SGMA compliance activities and areas that will not have to be managed by the County.

- K. The TWD would establish a local public agency of voluntary landowners that would sustainably manage the groundwater resource under its area. The District would work within the State Law with other agencies to provide for the reasonable use of water, pursue supply solutions, and to raise funds for planning and projects that comply with the GSP's.
- L. The affected territory will not be taxed for existing general bonded indebtedness of any agency whose boundaries are changed as required by Govt. Code § 57100(h).
- M. The Commission determines that an election on district formation will be held within the territory of the district ordered to be formed in accordance with applicable provisions of the CKH, California Water District Law, and Uniform District Election Law as required by Govt. Code § 57118(a).

### **Section 3. Conditions adopted by LAFCO:**

#### Administrative Conditions

- A. All LAFCo, Butte County and State of California fees must be paid in full prior to filing the Certificate of Completion.
- B. The map and legal description shall comply with the Department of Public Works and State Board of Equalization requirements.
- C. The legal description and map, if rejected by the State Board of Equalization or amended by action of the Commission, will be revised at the expense of the applicant.
- D. The following conditions are applied by the Commission consistent with its authority granted by Government Code Sections 56301, 56668; and 56886.5(a); and the California Water Code Section 34000:

#### General Conditions

- 1. That the name of the California Water District shall be the Tuscan Water District.
- 2. That formation of the 97,625-acre Tuscan Water District shall be contingent upon:
  - a. A successful landowner vote. The vote required for confirmation shall be an affirmative vote of a majority of the votes cast in the election, with each landowner having one vote for each dollar's worth of land to which the landowner holds title. Pursuant to W.C. 34422, title and worth of land shall be determined from the last equalized County Assessment Roll and, pursuant to the "land" definition at Water Code section 34014, land value shall not include land improvements. As used herein, "landowner" refers to a person who is a holder of title to land within the proposed District boundary or its legal representative as provided in Water Code Sections 19, 34026, 34027, 34030 and 35004. LAFCo will provide the Elections office with a list of properties and assessment roll information based on the boundaries of the District, but actual determinations as to the eligibility of owners to act as voters will be made by the Elections Officer.

- b. Selection of an initial nine (9) members of the Board of Directors based on the nine candidates who receive the most votes with each landowner having one vote for each dollar's worth of land to which the landowner holds title.
  - c. The formation election ballot questions are as set forth in Procedural Actions 4.F. below.
3. Prior to filing the Certificate of Completion, a revised legal description and boundary map(s) shall be submitted to reflect the service area of the Tuscan Water District as adopted by the Commission.
  4. The effective date of the Tuscan Water District formation will be determined by the certification of the election results by the Board of Supervisors and the filing of the certificate of completion by the LAFCO Executive Officer with the County Clerk-Recorder's office.
  5. The new District is not expected to receive any revenue from the proceeds of taxes for the first full fiscal year of operation. Therefore, the Commission determines provisionally under Government Code section 56811(a) that the District will not be subject to any appropriations limit. After it is formed, the Tuscan Water District shall determine the permanent appropriations limit (if any) as soon as feasibly possible consistent with Government Code §§ 56811(a) & 57120. The planned special assessment revenue is not considered "proceeds of taxes" that would be subject to an appropriations limit.

#### Boundaries

6. a. Pursuant to G.C. 56426.5.(b), the Commission hereby adopts an interim Sphere of Influence for the District that is coterminous with the proposed District boundaries. As a special condition of that Sphere, the sphere shall be reduced to a zero sphere and the District dissolved if the District does not successfully enact a revenue measure for the District in accordance with Condition 12 below within one year from the date of recording the Certificate of Completion as provided in Section 57077.1(c)(1) without protest or election. The Executive Officer may extend this one-year deadline based on good cause demonstrated by the District.
- b. Within 6 months of the recording of the Certificate of Completion for the formation of the Tuscan Water District, the Board of Directors of the Tuscan Water District shall submit an application to LAFCo to conduct a municipal service review (MSR) and determine the long term sphere of influence for the new district to LAFCo and that all fees and costs associated with the application shall be borne by the applicant (TWD), including an initial deposit in an amount deemed appropriate by the Executive Officer. The failure to execute this condition will result in the Commission applying a zero sphere of influence and initiating corrective actions up to and including, dissolution of the District.

