FINAL REPORT

MUNICIPAL SERVICE REVIEW
and
SPHERE OF INFLUENCE STUDY

Yolo County Public Water and Reclamation Districts

Prepared for:

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I. EXECUTIVE SUMMARY

A. Summary

The Municipal Service Review and Sphere of Influence Study for Public Water and Reclamation Districts considers services provided by independent special districts within Yolo County. The three Public Water Districts are providing agricultural water as well as a degree of groundwater management through their involvement in conjunctive use studies and projects. The Reclamation Districts are providing irrigation, drainage, pumping and levee maintenance services in the eastern portion of Yolo County. Although Yolo County is predominantly rural and there are policies in place to ensure that it does not lose its agricultural heritage, nonetheless it has been affected by the growth and development occurring throughout the Sacramento – Bay Area region. The districts included in this review are striving to maintain service levels within the changing dynamics of population growth, escalating costs, limited funding, and increasing water demands.

The service area characteristics of the agencies are highly varied, including mature, densely developed urban areas, lightly populated rural areas, and areas that are experiencing growth and development. The service provided by the three water districts ranges in scope and scale from the Yolo County Flood Control & Water Conservation District which imports water from Lake County on the western border of Yolo County and serves a good portion of the County, to the Dunnigan Hills Water District which is a Central Valley Project contractor and delivers imported water to the Dunnigan Hills area, to the Yolo-Zamora Water District which is unable to provide service at this time as it has no surface water supply.

The Reclamation Districts range from large areas with multiple landowners to small districts with only a few landowners. Some provide drainage, pumping and levee maintenance, others only drainage. The agencies included in this Municipal Service Review are shown in the following table, along with the services each provides. Countywide maps of the Reclamation Districts and Water Districts.

Public Water and Reclamation Districts
Agency List and Services Provided

Agency	Resident Population (2003 est.)	Service Area Size	Levee Maintenance	Drainage	Irrigation Water	Groundwater
RECLAMATION DISTRICTS – NORTHERN REACH						
Knights Landing Ridge Drainage District	NP	72,000 acres	●			
RD 787	50	9,493 acres	●	●	●	
RD 730	NP	4,498 acres		●		
RECLAMATION DISTRICTS – CENTRAL REACH						
RD 1600	NP	6,924 acres	●	●		
RD 827	30	1,225 acres	●	●		
RD 785	NP	3,200 acres	●	●		
RD 537	100	5,200 acres	●	●		
RD 2035	NP	20,445 acres	●	●	●	
RECLAMATION DISTRICTS – WEST SACRAMENTO REACH						
RD 811	NP	NP		●		
RD 900	35,000	11,000 acres	●	●		
RECLAMATION DISTRICTS – SOUTHERN REACH						
RD 765	0	1,322 acres	●	●		
RD 307	73	5,941 acres	●	●		
RD 150	125	5,000 acres	●	●	●	
RD 999	1,500	26,136 acres	●	●	●	
RD 2076 *(no services provided)*	NP	NP				
WATER DISTRICTS						
Dunnigan Water District	1,000	10,000 acres			●	
Yolo-Zamora Water District *(no services provided)*	611	20,700 acres				
Yolo County Flood Control & Water Conservation District	134,000	195,780 acres		●	●	●

NP – Not Provided

Three districts are not included within this review:

- The Sacramento River Westside Levee District extends from the town of Colusa to the southern boundary of the town of Knights Landing. The majority of its service area is within Colusa County and therefore Colusa LAFCO is the principal LAFCO. The Sacramento River Westside Levee District is not addressed in this study.
- Maintenance Area 4 is managed by the State and provides Sacramento River levee maintenance services on the northern edge of West Sacramento. It is an assessment district and not under LAFCo jurisdiction.

- County Service Area No.6 (Snowball) provides benefit to the landowners protected by the levees from Knights Landing to the Fremont Weir, adjacent to RD 730. The CSA functions similar to an assessment district. The CSA collects assessments and then contracts with the State for maintenance. It has a zero sphere of influence.

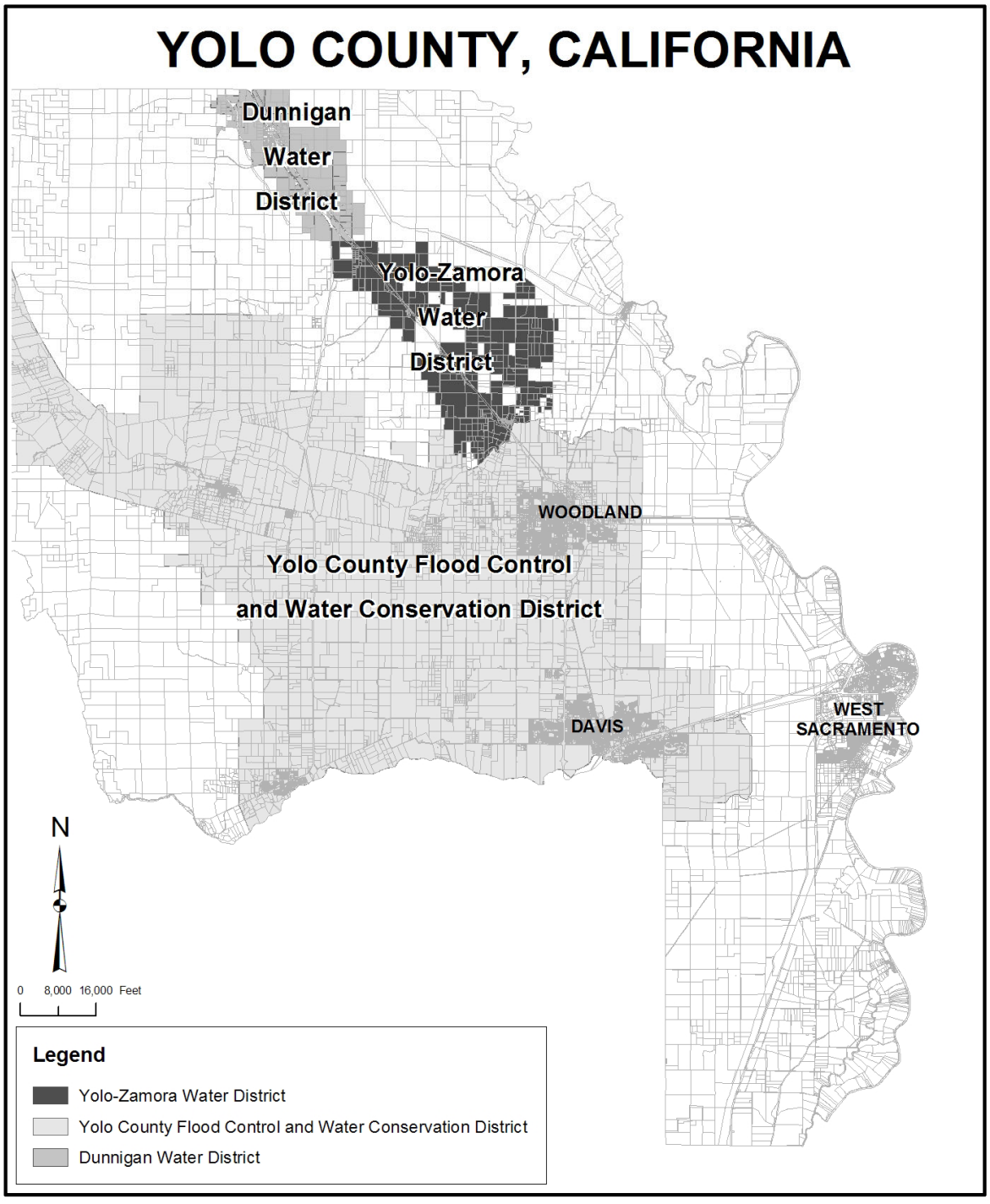
B. Service Review Process

LAFCo must conduct service reviews prior to or in conjunction with the mandated five-year schedule for updating Spheres of Influence (SOIs). The service review report must include an analysis of the issues and written determinations for each of the following:

