

**YOLO LOCAL AGENCY FORMATION COMMISSION
Resolution № 2022-11**

Adopting (i) the Municipal Service Review (MSR) for the Dunnigan, El Macero, North Davis Meadows, Wild Wings, and Willowbank County Service Areas (CSAs) and (ii) the Sphere of Influence Update for Wild Wings CSA (LAFCo No. 21-04)

WHEREAS, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (“CKH”) governs the organization and reorganization of cities and special districts by local agency formation commissions established in each county, as defined and specified in Government Code Sections 56000 et seq. (unless otherwise indicated all statutory references are to the Government Code); and,

WHEREAS, Section 56425 et seq. provides that the local agency formation commission in each county shall develop and determine the sphere of influence of each local governmental agency within the county, and enact policies designed to promote the logical and orderly development of areas within the spheres of influence, as more fully specified in Sections 56425 et seq.; and,

WHEREAS, Section 56430 requires that local agency formation commissions conduct a municipal service review prior to, or in conjunction with, consideration of actions to establish or update a sphere of influence in accordance with Sections 56076 and 56425; and,

WHEREAS, County Service Areas (“CSAs”) are treated as “special districts” for purposes of the CKH;

WHEREAS, beginning in 2021, the Yolo Local Agency Formation Commission (LAFCo) has conducted a review of the municipal services and spheres of influences for the CSAs established by the County of Yolo; and,

WHEREAS, the Executive Officer met with the active CSA Advisory Committees over the course of conducting this Municipal Service Review; and,

WHEREAS, based on the results of the Municipal Service Review, staff has determined that a Sphere of Influence Update is needed for Wild Wings CSA to reflect the August 22, 2019 LAFCo authorization to extend water services to the Watts-Woodland Airport; and,

WHEREAS, the Executive Officer set a public hearing on December 1, 2022 for consideration of the draft Municipal Service Review and caused notice thereof to be posted and published at the times and in the manner required by law at least twenty-one (21) days in advance of the date; and,

WHEREAS, on December 1, 2022, the draft Municipal Service Review was heard before LAFCo, at the time and place specified in the Notice of Public Hearing; and,

WHEREAS, at said hearing, LAFCo reviewed and considered the draft Municipal Service Review and Sphere of Influence Update, and the Executive Officer’s Report and Recommendations; each of the policies, priorities, and factors set forth in Government Code Sections Section 56425(e) and 56430 et seq.; LAFCo’s Guidelines and Methodology for the Preparation and Determination of Municipal Service Reviews and Spheres of Influences; and all other matters presented as prescribed by law; and,

WHEREAS, at that time, an opportunity was given to all interested persons, organizations, and agencies to present oral or written testimony and other information concerning the proposal and all related matters; and,

WHEREAS, LAFCo received, heard, discussed, and considered all oral and written testimony related to the sphere update, including but not limited to protests and objections, the Executive Officer's report and recommendations, the environmental determinations, and the Municipal Service Review.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED that the Yolo Local Agency Formation Commission hereby:

1. Finds the proposed Municipal Service Review and Sphere of Influence Update exempt from the California Environmental Quality Act (CEQA) pursuant to the California Code of Regulations, Title 14, Division 6, Chapter 3 (State CEQA Guidelines) Section 15061(b)(3) and Section 15320; and,
2. Adopts Resolution 2022-11 approving the Municipal Service Review for the Dunnigan, El Macero, North Davis Meadows, Wild Wings and Willowbank CSAs and approving a Sphere of Influence Update for the Wild Wings CSA as set forth in Exhibit A, attached hereto and incorporated herein by this reference, subject to the following findings and recommendations for each agency set forth in Exhibit B.

FINDINGS

1. Finding: Approval of the Municipal Service Review and Sphere of Influence Update is consistent with all applicable state laws and local LAFCo policies.