#### Governance – Board of Directors

7. The initial Board of Directors of the Tuscan Water District shall be composed of nine (9) members as provided for in the California Water Code section 34700.
8. The initial TWD board of directors will be elected at large based on a one vote for each dollar of assessed land value formula pursuant to Water Code sections 34400-34403, 34700, 34422-34424, 35003-35125, and the Uniform District Election Law. Candidates for the TWD board of directors must be qualified pursuant to Water Code section 34700. Candidates may

self-nominate themselves but must demonstrate to the Elections Official their qualification to be a member of the board when doing so. If candidates are nominated by other individuals or entities, the candidate's qualification to be a member of the board must be stated in the nomination submitted to the Elections Official. If it has not been demonstrated to the satisfaction of the Elections Official that a candidate is qualified to be a member of the board, that candidate's name will not appear on the ballot.

9. The TWD board of directors shall within six (6) months from the date of the recording of the Certificate of Completion, adopt a resolution requesting the Board of Supervisors to establish electoral divisions based on equal size (acres) and the boundaries thereof in accordance with Water Code sections 35025 and 35026. The number of divisions shall be equal to the number of directors. (WC35025) The failure to execute this condition will result in the Commission initiating corrective actions up to and including, dissolution of the District.
10. The BOS shall at the time of calling the formation election for the proposed district, prescribe the procedure for the nomination of candidates for the initial board of directors of the district in accordance with Water Code section 34403 and other applicable provisions of the Water Code and Elections Code. The BOS shall make use of the nomination process and qualifications specified in Condition 8 above.

#### Governance – Future Voting

11. Conversion to Registered Voters. In accordance with Water Code sections 35040-35041, the Board of Directors of the Tuscan Water District shall, between January 1 and March 30 of each year, inspect the assessable area within the district. At such time as at least 50 percent of the assessable area within the district is devoted to and developed for residential, industrial, or nonagricultural commercial use, or any combination thereof, such fact shall be certified to the board of directors by the secretary of the district. Any time after such certification, the registered voters residing within the district may petition for a change in the voting procedure from a landowner-voting district to a resident-voting district pursuant to Water Code section 35042 *et seq.*

#### Governance – Finance

12. The formation of the TWD shall be contingent upon a successful vote on the formation as determined pursuant to Water Code Section 34500. The continuing operation of the District shall require that the TWD enact a special assessment or other revenue measure generating sufficient annual revenue for the ongoing operation of the District in an amount not less than \$445,600/year on all land within the District receiving a special benefit or property-related service. If the revenue measure is not successfully enacted by the District within one year of the recording of the certificate of completion, pursuant to G.C. 56886(o) the Water District shall be dissolved in accordance with the procedure set forth in G.C. 57077.1(c)(1). As an integral part of the formation conditions, the District Board shall be deemed to have initiated such dissolution in the event it fails to meet the one-year deadline. The Commission may extend this deadline for good cause upon request by the Water District.

#### Intergovernmental Coordination – SGMA and Water

13. The Tuscan Water District, shall within one (1) year from the date of the recording of the Certificate of Completion, enter into a memorandum of understanding (MOU) with the Vina Basin and Butte Basin Groundwater Sustainability Agencies establishing the formal,

government to government working relationship between the Tuscan Water District and the GSA's to include acknowledging the roles of each agency in the SGMA environment, methods for communication, cooperation and collaboration, establishing points of contact and any other matter that leads to cooperation in the implementation of the GSP for the basin. The MOU should identify the Tuscan Water District as a GSA partner, pursuant to the sustainable Groundwater Management Act, Water Code section 10720 et. seq. The MOU shall be provided to the LAFCo Executive Officer upon completion. The failure of the District to successfully enter into a MOU with the GSA's within one year of the Certificate of Completion being recorded, the Tuscan Water District shall be dissolved by LAFCo at the request of the TWD Board of Directors. If an agreement cannot be reached with the GSA's, the TWD can request LAFCo to mediate a resolution and/or extend this deadline for an additional period to be determined by LAFCo or modify the condition.