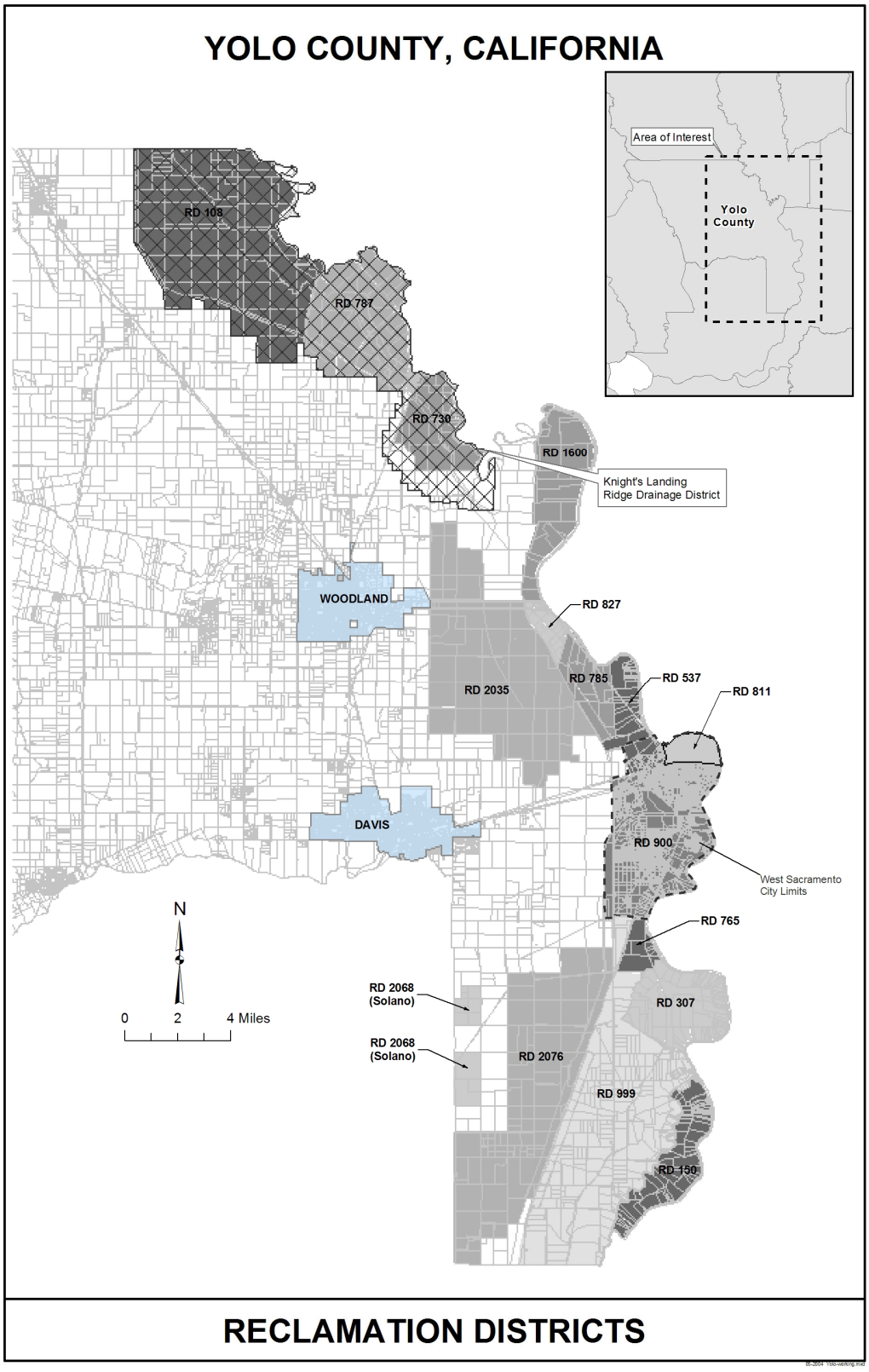
- Infrastructure needs or deficiencies
- Growth and population projections for the affected area
- Financing constraints and opportunities
- Opportunities for rate restructuring
- Opportunities for shared facilities
- Government structure options, including advantages and disadvantages of the consolidation or reorganization of service providers
- Evaluation of management efficiencies
- Local accountability and governance

The service review process began with interviews with representatives of most agencies to discuss the service review process as well as local issues regarding service constraints, water supply issues, and financial trends (RD 811 and RD 2076 did not participate). Follow up conversations were held to clarify issues and request additional information.

A copy of the preliminary report and findings was provided to Yolo County LAFCo staff for review. Changes and comments were incorporated into the public review draft report.



PUBLIC WATER DISTRICTS


YOLO COUNTY, CALIFORNIA
Area of Interest
Yolo County
RD 108
RD 787
RD 730
RD 1600
Knight's Landing Ridge Drainage District
WOODLAND
RD 827
RD 2035
RD 785
RD 537
RD 811
DAVIS
RD 900
West Sacramento City Limits
RD 765
N
0
2
4 Miles
RD 2068 (Solano)
RD 307
RD 2068 (Solano)
RD 2076
RD 999
RD 150
RECLAMATION DISTRICTS

C. Water Services – Issues

On an annual basis Yolo County uses approximately 1 million acre feet of water, 88-90% of which is for agriculture. Water supply is approximately 55% surface water and 45% groundwater (wells). Surface water supplies originate locally from the Sacramento River and the watersheds of Cache Creek and Putah Creek, and are imported through the Tehama-Colusa Canal from the Shasta area. Yolo County's surface water sources include the following: Sacramento River, Cache Creek, Willow Slough, Clear Lake, Putah Creek, Colusa Basin Drain, Central Valley Project water delivered through the Tehama-Colusa Canal, Knights Landing Ridge Cut canal, Sacramento Deep Water Shipping Channel, and various sloughs.

Yolo County overlies the Sacramento Valley groundwater basin. The portion of the basin within Yolo County is further divided into six sub-basins: Capay Valley, Buckeye Creek, Dunnigan Hills, West Yolo, East Yolo, and Sacramento River. The majority of the County's population resides within the East Yolo sub-basin, which includes Davis, the University of California campus, and Woodland with the Yolo-Zamora Water District to the north.

The annual growth rate in the County is projected to be 1.75%; however the majority of growth will occur in and around the major incorporated areas and the established unincorporated communities. The County has proactively sought to protect agriculture through the planning process by including policies in the Yolo County General Plan that place a high priority on preserving agricultural land, limiting development within agriculturally zoned areas, and directing new growth to previously developed areas where infrastructure is already in place or can readily be extended.

The primary issues related to water service for the three agencies are the lack of surface water supply for the Yolo-Zamora Water District and increasing demand within the Dunnigan Hills Water District service area. The service areas of the Districts are primarily agricultural and highly dependent on groundwater. Groundwater overpumping in the East Yolo sub-basin has caused serious land subsidence issues within this area of the County, which has impacted the integrity of highways, levees, irrigation canals and groundwater wells. The highest degree of subsidence was recorded east of Zamora. The Yolo County Subsidence Network was established in 1998 as a multi-jurisdictional effort to provide information to track trends and impacts of land subsidence and flood control.

Due to subsidence issues, surface water options have much greater importance in the water supply system for Yolo County. In dry periods or areas of active subsidence, maximizing the use of surface water preserves the groundwater resource and reduces the potential for further subsidence. Groundwater recharge opportunities, whether natural or created, are essential but require a surface water source.

The agencies involved with groundwater use have taken an active role in looking at options to expand surface water supply. The Yolo-Zamora Water District has no source of surface supply and is not

providing services. Landowners within its service area rely on groundwater pumped from private wells. This has been a leading cause of subsidence in the District's area. Surrounding agencies, including Dunnigan Water District, Yolo County Flood Control & Water Conservation District and Reclamation District 108 have all evaluated options to rectify this situation. In 2001, the Yolo County Flood Control & Water Conservation District received grant funding for an in-lieu recharge feasibility study in the Yolo-Zamora Water District Area. The costs were prohibitive to implement any of the alternatives identified as a water supply project solely serving the Yolo-Zamora Water District.

The Dunnigan Water District services 10,000 acres with an annual entitlement of 19,000 acre feet from the Tehama-Colusa Canal. This supply was considered insufficient for the total acreage of the District even in a full water supply year. However, the Dunnigan Water District does not supply water to all areas within its boundaries and does not expect that the service area of the District would be fully built out. The Dunnigan Water District recently completed an engineering study to determine if its infrastructure had excess hydraulic capacity that would permit its use to convey water for irrigation of additional areas. A range of scenarios was developed to describe future demands on the Dunnigan system.

Changes in reclamation in the late 1980s could have a significant long-term effect on the availability of Central Valley Project water for some irrigation districts, including the Dunnigan Hills Water District. The federal contracts which govern these waters are now subject to stricter review and shorter contract renewal periods. Reductions in federally contracted water could significantly reduce the production of high water use crops and therefore any increase of agricultural acreage in the County would necessitate increasing the water supply. The potential development of viticulture land in the Dunnigan Hills could eventually require an additional supply of water.

Currently percolation of precipitation and stream flow are the most important sources of groundwater replenishment, while percolation of the unconsumed portion of applied irrigation water and of losses from canals and laterals constitutes a secondary, although significant, source of replenishment. The depletion of groundwater resources has been a major concern in the County. According to the Agricultural and Tourism Targeted Industry Analysis, in the past, the overdraft of groundwater has been a severe problem in the Upper Cache Creek watershed and the Dunnigan Hills region. The overdraft results from increased pumping for agriculture, combined with restricted opportunities for recharge. The importing of surface waters by canals such as the Colusa Basin Drainage Canal and the Tehama-Colusa Canal has helped to relieve the problem, as has construction of Indian Valley Reservoir. Furthermore, the above-cited sources report that groundwater in the entire County is adequately recharged during the wet years to offset drought period overdrafts.