Evidence: The project was prepared consistent with the requirements in the Cortese-Knox-Hertzberg Act for a Municipal Service Review and Sphere of Influence Update and all applicable Yolo LAFCo policies and adopted Standards for Evaluation. The Municipal Service Review includes written determinations for each district as required by Section 56430. The Sphere of Influence Updates include written statements for each applicable district as required by Section 56425(e). The new Sphere of Influence for the Wild Wings CSA supports the MSR recommendations to align district boundaries with its existing CSA service area including LAFCo's 2019 approval extending water services to the Watts-Woodland Airport (LAFCo No. 933) and will not affect agricultural land or be growth inducing because the airport is already developed. The MSR evaluated the existing services and the need for municipal services in each community and recommended reorganization where appropriate as indicated in the MSR.

2. Finding: The proposed Municipal Service Review and Sphere of Influence Update is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15061(b)(3) and Section 15320 of the California Code of Regulations, Title 14, Division 6, Chapter 3 (State CEQA Guidelines).

Evidence: CEQA requires analysis of agency approvals of discretionary "projects." A "project," under CEQA, is defined as "the whole of an action, which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment." Section 15061 (b)(3) of the CEQA Guidelines describes the General Rule that CEQA only applies to projects which "have the potential for causing a significant effect on the environment; 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, the activity is not subject to CEQA." Section 15320 is a Categorical Exemption for reorganization of local governmental agencies that do not change the geographical area in which previously existing powers are exercised. Approval of the Municipal Service Review and Sphere of Influence Update, and the district reorganization that might follow, does not approve any development project or result in development. No physical construction or activity is contemplated as a result of this action because water services were already extended to the

Watts-Woodland Airport per LAFCo No. 933 approved on August 22, 2019. The Sphere of Influence Update for the Wild Wings CSA does not change the geographical area in which water services are provided and the Watts-Woodland Airport is already developed. The project, therefore, will not have the potential to result in individual or cumulative significant effects on the environment. Furthermore, no special circumstances exist that would create a reasonable possibility that approving the Municipal Service Review and Sphere of Influence Update would have a significant effect on the environment. Therefore, the project is exempt from CEQA and no further environmental review is necessary.

PASSED AND ADOPTED by the Local Agency Formation Commission, County of Yolo, State of California, this 1st day of December 2022, by the following vote:

Ayes:

Noes:

Abstentions:

Absent:

Olin Woods, Chair

Yolo Local Agency Formation Commission

Attest:



Christine Crawford, Executive Officer

Yolo Local Agency Formation Commission

Approved as to form:



Eric May, Commission Counsel

Exhibit A

Wild Wings County Service Area Boundary and Sphere of Influence Update

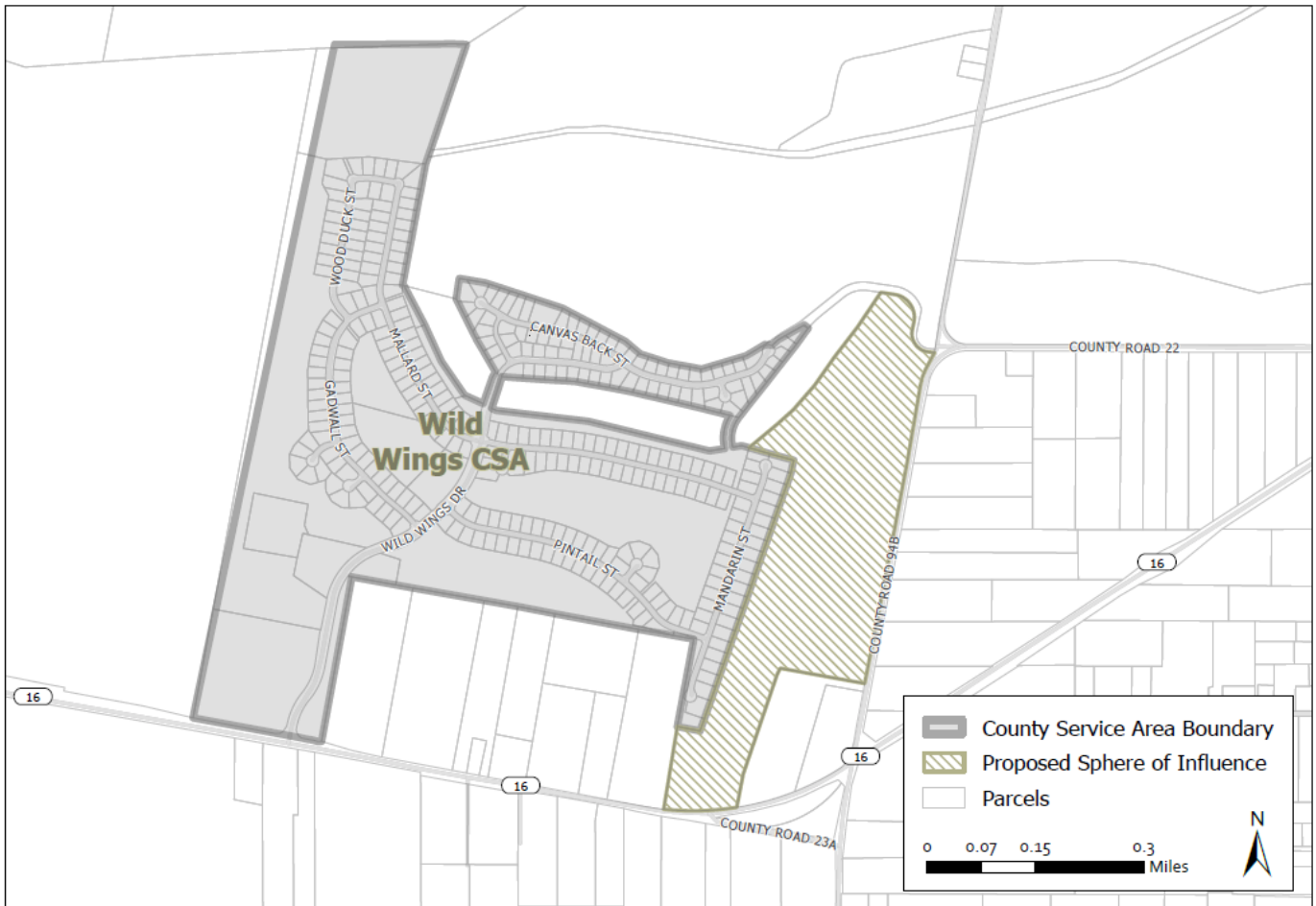


Exhibit B
Municipal Service Review Recommendations for the
Dunnigan, El Macero, North Davis Meadows, Wild Wings and Willowbank CSAs
Overarching Recommendations and for Individual CSAs

Overarching CSA Recommendations for Yolo County

During this MSR/SOI process, several issues came up that span many or all the CSAs and/or the following overarching recommendations are recommended:

CSA Sustainability

- Continue to focus Yolo County staff time and resources on resolving the significant long-term municipal water and sewer service sustainability issues for the Wild Wings CSA as noted in the MSR.

CSA Governance

- Initiate a LAFCo application to dissolve the Willowbank CSA and the BOS should form a Willowbank Community Advisory Committee in its place, with the BOS District 4 Office as liaison. Consider a 5-member committee instead of the current 7 members, which is a legacy of the original CSA representation reflecting consolidation of three neighborhood water systems.
- For the Davis-area CSAs (El Macero and North Davis Meadows), continue to pursue shared services with the City of Davis as much as possible including exploring options with the City of Davis for direct billing of City water and sewer services reflective of agreed-upon rate structures and ensuring that any direct billing methodologies are efficient, legally defensible, and administration is financially viable.
- Allow the Dunnigan Community Plan Update process currently underway by the Department of Community Services to run its course considering the feasibility of adding water and/or sewer municipal services. If additional services ultimately do not work out such that the CSA would continue to operate only as a pass-through for PG&E street lighting charges, consider the cost/benefit of dissolving the Dunnigan CSA and forming a lighting district in its place.
- Formally disband the Dunnigan CSA Advisory Committee. It is not currently active and is not needed for the CSA's sole existing service as a PG&E pass through district. The advisory committee can be reformed if additional services are added to the CSA in the future.