14. Per the MOU required in Condition No. 13, all activities, actions, projects, and proposals initiated by the Tuscan Water District within its jurisdictional boundaries related to the direct or indirect management of groundwater resources, including groundwater recharge options, shall be submitted to the appropriate GSA for review and cannot be implemented or initiated until and unless, the affected GSA Board determines in writing that the proposed activities, actions and proposals are consistent with the applicable GSP. Requests not deemed consistent with the GSA's GSP are prohibited.
15. Tuscan Water District shall submit any proposals, plans or projects regarding any extraction, use, or transfer of groundwater as defined in Butte County Chapter 33 (Groundwater Conservation), to the Butte County Department of Water and Resource Conservation for review and such proposals cannot be implemented or initiated until and unless, the Butte County Board of Supervisors or the Director of Butte County Department of Water and Resource Conservation determines in writing that the proposed activities, actions and proposals are consistent with the Butte County Code Chapter 33 (Groundwater Conservation). Requests not deemed consistent with the Butte County Chapter 33 are prohibited. The Tuscan Water District shall adhere to all the laws of the County of Butte.
16. The Tuscan Water District shall not have the power to acquire, plan, construct, maintain, improve, operate, and keep in repair the necessary works for any drainage or reclamation works within the jurisdictional boundaries or sphere of influence of the Rock Creek Reclamation District without the written consent of the Rock Creek Reclamation District Board of Directors.

#### General Powers and Functions

17. That pursuant to the applicable Water Code Sections the Tuscan Water District is authorized to exercise all powers and authorities subject to the following restrictions in a-e below:
  - a. The Tuscan Water District shall not have the powers to export, transfer, or move water underlying the Tuscan Water District (including groundwater pumped into an above ground storage facility) outside the Vina or Butte Subbasins. For purposes of this Condition "groundwater" shall have the meaning set forth in Water Code Section 10721(g) as follows: "Groundwater" means water beneath the surface of the earth within the zone below the water table in which the soil is completely saturated with water but does not include water that flows in known and definite channels unless included pursuant to Section 10722.5.



- b. The Tuscan Water District shall not have the power to acquire, plan, construct, maintain, improve, operate, and keep in repair the necessary works for the production, storage, transmission, distribution and sale of water for domestic, industrial, and municipal purposes (WC35401). These powers under the California Water Code shall be deemed inactive or latent. The District may request that LAFCO activate these powers in the future.
- c. The Tuscan Water District shall not have the power to acquire, construct, operate, and furnish facilities and services, within or without the district, for the collection, treatment, and disposal of sewage, waste, and storm water nor contract with any persons, firms, public or private corporations or public agencies or other users concerning facilities and services for said purposes. (WC35500) The District may request that LAFCO activate these powers in the future. These powers under the California Water Code shall be deemed inactive or latent.
- d. Any and all proposals or projects proposed by the Tuscan Water District (including groundwater recharge projects for the benefit of District landowners) shall be submitted to the appropriate GSA or agency under Condition Nos. 13, 14 and 15 to determine if the proposal or project is consistent with the affected GSP in sustaining the Vina groundwater basin.
- e. If the District approves and implements a project involving the delivery and/or importation of surface water into the District, then the District shall not thereafter transfer that surface water for use outside the District boundaries.

#### Future Projects and CEQA

- 18. As a means to ensure that later District actions comply with CEQA and are consistent with the GSP, the District shall comply with the requirements in this condition. Prior to approving any GSP implementation activity that may result in a direct or reasonably foreseeable indirect physical change in the environment, the District shall undertake these steps:
  - (a) The District shall prepare a project description and submit it to the Vina Groundwater Sustainability Agency (GSA). The GSA shall undertake a GSP consistency determination by reviewing the project description and determining whether the project is consistent with the GSP. The GSA shall determine that the project is consistent with the GSP if the project is (1) a type of project or action or within the scope of a project or action identified in the GSP as a planned or potential project or management action, or (2) consistent and compatible with the goals, objectives, purposes, and policies in the GSP. GSA staff and officers shall not use or exercise any personal or subjective judgment in deciding whether the project should be carried out. The GSA GSP consistency determination is intended to be a ministerial review, with the GSA determining only whether the project is consistent or not. This condition is not intended to confer on the GSA the discretionary authority to determine whether to approve a District project or to modify or condition a project. A principal purpose of the GSP determination review is to confirm that the proposed project will be consistent with the GSP before the District undertakes the effort, time, and expense to perform CEQA review of the project.
  - (b) If the GSA determines that the proposed project is consistent with the GSP, the District shall prepare an appropriate CEQA document for the project (e.g., notice of exemption, initial study and negative declaration, environmental impact report), adopt the CEQA document, make appropriate findings, and approve the project in accordance with the procedural and substantive requirements of CEQA. The District shall include the GSA on its distribution list

for CEQA-related notices and draft documents. If during the CEQA process the District materially changes the project description, then the District shall consult with the GSA to confirm that the proposed project as modified remains consistent with the GSP.