The Dunnigan Water District expects that there will be an increased demand for groundwater in the future, a situation that will be further impacted by development within the District's boundaries as well as

the continued use of groundwater for irrigation in adjacent areas. The District will be looking at conjunctive use options, such as additional groundwater development to improve reliability in dry years and the purchase of wet-year supplies for in-lieu recharge. Depending on the outcome of the General Plan Update, there may be changes to the area population projections.

The Water Resources Association of Yolo County is currently developing an Integrated Regional Water Management Plan, scheduled for completion by December 2006. The Plan will serve as the update to the 1992 Yolo County Water Plan and will provide information on water-related challenges in the following five areas: water supply, wastewater, stormwater drainage and flood control, aquatic ecosystem enhancement, and recreation. It will also recommend high priority projects for implementation. This is a collaborative effort that includes the County and the California Department of Water Resources. A copy of the plan should be provided to LAFCo for its use in any future studies.

The issues noted above are further discussed under *III.B Infrastructure Needs and Deficiencies – Water District Infrastructure*. No significant issues were noted in other areas of analysis for determinations. With the exception of Yolo-Zamora the Districts have adequate financial resources to provide service at the expected level. The Districts are locally accountable and have established protocols for public noticing of meetings and Board actions.

D. Reclamation Services – Issues

The projected increase in growth within Yolo County could impact some of the reclamation districts included within this service review, specifically those that serve developed areas or areas adjacent to development. The Federal Emergency Management Agency (FEMA) defines the 100-year floodplain but does not include all flood-prone land. This can actually induce development of the floodplain and concentrate population in risk areas. Population growth also compounds the problem of levee trespassing for those districts near urban areas. Littering, trespassing, vandalized pumps and other equipment, driving on unpaved levee roads not designed for automobile use, and increased wake activity from recreational boating increase maintenance costs and impact the financial condition of each district responsible for levee maintenance.

The infrastructure maintained by the reclamation districts is associated with layers of regulatory authority for constructing, maintaining and repairing levees and flood control facilities. Although the primary purpose of reclamation districts has not changed since the enabling legislation was passed, land uses, laws, regulations, and agencies with oversight authority have changed significantly. The levee maintenance process has evolved into an often complicated and costly process of regulatory agency approvals and mitigation.

Despite the layers of regulatory oversight, maintenance is primarily the responsibility of local reclamation districts and the individual landowners within the district. Improvement and maintenance of non-project levees is very difficult for reclamation districts due to the unknown or poor quality foundations and regulations to protect levee wildlife habitat. While some local districts responsible for maintaining these levees are reimbursed for a portion of the costs under the Delta Levees Subvention Program established in 1973 and the Delta Flood Protection Act of 1988, both added a major environmental mandate to ensure no net long-term loss of habitat. This requirement adds costs which further reduces money available for maintenance.

The reconstruction of failed levees is a complicated and costly process, including not only the US Army Corps of Engineers, but also the Reclamation Board, Federal Emergency Management Agency, and Reclamation Districts. According to Keith Swanson, chief of the Flood Maintenance Branch for DWR, costs for levee repairs have now reached $5,000 a lineal foot. Of the 6,000 miles of levee in the Sacramento-San Joaquin system, only about 1,700 miles are designated as priority flood control projects which are eligible for State and federal assistance. The remainder (approximately 4,300 miles) must be maintained and repaired when necessary by local reclamation districts and private parties.

Beyond budgetary constraints on the local, State and federal levels, the conflict inherent between natural resource protection (endangered species and wetlands, in particular) and the need to maintain levees has also created problems and delayed both appropriations and repairs. Added to the mix is the issue of allowing the public to use the levees for recreational fishing. While the right to fish in public waters is guaranteed by the State Constitution, the landowners within the reclamation district are concerned about increased liability and damage to the levees.

The infrastructure challenges facing reclamation districts are substantial. The cost of vegetation removal and compliance with CEQA add significantly to the costs and reduce the amount of money each reclamation district has available for maintenance. Reclamation districts have had to adjust their maintenance programs and bear the cost of complying with the Endangered Species Act and the Clean Water Act, legislation that did not exist when most of them were formed. They are essentially required to mitigate for environmental damage that has happened over decades throughout the region.

Despite the number of agencies regulating reclamation districts, funding is typically not associated with their oversight. Funding programs also frequently require a higher maintenance standard which adds to costs or the payment of the grants presupposes an unusual amount of working capital. As a result, the cost of maintenance primarily becomes the responsibility of individual landowners within each reclamation district even though the service provided by reclamation districts is of benefit to the region and ultimately to the large portion of California dependent on the Delta for water supply.

No significant issues were noted in other areas of analysis for the service review determinations. Many districts are avoiding costs through the use of landowner or volunteer labor to complete maintenance tasks. The Districts share services and contract with other Districts for assistance with administrative and maintenance needs. The Districts are locally accountable and have established protocols for public noticing of meetings and Board actions.

E. Yolo County Regional Determinations

1) Growth and Population Projections for the Affected Area

- The Water Districts and Reclamation Districts serve both rural and urban areas. No new major growth areas are expected within the existing rural areas.
- Overall population in Yolo County is expected to increase 1.75% annually. The County has established policies to direct future growth and development to existing developed areas.

2) Infrastructure Needs and Deficiencies

- The historic overpumping of groundwater in Yolo County has created land subsidence issues in the East Yolo sub-basin area.
- The Yolo County Flood Control & Water Conservation District, Yolo-Zamora Water District, and Dunnigan Hills Water District have collaborated on studies to evaluate alternatives to reduce groundwater dependency.
- The Yolo-Zamora Water District has no source of surface water; therefore the Dunnigan Hills Water District and Yolo County Flood Control & Water Conservation District have identified areas within the boundaries of the Yolo-Zamora Water District that each district could serve within a twenty year horizon.
- Levee maintenance is becoming increasingly challenging for Reclamation Districts due to regulatory constraints, lack of funding, impacts from nearby population centers, and deferred maintenance issues.

3) Financing Constraints and Opportunities

- The Reclamation Districts in Yolo County responsible for levee maintenance face severe financing constraints.
- The costs associated with bringing additional surface water supply into the Yolo-Zamora Water District service area are prohibitive.

4) Cost Avoidance Opportunities

- The Water Districts are seeking opportunities to avoid costs through collaboration on studies and evaluation of alternatives to develop surface water supplies as well as conjunctive use programs.
- The Reclamation Districts are avoiding costs through the use of landowner or volunteer labor as well as shared equipment and management.

5) Opportunities for Rate Restructuring

- Reclamation District assessments are evaluated annually based on projected costs.
- Water rates are evaluated annually and adjusted based on the cost of water delivery.

6) Opportunities for Shared Facilities

- The Reclamation Districts share facilities and equipment where appropriate and feasible.
- The Water Districts cooperate on long-range planning studies as well as focused studies to improve reliability and identify conjunctive use opportunities.

7) Government Structure Options

- Several options for changes in governmental structure were identified:

Reclamation Districts

1. Maintain the status quo: the advantage is it maintains continuity of service; the disadvantage is that changes in land use, economics, technology, operations and administration can impact benefits of reorganization.
2. Reorganize all public agencies within an area (Northern, Central, and Southern reaches) into one agency: the advantage is that it would provide a unified source for the provision of services; the disadvantage is that the cost and difficulty of creating one organization may outweigh any advantages.
3. Reorganize agencies providing similar services within a given area (Northern, Central and Southern reaches and West Sacramento): the advantage includes simplification of boundaries, possible improved service delivery, increased economies of scale and possible reduction in costs or fees; the disadvantages are that in some situations the benefits would likely be limited and the overall cost may outweigh any benefits accrued.
4. Create a single-purpose flood control agency in the West Sacramento area: the advantage is greater efficiency in the provision of services and potential for increased flood control funding; the disadvantage is that the cost of creating an agency and dissolving the reclamation districts may outweigh the benefits.

Water Districts

1. Dissolve the Yolo-Zamora Water District: the District does not have a dedicated water supply.
2. Maintain the status quo: the advantage is it maintains continuity of service for the Dunnigan Hills Water District and the YCFC&WCD; the disadvantage is that it does not address the issue of no surface water supply for the Yolo-Zamora Water District.
3. Consolidate the agencies: the advantage is that it would provide water service for the Yolo-Zamora area, to the extent funding is available for capital improvements to the transmission and delivery infrastructure; the disadvantages are that each of the Districts has clearly defined purposes and goals that are not homogenous across the region, the cost to reorganize may outweigh the benefits, and there may be little

improvement in service efficiency since the Dunnigan Hills Water District and the YCFC&WCD are currently operating efficiently.