CSA Staff Support

- Direct Human Resources to perform a desk audit of what's referred to as the "CSA Manager" position and create a class specification and salary range for it. There has been high turnover in this position since the last MSR and the "CSA Manager" is required to exercise much greater responsibility and decision-making than the current Community Services Analyst classification/salary being used for this role. In addition, this position would benefit from more financial and administrative staff support so it can perform at a higher level and more goals can be accomplished overall.

Dunnigan CSA

- Allow the Dunnigan Community Plan Update process currently underway by the Department of Community Services to run its course considering the feasibility of adding water and/or sewer municipal services. If additional services ultimately do not work out such that the CSA would continue to operate only as a pass-through for PG&E street lighting charges, consider the cost/benefit of dissolving the Dunnigan CSA and forming a lighting district in its place.
- Formally disband the Dunnigan CSA Advisory Committee. It is not currently active and is not needed for the CSA's sole existing service as a PG&E pass through district. The advisory committee can be reformed if additional services are added to the CSA in the future.

El Macero CSA

- Although street paving, maintenance, sweeping and landscape/lighting is not an essential municipal service, the El Macero CSA Advisory Committee needs to calibrate community expectations and recommend how the limited \$180 annual street fee funding should be prioritized going forward. Services either need to be reduced to stay within available funding and/or potentially separate out the street fee into more specific components and attempt another Prop 218 increase.
- For the Davis-area CSAs (El Macero and North Davis Meadows), continue to pursue shared services with the City of Davis as much as possible including exploring options with the City of Davis for direct billing of City water and sewer services reflective of agreed-upon rate structures and ensuring that any direct billing methodologies are efficient, legally defensible, and administration is financially viable.

North Davis Meadows CSA

- The North Davis Meadows CSA will need to consider options to redesign its common landscape areas and street medians to be drought tolerant because the current assessments will not cover the new City water rates.
- For the Davis-area CSAs (El Macero and North Davis Meadows), continue to pursue shared services with the City of Davis as much as possible including exploring options with the City of Davis for direct billing of City water and sewer services reflective of agreed-upon rate structures and ensuring that any direct billing methodologies are efficient, legally defensible, and administration is financially viable.

Wild Wings CSA

- Continue to focus Yolo County staff time and resources on resolving the significant long-term municipal water and sewer service sustainability issues for the Wild Wings CSA as noted in the MSR.
- Continue studying the feasibility of connecting to other municipal water systems in the surrounding area to improve water supply security/redundancy.
- The Wild Wings CSA WWTP discharge permit from SWRCB is up for renewal. The CSA needs to select and move forward with an option quickly to increase the WWTP's reliability and meet State standards.
- If the golf course continues to struggle to find an adequate operator and/or have financial issues, the CSA should consider leasing out the golf course operations to an outside provider, so it is no longer a CSA day to day management responsibility.
- The Wild Wings CSA needs to provide a new flood control and drainage service and fund to be added (and LAFCo should consider adding flood control and drainage to the CSA's powers). Separating this new service and fee into its own fund would be more transparent.
- If any future requests for water or sewer service extensions outside Wild Wings CSA boundaries are submitted, the CSA should carefully consider its capacity to serve additional connections.
- The County should provide additional accounting and administrative staff support to the CSA Manager so this time can be better utilized to address CSAs significant infrastructure issues.

Willowbank CSA

- Initiate a LAFCo application to dissolve the Willowbank CSA and the BOS should form a Willowbank Community Advisory Committee in its place, with the BOS District 4 Office as liaison. Consider a 5-member committee instead of the current 7 members, which is a legacy of the original CSA representation reflecting consolidation of three neighborhood water systems.