- (c) The District may proceed with and implement the project if the GSA has determined that it is consistent with the GSP, and the District has complied with CEQA.

#### **Section 4. Further Procedural Actions**

- A. The recitals set forth hereinabove are true, correct, and valid.
- B. The Executive Officer is hereby authorized and directed to mail certified copies of this Resolution in the manner and as provided in Section 56882 of the Government Code.
- C. The Formation of the Tuscan Water District is hereby approved subject to the terms and conditions of this Amended Resolution.
- D. This formation requires a protest proceeding to be conducted and the Commission directs the Executive Officer to set the proposal for a protest hearing and give public notice of said hearing pursuant to Butte LAFCo Policy, California Government Code section 57002, and other applicable provisions of CKH.
- E. The Commission with this resolution again requests that the Butte County Board of Supervisors direct the County Elections Official to conduct the necessary election, setting the matter for consideration of the landowner voters of the affected territory on a date consistent with election law and the Cortese-Knox-Hertzberg Act, particularly G.C. 57130. Pursuant to Water Code Sections 34422 and 35003 each landowner voter shall have one vote for each dollar's worth of land owned by the landowner. The last equalized regular (Govt. Code § 57100(g)) County assessment roll will be used to establish land values and landowner title and, pursuant to the "land" definition at Water Code section 34014, land value shall not include land improvements. As used herein, "landowner" refers to a person who is a holder of title to land within the District or its legal representative as provided in Water Code Section 19, 34026, 34027, 34030 and 35004.
- F. The formation election ballot questions to be placed before the voters are as follows:
  - 1. Shall the Butte Local Agency Formation Commission order dated March 2, 2023 ordering the formation of Tuscan Water District as a California Water District in western Butte County be approved, subject to the terms and conditions specified in the order which will require a subsequent, post-formation landowner approval of a special assessment or other lawful revenue measure generating equivalent revenue, to fund the initial administrative/organizational activities or the district shall be dissolved, all as more particularly described and set forth in Resolution No. 18 2022/23?"
  - 2. If the Tuscan Water District is formed, it will be governed by a nine (9)-member board of directors. Vote for up to nine at-large directors from the list below:  
*[final list of candidate names and occupational designation (if any) to be inserted here]*

G. Pursuant to §57144 and §56898 of the Government Code, the Executive Officer will prepare for the Commission's review a revised Impartial Analysis of the proposed District formation; after the Commission has approved or modified the Impartial Analysis, it shall direct the Executive Officer to submit it to the election's official no later than the last day for submission of ballot arguments.

**PASSED AND ADOPTED** by the Local Agency Formation Commission of the County of Butte, on the 2nd day of March 2023, by the following vote:

AYES: Bolin, Johnson, Betts, McGreehan, Bradley

NOES: Ritter

ABSENT:

RECUSED/ Connelly

ABSTAIN:

  
Clerk of the Commission

  
Bill Connelly, Chair  
Butte Local Agency Formation Commission



# BOARD OF SUPERVISORS

## COUNTY OF BUTTE, STATE OF CALIFORNIA

Resolution No. 17-170

### RESOLUTION IN SUPPORT OF THE AGRICULTURAL GROUNDWATER USERS OF BUTTE COUNTY INVOLVEMENT IN THE SUSTAINABLE GROUNDWATER MANAGEMENT ACT PROCESS

**WHEREAS**, the Sustainable Groundwater Management Act of 2014 (“SGMA”) provides local agencies (counties and cities with land-use authority and single and multipurpose special districts with water management authority) with the directive and authority to manage groundwater locally, with State oversight; and