8) Evaluation of Management Efficiencies

- The Districts that participated in the study have efficient management operations.

9) Local Accountability and Governance

- The Districts that participated in the study are locally accountable and have established protocols to ensure public notice and District meetings and Board actions.

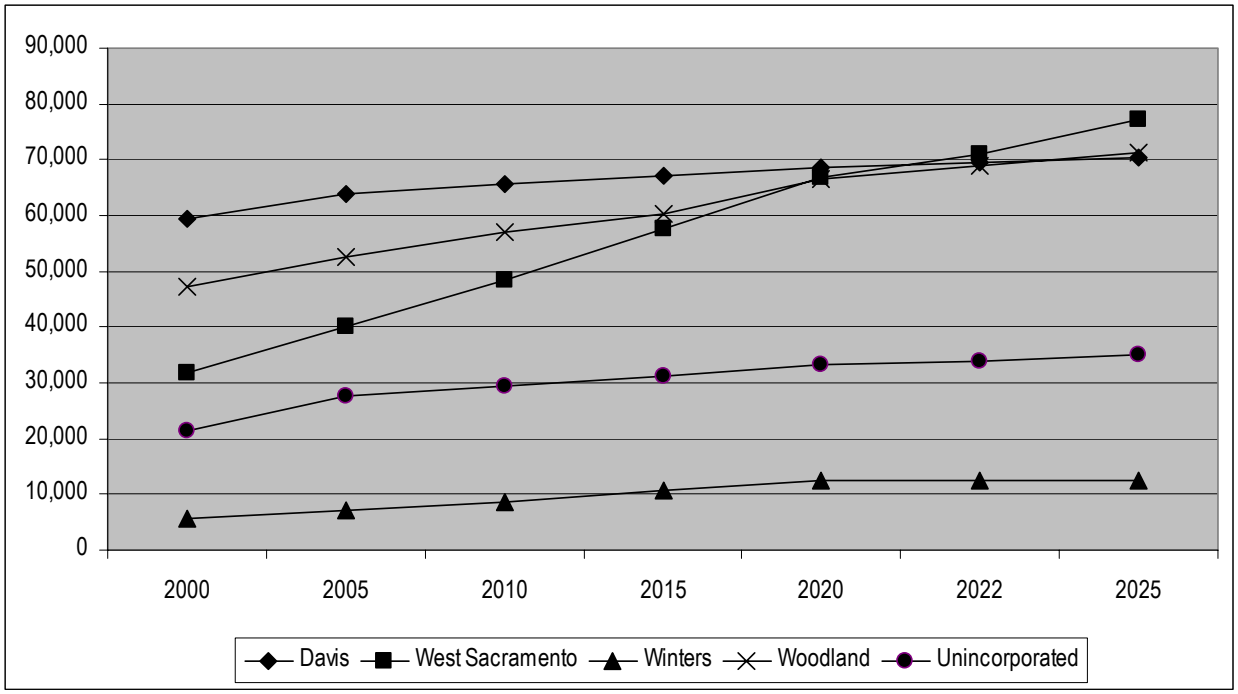
II. GROWTH AND POPULATION

A. Population Trends

Yolo County encompasses 661,760 acres has and has a population of 168,660.[1] Approximately 140,000 people, or 85% of the population, live in the county's four cities (Davis, West Sacramento, Woodland and Winters), with the remaining 15% of residents living in unincorporated communities and rural areas.

Countywide, the growth rate in Yolo County between 1990 and 2000 was 17%, although growth rates were higher in the cities, averaging 24% in Winters, 23% in Davis, 19% in Woodland and 8.6% in West Sacramento. However, little growth occurred in the unincorporated areas during this period primarily due to the long history of political and jurisdictional protection of agricultural resources and open space by the County, the cities and Yolo LAFCO. The projected growth within Yolo County, by area, is shown below.

Figure 2.1
Population Growth Projections



Source: SACOG, 1999

[1] 2000 U.S. Census, April 2000

Yolo County is part of the six-county region of the Sacramento Area Council of Governments (SACOG), which provides population projections for the region.[2] For the entire SACOG region, the population is projected to grow by almost 900,000 (47%) by 2025. The population of Yolo County is expected to grow by nearly 75,000 (37%) by 2025 (SACOG, 1999), with a 12.4% growth in the unincorporated areas. The following table includes SACOG's projections for growth in the region.

Table 2.1
SACOG Population Projections

County	2000	2005	2010	2015	2020	2022	2025	Annual Growth Rate
Yolo	165,220	191,210	209,035	227,130	247,905	255,720	266,325	2.00%
El Dorado	124,910	140,395	158,085	174,950	186,250	189,135	194,415	1.85%
Sutter	78,510	88,520	98,370	109,280	121,640	127,030	134,700	2.12%
Placer	237,145	292,640	336,805	376,240	396,785	404,580	415,335	2.46%
Sacramento	1,218,860	1,335,283	1,459,952	1,574,420	1,646,045	1,672,908	1,695,498	1.35%
Yuba	61,530	69,740	78,050	87,350	97,580	101,680	107,950	.047%
Total	**1,888,175**	**2,119,793**	**2,342,307**	**2,551,385**	**2,698,225**	**2,753,075**	**2,816,248**	

B. Land Use Trends

Yolo County is experiencing increasing development pressure from both the Sacramento and Bay areas, particularly along the I-80 corridor. The County has proactively sought to protect agriculture through the planning process by including policies in the Yolo County General Plan that place a high priority on preserving agricultural land, limiting development within agriculturally zoned areas, and directing new growth to previously developed areas where infrastructure is already in place or can readily be extended. This approach has been successful. According to the Yolo County General Plan, only 21 housing units were constructed in the unincorporated area in 1999, compared to 1,301 units in the incorporated cities. If growth trends remain consistent with the past, most of the projected population increase in Yolo County will occur in the cities and adjacent areas, with limited growth in the unincorporated areas.

However, with the expected high rates of growth in adjacent counties and the desirability of living in Yolo County, it may be increasingly difficult to maintain the comparatively low growth rates in unincorporated areas and to continue to direct growth to incorporated areas. Overall growth pressure in the SACOG region most likely will affect Yolo County. For example, although only 21 housing units were constructed in unincorporated areas in 1999 as mentioned above, approximately 450 parcels in the unincorporated area were approved for development of single family homes.

[2] Other counties in SACOG include El Dorado, Placer, Sacramento, Sutter, and Yuba Counties.

Because of its proximity to the Delta, Yolo County has another regulatory tool for land use. The Delta Protection Act of 1992 established the Delta Protection Commission, giving it oversight over the Delta Primary Zone. Counties, cities and reclamation districts are all represented on the Commission. Within Yolo County, the Primary Zone encompasses the southeast portion of the county, including Reclamation Districts 307, 999, 150 and 2076. Areas within the Delta Secondary Zone, outside the Commission's oversight, include Reclamation Districts 765, 900 and a small portion of 999. In 1995, the Commission prepared a comprehensive resource management plan entitled *Land Use and Resource Management Plan for the Primary Zone of the Delta*. Local plans must be in conformance with the Commission's Plan, and the Commission maintains appellate review duties over all local development approvals within the Primary Zone.

In its *2003 Report to the Governor and the Legislature*, the Commission noted only two development actions within the Primary Zone of Yolo County: a lot line adjustment on three parcels in an area zoned for agriculture, and the subdivision of one parcel into four lots. Both of these occurred within the Clarksburg area. The Commission provides an additional layer of oversight on land use decisions that serves as an inhibitor to unplanned growth and development within agricultural areas that are considered essential to the quality of the Delta.

C. Summary

The projected increase in growth within the region and particularly Yolo County could impact some agencies included within this service review, specifically those that serve developed areas or areas adjacent to development. With regard to public safety, the Federal Emergency Management Agency (FEMA) defines the 100-year floodplain but it does not include all flood-prone land.[3] This can actually induce development of the floodplain and concentrate population in risk areas. For new property owners it creates a false sense of security and complacency about the levee system. Some reclamation districts have noted that new residents, who do not always understand the importance of maintaining the structural integrity of levees, have constructed improvements on them. While a majority of the reclamation districts are small enough to use informal means to educate new residents, policies addressing the importance of the entire flood control, drainage and levee system should be made available to new residents. The Sacramento River Floodway Corridor Planning Forum is in the process of developing guidelines for this purpose.

The adoption of AB 107 in September 2004 provides districts with the opportunity to use more stringent standards to limit encroachment. The legislation adds Section 8600.5 to the California Water Code, whereby any public entity under the jurisdiction of the State Reclamation Board which provides flood

[3] Per the Sacramento Area Flood Control Agency, 100-year flood protection means there is a 26% chance of flooding over the life a 30-year mortgage.

control services may adopt standards that are more protective of public safety than those of the Reclamation Board.

RD 900 is exploring the opportunity to increase the width of its levee easements within areas of new development. The State Reclamation Board requires a ten-foot easement for equipment access. The District is considering increasing this to 50-feet, with the developer using the easement to satisfy some open space requirements. This approach is more applicable to areas where there is development than rural areas where agricultural interests are fully aware of levee maintenance needs and functions.

In addition to levee encroachment, population growth will also compound the problem of levee trespassing for those districts near urban areas. Recreation is one of the beneficial uses of a number of waterways, and the public often believes that levees are public property. The increased maintenance costs associated with littering, trespassing, vandalized pumps and other equipment, driving on unpaved levee roads not designed for automobile use, and increased wake activity from recreational boating impact the financial condition of each district responsible for levee maintenance.

Population growth also impacts the groundwater resources within Yolo County. Certain areas have been identified as highly susceptible to land subsidence due to overdrafting of the groundwater basins. Although this service review does not address domestic water supply, it should be noted that growth impacts will affect some districts in terms of groundwater levels and recharge programs.

The Yolo County General Plan Update is projected to be completed in early 2006, and it is expected that policies addressing the increased pressure from regional growth as well as the Delta Commission policies and AB 107 will undoubtedly be included. It is important that Yolo County LAFCO and the General Plan Update committee coordinate so that LAFCO policies are addressed appropriately.

III. INFRASTRUCTURE NEEDS AND DEFICIENCIES

The districts included in this study and the services they provide are shown below in *Table 3.1*:

Table 3.1
Public Water and Reclamation Districts

Yolo County Public Water and Reclamation Districts	Levee Maintenance	Drainage	Irrigation Water	Groundwater Recharge
RECLAMATION DISTRICTS – NORTHERN REACH				
Knights Landing Ridge Drainage District	●			
RD 108 (Colusa)	●	●	●	●
RD 787	●	●	●	
RD 730		●		
RECLAMATION DISTRICTS – CENTRAL REACH				
RD 1600	●	●		
RD 827	●	●		
RD 785	●	●		
RD 537	●	●		
RD 2035	●	●	●	
RECLAMATION DISTRICTS – WEST SACRAMENTO REACH				
RD 811		●		
RD 900	●	●		
RECLAMATION DISTRICTS – SOUTHERN REACH				
RD 765	●	●		
RD 307	●	●		
RD 150	●	●	●	
RD 999	●	●	●	
RD 2076 *(no services provided)*				
WATER DISTRICTS				
Dunnigan Water District			●	
Yolo-Zamora Water District *(no services provided)*				
Yolo County Flood Control & Water Conservation District		●	●	●

A. Reclamation District Infrastructure

History

One hundred and fifty years ago the Sacramento Valley was regularly flooded by the Sacramento River and natural levees were formed by floods and sediment left along the river sides. These natural levees were 5 to 20 feet high and as much as 1 to 10 miles wide (Sacramento River Advisory Council 1998).

The California Gold Rush of 1849 brought people from all over the country to the area, although many soon learned that farming provided a more reliable income. However, the impacts of the Gold Rush continued to affect the Sacramento Valley. Sediments from the hydraulic mining in the Sierra foothills were washed into the Sacramento River causing the riverbed to rise. This decreased the flow conveyance capacity of the channel and increased flooding (Kelley 1989). In response, the farmers built levees to protect their crops. Hydraulic mining came to an end with the 1884 Supreme Court ruling (Woodruff v. North Bloomfield et al.) which prohibited the discharge of mining debris into streams, but flooding continued to bring economic hardship to the people of the Sacramento Valley (Kelley 1989).

In 1855, the Reclamation District Act was passed which allowed the sale of a maximum of 320 acre per individual purchase of swamp and overflow lands at $1 per acre with payments over 5 years. This Act essentially transferred control of the reclaimed lands from the State and the counties to the landowners. By 1930, all but minor areas of swampland had been reclaimed; levees were built and the land was being farmed.[4]

Currently, in the entire Delta region there are now approximately 65 islands surrounded by over 2,200 miles of man-made levees and 700 miles of waterways. This infrastructure is associated with layers of regulatory authority for constructing, maintaining and repairing levees and flood control facilities.

ISSUE: Regulatory Authority and Related Agencies

The oversight of flood control infrastructure is under the authority of a number of local, State and federal agencies. The following list includes several of the major federal and State authorities:

- **US Army Corps of Engineers**: The Corps constructs projects approved by Congress, such as dams and levee upgrades. It also establishes construction standards and flood control guidelines. In addition, the Corps provides habitat protection and enhancement for waters of the US. While the Corps was contracted to design and construct the Sacramento River Flood Control Project, it has no responsibilities with respect to maintenance.
- **US Environmental Protection Agency**: The US EPA administers the Federal Endangered Species Act and the Clean Water Act. Both laws have had a profound impact on the reclamation

[4] Department of Water Resources. Sacramento-San Joaquin Delta Atlas. 1993

districts. With their enactment, there is an extensive, expensive process in place to ensure protection of endangered species found on levees.

- **US Fish and Wildlife Service**: The USFWS has jurisdiction over all state and federally listed species and their respective habitats.
- **California Department of Water Resources**: DWR owns 1,600 miles of levee as part of the Sacramento and San Joaquin River Flood Control Projects. DWR directly maintains 152 miles of levee, with local reclamation districts maintaining the remainder. The Department is also responsible for maintenance of weirs and bypasses, including the Fremont and Sacramento Weirs which direct floodwater into the Yolo Bypass. The DWR's funding is primarily through general appropriations. DWR administers the Delta Levees Subvention Program.
- **State Reclamation Board**: Created in 1911, the Board works with the Corps in planning, building and operating flood control projects. It accepts legal responsibility for completed projects and then turns them over to DWR or a local district to maintain.
- **California Bay-Delta Authority**: Established in 2003, the California Bay-Delta Authority oversees the 23 state and federal agencies working cooperatively through the CALFED Bay-Delta Program to improve the quality and reliability of California's water supplies while restoring the Bay-Delta ecosystem. CALFED has a Levee System Integrity Program, with funding provided primarily through state bonds.
- **Delta Protection Commission**: The Commission was established in 1992 and is part of the State's Resources Agency. Although it does not have regulatory authority, it is responsible for developing and implementing a comprehensive resource management plan for the Primary Zone of the Delta, with which local agencies must comply. The Resources Plan includes findings, recommendations and policies for levee maintenance.
- **California Department of Fish and Game**: The CDFG has jurisdiction over all water course channels, including bed and bank, and the associated hydrophytic vegetation.
- **The Sacramento River Flood Control Project**: This organization was started in the 1920s and continues today with both project and non-project levees. Project levees are federally authorized and include State maintained levees. Non-project levees are typically built and maintained by private parties and local municipalities such as the reclamation districts and other local entities. There are two major bypass systems, Sutter and Yolo, into which water can be directed during high flow times. The Sacramento River Flood Control Project encompasses 1,000 miles of levees, five major overflow weirs, two sets of outfall gates, three major drainage pumping plants, 95 miles of bypass floodways, over bank floodway areas, and channel enlargement in the lower reach of the Sacramento River (U.S. Army Corps of Engineers 1999).

Although the primary purpose of reclamation districts has not changed since the enabling legislation was passed, land uses, laws, regulations, and agencies with oversight authority have changed significantly. Whereas in the past reclamation districts provided flood control and drainage to create productive

farmland, they are increasingly protecting developed areas now. This changes infrastructure needs as well as benefit areas within each district.

Beneficial use, habitat protection, and recreation now play a much larger role than they did in the first half of the century, which impacts a district's ability to maintain its existing infrastructure or to institute capital improvements. Levee maintenance, dredging and pumping used to be routine, but the maintenance process has evolved into an often complicated and costly process of regulatory agency approvals and mitigation. The Delta Protection Commission, in its 1995 Resource Plan, noted that (Findings F6 and F10):

> *F-6. Where levees which are not routinely stripped of vegetation and become heavily vegetated, levee maintenance work will require removal of that vegetation; that loss of vegetation will likely require mitigation under the California Environmental Quality Act (CEQA). Mitigation means replacement of the habitat which is removed, on site or nearby. The replacement ratio may be larger than the acreage removed.*
>
> *F-10. To participate in the State-funded levee maintenance program, the reclamation districts are required to prepare additional environmental analysis, prepare more detailed engineering plans, obtain state and federal permits, and provide mitigation to offset unavoidable losses of habitat. These conditions have resulted in higher per mile costs of levee maintenance.*

ISSUE: Levee Maintenance

There are several ways that the levees and flood control facilities are maintained:

1. **Department of Water Resources:** DWR typically maintains weirs and bypasses with funding from the State's General Fund. The DWR, with assistance from the local agencies, annually inspects state-sponsored levees and confirms that they are up to the Corps standards. Additional inspections are done each autumn to confirm that deficiencies have been repaired. *Table 3.2* indicates the maintenance rating districts received for 2003:

Table 3.2
2003 Levee Maintenance Rating by DWR

District	Levee Miles	Rating Compliant (C) / or Improvements Needed (I)
RD 108 – River Farm	20.6	C
RD 150 – Merritt Landing	18.1	I
RD 307 – Lisbon	6.7	I
RD 537 – Lovdal	6.0	C
RD 765 – Glide	1.7	C
RD 787 – Fair	4.4	C
RD 827 – Elkhorn	4.2	C
RD 900 – West Sacramento	13.6	C
RD 999 – Holland Land	32.4	C
RD 1600 – Mull	14.7	C
RD 2035 – Conaway Ranch	12.1	C
Sacramento River West Side Levee District*	50.2	C
Yolo County Service Area No. 6*	6.0	C
MA 4 – Washington Levee District*	3.4	C

**For information purposes only; not part of the service review*

Per DWR and the Corps 2003 inspection records, five sites along the Yolo County side of the Sacramento River are noted for erosion. These sites have eroded into the levee, or will soon encroach on the prism of the levee.[5] The Districts listed include RD 307, RD 827, RD 1600, and the Sacramento River West Side Levee District.