**WHEREAS**, high and medium priority groundwater basins must develop and be managed under a Groundwater Sustainability Plan (GSP), which must be submitted to the California Department of Water Resources by January 31, 2022, for the subbasins within Butte County; and

**WHEREAS**, one of the steps in that process in Butte County is for eligible local agencies in each sub-basin to determine the make-up of a governance structure in their respective groundwater subbasin. The governance agencies, known as Groundwater Sustainability Agencies (GSAs), can be a single entity managing an entire basin or sub-basin or multiple entities; and

**WHEREAS**, in many counties throughout the Central Valley of California, including Butte County, which are subject to SGMA with high and medium priority sub-basins, there are tracts of land known as “white areas,” which are areas within counties that are not within the boundaries of an otherwise eligible local agency; and

**WHEREAS**, pursuant to SGMA, these “white areas” may be covered and regulated by a county, or they may elect to annex through a Local Agency Formation Commission (LAFCo) process to an eligible local agency with SGMA authority, or petition LAFCo to form a new eligible local agency under SGMA such as a California Water District (Water Code Sections 34000 et.al.); and

**WHEREAS**, Butte County is located within the Sacramento Valley Basin, and the State has identified four subbasins within the Sacramento Valley Basin per DWR’s Bulletin 118, partially located within Butte County: namely Vina, West Butte, East Butte, and Wyandotte Creek; and

**WHEREAS**, Butte County began a collaborative process in 2015 with all eligible local agencies to reach consensus within the County on principles of GSA formation and future SGMA governance. The goal of this process is to define a set of working principles that are shared among eligible local agencies and that consistently and constructively shape SGMA interaction and decision-making; and

**WHEREAS**, those principles include the following:

1. Maximize value of familiar structures and relationships;
2. Acknowledge all key interests of eligible local agencies;
3. Respect legally recognized rights;
4. Anticipate GSP requirements;
5. Make use of basin boundary adjustments;
6. Comply with SGMA regulations;
7. Identify opportunities to address interests of current non-GSA stakeholders;
8. Distribute costs in an equitable manner as possible;
9. Respect mutual interests in maintaining independent decision-making; and

**WHEREAS**, the “white areas” of Butte County within the four subbasins are not represented by other eligible local agencies and will therefore be represented by Butte County unless these areas choose to annex to an eligible local agency or form a new one; and

**WHEREAS**, some landowners in Butte County that are within these “white areas” have expressed interest to Butte County and the Butte LAFCo to explore the formation of a new California Water District to better represent their interests in the on-going stakeholder process; and

**WHEREAS**, the Agricultural Groundwater Users of Butte County recognizes and respects the leadership of Butte County and in its efforts to create a workable and cooperative structure to discuss GSP development and to identify GSAs among the existing eligible local agencies and eliminate overlap within the four subbasins by June 30, 2017; and

**WHEREAS**, the Agricultural Groundwater Users of Butte County recognizes and respects the leadership of Butte County to move forward to complete a comprehensive GSP by January 31, 2022; and

**WHEREAS**, inherent in this process and timeframe, Butte County will endeavor through the stakeholder process to develop a governance structure, for SGMA oversight of each of the four subbasins within Butte County consistent with the nine principles enumerated above; and

**WHEREAS**, principle number 7 above, recognizes that “private pumpers” in “white areas” can at any point now or in the future pursue formation of additional local agencies for purposes of water transfers, delivery, storage or other uses identified in the enabling legislation and perform such other activities typically performed by water districts; and

**WHEREAS**, Butte County recognizes the value of input into the SGMA process by the Agricultural Groundwater Users of Butte County, which is comprised of a group of landowners who farm in Butte County.

**NOW, THEREFORE, BE IT RESOLVED:**

1. The County of Butte will continue to work with eligible local agency stakeholders within Butte County with the collaborative process to identify subbasin GSAs and an ultimate governance structure, and the Agricultural Groundwater Users of Butte County will openly and earnestly participate and cooperate in that process as “private pumpers”.
2. If, and when, the Agricultural Groundwater Users of Butte County desire to move forward with creation of a new California Water District or other type or eligible local agency with the dual purpose of: a) SGMA responsibility, and b) exercising powers and duties as a special district as authorized by the Water Code

for water purveyance and ancillary activities, Butte County will work constructively, cooperatively and collaboratively with landowners on the formation process of a new eligible local agency for involvement in SGMA issues.