2. **Department of Water Resources Maintenance Areas (MA):** DWR also maintains specific levee areas known as Maintenance Areas. These are funded by local landowners but maintained by the State usually due to a record of poor or nonexistent maintenance. In Yolo County, the levees on the northern edge of West Sacramento comprise MA 4.
3. **Local Reclamation Districts:** Local reclamation districts, which are addressed by this service review, are the most common means of maintaining levees and flood control facilities. The usual means of financing is assessment of landowners on an annual basis.
4. **Private landowners:** Some levees and flood control facilities are held in private ownership.
5. **Other:** Within Yolo County there are two other entities providing levee maintenance. Yolo County, through County Service Area (CSA) No.6, contracts with the State to provide maintenance for the levees from Knights Landing to the Fremont Weir, adjacent to RD 730. The Sacramento River Westside Levee District provides levee construction and maintenance along the west bank of the Sacramento River in the northern portion of Yolo County and southern Colusa County. It reports to

[5] Ayres Atlas of Bank Erosion Sites. www.ayresassociates.com/info0001.html

the State Reclamation Board, and is a separate entity from RDs 108, 787 and the Knights Landing Ridge Drainage District although the territories of these agencies overlap in some areas.

The number of agencies and individuals responsible for levees and for flood control facilities increases infrastructure needs and deficiencies. In preparing its 1995 Resource Plan, the Delta Protection Commission made the following findings regarding levee maintenance:

> *F-7. For non-project levees to be eligible for FEMA assistance in a Presidentially declared disaster, reclamation districts must bring levees to the Flood Hazard Mitigation Plan standards. For non-project levees to be eligible for Corps' assistance in a Presidentially declared disaster, levees must meet PL-99 standards.*
>
> *F-11. Due to the many State and federal regulatory agencies with authority in the Delta, lack of coordination between those agencies, and continually evolving issues, the length of time to obtain approvals for levee maintenance ranges from approximately six months to several years.*

These findings form the basis for the Commission's recommendations and policies for improved regulatory agency coordination and streamlining the maintenance project approval process.

Despite the layers of regulatory oversight, maintenance is primarily the responsibility of local reclamation districts and the individual landowners within the district. The local reclamation districts typically assess only those property owners within their boundaries to maintain and repair levees. However, rising costs and increasing maintenance needs can force a district into a situation where it believes it can no longer maintain the levee. If a reclamation district fails to maintain the levee to an acceptable standard, the State can take over and bill the appropriate entity. While a California State Appellate court recently found that the State can be held liable for damages resulting from a levee break, the local reclamation districts are most likely also liable for damages.

Relinquishing responsibility for levee maintenance is typically not an option for districts. SB1107 (Paterno), signed into law on August 16, 2004, amends Section 12878 of the California Water Code. Under the new regulations, the State Reclamation Board or the DWR is not required to proceed with subdivision or the formation of a Maintenance Area if neither of the agencies gave the nonfederal assurances to the United States required for the project (§ 12878.1(b)). However, they may elect to proceed with the formation if they deem it is in the best interest of the State. In any event, any costs associated with formation of a maintenance area will be charged to the landholders.

Since the State has higher standards and is held to a higher degree of compliance with environmental laws, the costs for State maintenance services are significantly higher than those of a local district. To ensure payment of the State costs, liens are placed on properties that do not pay and any delinquent amount is included in the assessment on the properties in the next year. Since a district's financial constraints are often the initiating factor, this has a spiraling effect that only compounds the original problem.

Improvement and maintenance of non-project levees is very difficult for reclamation districts due to the unknown or poor quality foundations and regulations to protect levee wildlife habitat. While some local districts responsible for maintaining these levees are reimbursed for a portion of the costs under the Delta Levees Subvention Program established in 1973 and the Delta Flood Protection Act of 1988, both added a major environmental mandate to ensure no net long-term loss of habitat. This requirement adds costs which further reduces money available for maintenance.

ISSUE: Levee Repairs

The reconstruction of failed levees is a complicated and costly process, including not only the Corps, but also the Reclamation Board, Federal Emergency Management Agency, and Reclamation Districts. According to Keith Swanson, chief of the Flood Maintenance Branch for DWR, costs for levee repairs have now reached $5,000 a lineal foot.

The statewide importance of, and confusion about, the responsibility for repairs to levees was recently exhibited with the breach of the Upper Jones Tract in the San Joaquin River Basin. The cost of repairs and restoration of agricultural lands is estimated to be approximately $100 million. The cost is being borne by local, State and federal agencies.

Of the 6,000 miles of levee in the Sacramento-San Joaquin system, only about 1,700 miles are designated as priority flood control projects which are eligible for State and federal assistance. The remainder (approximately 4,300 miles) must be maintained and repaired when necessary by local reclamation districts and private parties. It has been estimated that approximately $1 billion is needed in repairs to the levee system, much of which was built prior to modern engineering and construction standards. Since the start of CALFED in 2000, approximately $60 million has been spent in repairing and improving levees.

There were some encouraging actions from the State before the Upper Jones Tract failure. For example, Governor Schwarzenegger had included $2.6 million in funding in the FY 2003-04 budget for repairs to the Fremont Weir which diverts flood water into the Yolo Bypass. The weir has been neglected for a number of years so this was an important step by the State, which is responsible for maintaining the facility. As sediment and vegetation builds in a weir or bypass, the flood conveyance capacity is reduced. A larger volume of water remains in the main part of the Sacramento River which, in turn, puts more

pressure on downstream levees. However, the levee failure in June 2004 brought the issue to public attention. Agencies are hoping that this will serve as an impetus for fundamental changes in how flood control is financed in the State.

Beyond budgetary constraints on the local, State and federal levels, the conflict inherent between natural resource protection (endangered species and wetlands, in particular) and the need to maintain levees has also created problems and delayed both appropriations and repairs. Added to the mix is the issue of allowing the public to use the levees for recreational fishing. While the right to fish in public waters is guaranteed by the State Constitution, the landowners within the reclamation district are concerned about increased liability and damage to the levees.

ISSUE: Levee Subsidence

Levee subsidence is another critical issue within Yolo County, particularly due to the impact on levee stability. When most of the existing levees were constructed, the difference between the water level in the river and the land surface was generally less than five feet. However now some areas are 10 to 25 feet below the level of the water, and the hydraulic pressure on the levees is substantially greater than when originally constructed. This impact on levees, some of which were constructed on foundations of sand, peat and organic sediments, has caused approximately 153 levee failures since the 1900's. The most recent failure occurred in 2004 in the Upper Jones Tract levee near Stockton. The primary reasons for levee failure have generally been levee instability, seepage, and overtopping.

According to the DWR's 2003 Flood Control Inspection Report, Districts 900, 999 and 2035 are experiencing levee subsidence and slope instability. RD 900 has five locations; all have been repaired or stabilized. RD 999 has two active locations, and RD 2035 has one active location.

Summary

The infrastructure challenges facing reclamation districts are substantial. The cost of vegetation removal and compliance with CEQA add significantly to the costs and reduce the amount of money each reclamation district has available for maintenance. Reclamation districts have had to adjust their maintenance programs and bear the cost of complying with the Endangered Species Act and the Clean Water Act, legislation that did not exist when most of them were formed. They are essentially required to mitigate for environmental damage that has happened over decades throughout the region.

Despite the number of agencies regulating reclamation districts, funding is typically not associated with their oversight. Funding programs also frequently require a higher maintenance standard which adds to costs or the payment of the grants presupposes an unusual amount of working capital. As a result, the cost of maintenance primarily becomes the responsibility of individual landowners within each

reclamation district even though the service provided by reclamation districts is of benefit to the region and ultimately to the large portion of California dependent on the Delta for water supply.

B. Water District Infrastructure

In addition to the reclamation districts, the scope of this review includes services provided by three water districts:

- The Dunnigan Water District was formed in 1956 under Division 13 of the California Water Code. The District owns and operates a buried pipeline system that distributes Central Valley Project irrigation water from the Tehama-Colusa Canal to the District's service area.

- The Yolo-Zamora Water District was formed in 1955 under Division 13 of the California Water Code. The District is currently not providing services as it has no source for surface water supply. Water demand within the service area is currently being met with groundwater pumped from private wells.

- The Yolo County Flood Control & Water Conservation District was created in 1951 by the California Legislature as an independent Special District. The primary purpose of the District is to seek new water sources and manage them efficiently including planning, developing, and managing surface water and groundwater resources. The District addresses long-term water needs and oversees the construction, operation, and maintenance of irrigation, drainage, and flood control facilities owned and/or operated by the District and power plants. The District manages two small hydroelectric plants, two reservoirs, more than 150 miles of canals and laterals, and three dams including the world's longest inflatable rubber dam.

  The District's boundaries cover 195,780 acres of Yolo County, including the cities of Woodland, Davis and Winters, and the towns of Capay, Esparto, Madison and other small communities within the Capay Valley.

Water Supply

On an annual basis Yolo County uses approximately 1 million acre feet of water, 96% of which is for agricultural irrigation. Water supply is approximately 55% surface water and 45% groundwater (wells). Surface water supplies originate from the Sacramento River, the watersheds of Cache Creek and Putah Creek, and are imported through the Tehama-Colusa Canal from the Shasta area. Yolo County overlies the Sacramento Valley groundwater basin. The portion of the basin within Yolo County is further divided into six sub-basins: Capay Valley, Buckeye Creek, Dunnigan Hills, West Yolo, East Yolo, and Sacramento River. The majority of the County's population resides within the East Yolo sub-basin,

which includes Davis, the University of California campus, and Woodland with the Yolo-Zamora Water District to the north.

Yolo County's surface water sources include the following:

- Sacramento River: The River flows along the length of Yolo County's eastern border. The flow and availability of water are primarily controlled by conditions outside of Yolo County.
- Clear Lake Cache Creek: Cache Creek originates from Clear Lake in Lake County. There are two water storages facilities in the Cache Creek watershed that provide storage for Yolo County: Indian Valley Reservoir, and Clear Lake. The Yolo County Flood Control & Water Conservation District and the Conaway Conservancy Group both have rights to Cache Creek water.
- Putah Creek: The Putah Creek watershed encompasses approximately 710 square miles and extends from an elevation of 4,700 feet at Cobb Mountain in Lake County southeast to the Yolo Bypass.
- Willow Slough: The Willow Slough watershed drains most of the central part of Yolo County between Cache Creek and Putah Creek.
- Colusa Basin Drain: The Colusa Basin Drain is a constructed channel that conveys irrigation drainage from the Colusa Basin to the Knights Landing Outfall. Approximately 255 acres of the Colusa Basin Drain watershed are located within Yolo County. RD 108 has appropriative rights to the water.
- Tehama-Colusa Canal: The Tehama-Colusa Canal is a facility of the Central Valley Water Project. It is 110.9 miles long, originating in Red Bluff and terminating two miles south of Dunnigan. The potential to extend the Canal was explored in the 1990s, and it was determined at that time to have a negative cost-benefit ratio. Dunnigan Water District has a water delivery contract with the US Bureau of Reclamation with an entitlement of 19,000 acre-feet per year.
- Knights Landing Ridge Cut: The Knights Landing Ridge Cut was constructed to provide drainage for agricultural land in the Colusa Basin. Two private water entities have appropriative rights to the water.
- Sacramento Deep Water Ship Channel and Various Sloughs: The Channel provides shipping access to the Port in West Sacramento. The constructed and natural sloughs provide drainage and some flood control. The Districts bordering these facilities have appropriative rights to the water supply.

Water use and supplies are controlled by both federal and state laws, which establish a hierarchy for water rights and determine volume, purpose, place of use and points of diversion. Within Yolo County, surface water rights and entitlements include appropriative, riparian, Sacramento River Settlement Contracts, and a Central Valley Water Service Contract. Groundwater rights are primarily divided into three categories: overlying, appropriative and prescriptive. Appropriative rights are divided into two categories (pre- and

post-1914), the point in time when the State began to regulate water appropriations. Rights obtained prior to 1914 are not subject to any statewide permitting authority. The Appendix for the *Yolo County Integrated Regional Water Management Plan* will include a detailed description of water rights and entitlements in Yolo County.

The cities and unincorporated communities in Yolo County are highly dependent on groundwater for their source of domestic supply, with two exceptions. The City of Winters uses some surface supply through its appropriative rights to the Putah Creek underflow, and the City of West Sacramento obtains its supply from the Sacramento River. West Sacramento may divert up to 18,350 acre-feet per year from the Sacramento River during the six-month period of January 1 through June 30.

Using a post-1914 appropriation the Yolo County Flood Control & Water Conservation District has constructed reservoir facilities on the North Fork Cache Creek for storage and flood control. The District purchased the Clear Lake Water Company in 1967 and acquired pre-1914 appropriative water rights in Lake County and Yolo County as well as riparian water rights to Cache Creek. These place the District in a superior position over other appropriative rights holders during periods of reduced water availability. Clear Lake is a natural, shallow body of water that covers approximately 44,000 acres when full, with a maximum depth of 50 feet and a storage capacity of 1,155,000 acre-feet. The maximum allowable downstream withdrawal is 150,000 acre-feet per year, and the allowable withdrawal is determined by a formula based on the Lake level on May 1st. Clear Lake has no carryover storage so the District attempts to use its full allowable withdrawal each year.

Cache Creek is fully appropriated during the irrigation season but there during certain years is un-appropriated water available during the winter months.[6] The District owns and operates Cache Creek Dam located 5 miles downstream from the Lake. The District constructed the Indian Valley Dam and Reservoir on North Fork Cache Creek in 1975. This storage facility has a capacity of 360,000 acre-feet.

Cache Creek flow is diverted at the Capay Diversion Dam. This facility was constructed in 1914 to divert water from Cache Creek into the West Adams and Winters canals for irrigation. In recent years all water diversions from Cache Creek into the canal system have occurred at Capay Dam. The YCFC&WCD has another diversion site on Cache Creek upstream on County Road 94-B. In 1993, the District installed an inflatable rubber dam which allowed the water level to rise 4 to 5 feet and enabled the District to begin delivering water earlier in the year. The inflatable dam was the first component of a long-term groundwater recharge/recovery project initiated by the District.

[6] Communication with Yolo County on Integrated Regional Water Management Plan. Volume I Draft August 2004.

Lower Cache Creek serves to transport water collected from the foothills and the Dunnigan Hills in the west to the Cache Creek Settling Basin in the east. The Basin was constructed by the Army Corps of Engineers as part of the Sacramento River Flood Control Project. It traps sediment load from Cache Creek, preventing it from entering the Yolo Bypass and potentially reducing flood capacity. Although it is of little use to Yolo County for flood control, it does provide some benefit for groundwater recharge.

With its soil conditions and regional geology, Yolo County has substantial groundwater storage capacity. It is estimated that groundwater storage for all of Yolo County, between 20 and 420 feet below the surface, is 14 million acre-feet.[7] Approximately 6.5 million acre-feet is stored within the Yolo Sub-basin (DWR 2004). Groundwater quality is acceptable for agricultural and municipal uses. However, there is the potential for saline intrusion; this is of particular concern in the East Yolo sub-basin where the majority of the population is centered. Deeper wells have been considered in order to increase groundwater supply; however the use of deeper wells can lower groundwater levels, which would allow saline water to upwell and impact fresh groundwater supplies.

ISSUE: Dunnigan Water District Supply

According to the Agricultural and Tourism Targeted Industry Analysis, the Dunnigan Water District services 10,000 acres with an annual entitlement of 19,000 acre feet from the Tehama-Colusa Canal.[8] This supply was considered insufficient for the total acreage of the District even in a full water supply year. However, the Dunnigan Water District does not supply water to all areas within its boundaries and does not expect that the service area of the District would be fully built out. The Dunnigan Water District recently completed an engineering study to determine if its infrastructure had excess hydraulic capacity that would permit its use to convey water for irrigation of additional areas. A range of scenarios was developed to describe future demands on the Dunnigan system.

Changes in reclamation in the late 1980s could have a significant long-term effect on the availability of Central Valley Project water for some irrigation districts. The federal contracts which govern these waters are now subject to stricter review and shorter contract renewal periods. Reductions in federally contracted water could significantly reduce the production of high water use crops and therefore any increase of agricultural acreage in the County would necessitate increasing the water supply. The potential development of viticulture land in the Dunnigan Hills could eventually require an additional supply of water.