3. As a governance structure for implementation of SGMA is discussed among, and ultimately decided by all eligible local agencies within the four subbasins within the County, the County of Butte and the Agricultural Groundwater Users of Butte County will work together to advocate for and implement landowner representation within each applicable governance structure/entity as applied to each of the four subbasins.
4. Furthermore, the County of Butte and the Agricultural Groundwater Users of Butte County support governance structures in each subbasin that will recognize and allow for new eligible local agencies to become members of the governance structure in compliance with SGMA.

**PASSED AND ADOPTED** by the Butte County Board of Supervisors this 10<sup>th</sup> day of October, 2017, by the following vote:

**AYES:** Supervisors Wahl, Lambert, Teeter, and Vice Chair Kirk

**NOES:** None

**ABSENT:** Chair Connelly

**NOT VOTING:** None

  
\_\_\_\_\_  
**Maureen Kirk**, Vice Chair  
Butte County Board of Supervisors

**ATTEST:**

**Paul Hahn**, Chief Administrative Officer  
and Clerk of the Board of Supervisors

By:   
Deputy





## ROCK CREEK RECLAMATION DISTRICT

*A Butte County Reclamation District Operating Under Division 15 of the  
California Water Code*

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May 11, 2021

Mr. Stephen Lucas, Executive Officer  
Butte Local Agency Formation Commission  
1453 Downer Street, Suite #C  
Oroville, California 95965  
Email: [slucas@buttecounty.net](mailto:slucas@buttecounty.net)

### **RE: Formation of Tuscan Water District**

Dear Mr. Lucas:

We, the Board of Trustees of the Rock Creek Reclamation District, are writing to express our support for the formation of the Tuscan Water District (Tuscan WD).

Rock Creek Reclamation District (Rock Creek RD) was formed in 1985 to provide flood control and drainage services in northern Butte County. Currently, the District provides these services to 4,644 acres of agricultural and single-family residential parcels. While the proposed Tuscan WD's boundaries would overlap with Rock Creek RD's boundaries, there would not be any duplication of services. Although Rock Creek RD has the latent power to provide water for irrigation purposes, it does not exercise that power. In fact, Rock Creek RD does not convey, transport, or export irrigation water to agricultural properties or residences within its boundaries. Any water conveyance the Rock Creek RD currently performs is for drainage and flood control.

Additionally, the Rock Creek RD serves as the Groundwater Sustainability Agency (GSA) for the area within its boundaries. As one of the two GSAs covering the Vina Subbasin, Rock Creek GSA is tasked with preparing and implementing a groundwater sustainability plan (GSP). Under the Sustainable Groundwater Management Act (SGMA), each GSP must include management actions and projects that the GSA determines will achieve its sustainability goal for its basin. (Cal. Code Regs., tit. 23, § 354.44, subd. (a).)

The proposed Tuscan WD would play a much-needed role in planning and performing the management actions, and pursuing projects. We anticipate that Tuscan WD will cover over 100,000 acres of land throughout Butte County and the Vina Subbasin. Therefore, the water district would be able to perform wide-scale and coordinated actions in furtherance of the goals of the GSP for the Rock Creek GSA and Vina GSA. After all, this is one of the primary purposes for Tuscan WD's formation: to participate and cooperate with Rock Creek GSA and Vina GSA in their efforts to achieve sustainability in the Vina Subbasin.



Accordingly, the Rock Creek RD offers its support for the formation of the Tuscan WD subject to the following understandings and principles:

- Tuscan WD will not perform any service currently performed by Rock Creek RD.
- Rock Creek GSA will retain its autonomy to develop, adopt, and implement its GSP within its boundaries. Tuscan may, however, participate in the development and implementation of Rock Creek GSA's GSP.
- Tuscan WD will, subject to an agreement with Rock Creek WD, cooperate with the Rock Creek GSA in the pursuit of management actions and projects identified in Rock Creek GSA's GSP.

Please feel free to contact me if you have any questions or wish to discuss this matter.

Very truly yours,

Hal Crain, Chairman

A handwritten signature in black ink, appearing to be "H. Crain", is written over a horizontal line. The signature is stylized and cursive. Below the line, the word "Chairman" is printed in a standard sans-serif font.