The type of agricultural crops grown within an area has a potentially significant impact on irrigation water demand. Projections completed by USBR through 2025 show a decrease in alfalfa production, offset by

[7] Communication with Yolo County on Technical Report for the Yolo County General Plan Update.
[8] A contract entitlement does not imply that the full amount will be delivered. The US Bureau of Reclamation determines what percentage will be supplied each year based on snow pack and other watershed conditions.

an increase in orchards, tomatoes, cotton and vineyards. This is expected to increase demand within the Dunnigan service area to approximately 31,844 acre feet per year, nearly a 200% increase over current demand.

Currently percolation of precipitation and stream flow are the most important sources of groundwater replenishment, while percolation of the unconsumed portion of applied irrigation water and of losses from canals and laterals constitutes a secondary, although significant, source of replenishment. The depletion of groundwater resources has been a major concern in the County. According to the Agricultural and Tourism Targeted Industry Analysis, in the past, the overdraft of groundwater has been a severe problem in the Upper Cache Creek watershed and the Dunnigan Hills region. The overdraft results from increased pumping for agriculture, combined with restricted opportunities for recharge. The importing of surface waters by canals such as the Colusa Basin Drainage Canal and the Tehama-Colusa Canal has helped to relieve the problem, as has construction of Indian Valley Reservoir. Furthermore, the above-cited sources report that groundwater in most areas of the County is adequately recharged during the wet years to offset drought period overdrafts.

Dunnigan initiated its Conjunctive Water Management Investigation in March 2004, and it is expected to be completed within 18 months. The study will evaluate the District's long-term water supply issues related to increasing demand and decreasing CVP supply. The District expects that there will be an increased demand for groundwater in the future, a situation that will be further impacted by development within the District's boundaries as well as the continued use of groundwater for irrigation in adjacent areas. The study will collect hydrogeologic data and evaluate historic groundwater levels. The goal is to provide the Board of Directors with a framework to establish basin management objectives. The District will be looking at conjunctive use options, such as additional groundwater development to improve reliability in dry years and the purchase of wet-year supplies for in-lieu recharge.

Dunnigan received funding through a cost-share grant from USBR to conduct a tailwater recovery pilot study. The analysis will include the volume of tailwater leaving the Dunnigan service area as well as water quality. This water could potentially be captured and used to offset some demand or recharged into the groundwater basin. The study has been completed but the District was unable to implement the recommendations due to the reluctance of landowners to participate. The study estimated that approximately 300-400 acre feet could be recovered.

ISSUE: Land Subsidence

Land subsidence is a critical issue within Yolo County. Since the 1950's, land subsidence of up to four-feet has been noted and attributed to groundwater extraction.[9] This has impacted the integrity of

[9] Blodget, J.C. et al. "Monitoring Land Subsidence in Sacramento Valley, California Using GPS". 1990 ASCE 116, 2, pg. 112-130

highways, levees, irrigation canals and groundwater wells, particularly in areas that overly the East Yolo sub-basin. The US Geological Survey monitored land subsidence in the county from 1988 through 1992 and found that the highest degree of subsidence was recorded east of Zamora. The Yolo County Subsidence Network was established in 1998 as a multi-jurisdictional effort to provide geodetic information to track trends and impacts of land subsidence and flood control. It was funded by a $200,000 AB303 grant from DWR with the Yolo County Flood Control & Water Conservation District as a participant. Initial data was collected in 1999 with data collection repeated in 2003. Results indicated that land subsidence was still occurring throughout the County, and also that it is highly localized, depending on soil conditions, rate and volume of groundwater extraction, and available recharge.

With this condition, surface water options have much greater importance in the water supply system of any given area. Agricultural areas with a water table near the surface purposely extract water to create more cultivatable land. Extractions for irrigation supply or to maintain a lower water table both create potential for subsidence. In dry periods or areas of active subsidence, maximizing the use of surface water preserves the groundwater resource and reduces the potential for further subsidence. Groundwater recharge opportunities, whether natural or created, are also essential but require a surface water source. As a protective measure, the Yolo County Code does regulate the extraction and exportation of groundwater from Yolo County, requiring a permit for extraction of groundwater for use outside of the county.

The agencies involved with groundwater use have taken an active role in looking at options to expand surface water supply. The Yolo-Zamora Water District has no source of surface supply and relies solely on groundwater. This has been a leading cause of subsidence in the District's area. Surrounding agencies, including Dunnigan Water District, Yolo County Flood Control & Water Conservation District and RD 108 have all evaluated how this situation might be rectified. In FY 2001, the Yolo County Flood Control & Water Conservation District secured a grant for $365,000 for an in-lieu recharge feasibility study in the Yolo-Zamora Water District Area. Cost is the prohibitive factor from moving forward on any of the alternatives identified to provide a surface water supply to only the Yolo-Zamora Water District.

Summary

There are a number of planning efforts and studies on a regional level that include Yolo County. The Sacramento Valley Water Management Program, prepared under the auspices of the US Bureau of Reclamation, has identified several short-term projects for implementation. Specifically for Yolo County, the plan includes the following:

- Conjunctive Use Project – Feasibility Study for Expanding Surface Water Supplies to the Yolo-Zamora Water District
- Conjunctive Use Project – Feasibility Study for Expanding Surface Water Supplies to Agricultural Water Users in Areas

- Groundwater Quality Monitoring Program

Each of these projects would be implemented through the Yolo County Flood Control & Water Conservation District. A draft Programmatic EIS is being prepared. The review and comment period is planned to begin in early 2005 and will provide additional data regarding the ability of the water supply to address land subsidence issues.

In addition, the Water Resources Association of Yolo County is currently preparing the Integrated Regional Water Management Plan, scheduled for completion by December 2006. The Plan will serve as the update to the 1992 Yolo County Water Plan and will provide information on water-related challenges in the following five areas: water supply, wastewater, stormwater drainage and flood control, aquatic ecosystem enhancement, and recreation. It will also recommend high-priority projects for implementation.

While there are some questions regarding long-term water supply to the Dunnigan Water District if new areas need additional water, both the Dunnigan Water District and the Yolo County Flood Control & Water Conservation District are currently addressing the issue through several regional engineering and joint planning efforts. No significant concern regarding infrastructure needs and deficiencies was noted for the water districts.

IV. FINANCING AND ECONOMICS OF SERVICE

The economics of providing reclamation, flood control and irrigation water supply in the current political and regulatory climate are particularly challenging. Historically, reclamation districts were formed to reclaim swamp land and provide flood protection for agriculture. The proliferation of regulations, agencies with oversight authority, and change in social values has seriously impacted the financial condition of these districts. Although assessments are collected from property owners who benefit, the costs associated with maintenance and repair have escalated exponentially. The cost for irrigation and drainage services are based on the increased cost of developing and maintaining water sources, as well as pumping expenses.

A. Overview of Financial Issues

Flood Control Funding

According to Mary Nichols, former director of the State's Resources Agency, there is an ideological difference at the policy level regarding who is responsible for funding the maintenance and improvements of flood control projects. Although the concept of "beneficiary pays" is integrated into the State's codes, levee protection in the Delta is a fundamental requirement for the viability of the State's water system, including the State Water Project and the Central Valley Project, which do not pay for flood control. Although landowners within each district are deriving immediate benefit, the water users throughout Central and Southern California are benefiting as well through a safe, reliable source of fresh water.

California's Finance Department believes cities and counties should pick up more costs since they directly benefit from flood-control projects. DWR officials argue that the State is obligated under the Water Code to maintain certain flood-control structures and could face huge legal liabilities if it does not. Caught in the middle of this debate are the local reclamation districts that are required to maintain a significant majority of the levees in the system. General Fund spending to help maintain the existing flood control system has dropped dramatically in the past five years, from $101.6 million to $13.6 million. The current budget for Fiscal Year 2005 is $4 (four) million.

The courts have made it clear that the State bears much of the legal and financial responsibility for maintaining flood control facilities. In March 2004, the State Supreme Court let stand a lower court's ruling that the State is liable for a 1986 flooding disaster along the Yuba River. Federal funding through FEMA has been provided to respond to the levee break in the Lower Jones Tract in June 2004. The federal portion will be 75%, with the State and local agencies covering the remaining 25%.

Levee Subvention Funding

The DWR's Delta Levees Subventions and Special Projects program has been in place since 1972. Funding is available for project levees only if they are in the Delta Primary Zone; non-project levees qualify if they are in either the Primary or Secondary Zone. No funding is provided to projects outside the legally defined Delta area.

To receive funding, districts must submit a set of plans and a verbal description of the project for maintenance, repair or renovation. Applications are submitted annually on May 1st. Upon review, the list of qualified applications is submitted to the Board of Reclamation for approval. Funding is provided at 75%; districts are required to match the funding with 25% plus $1,000 per levee mile. In order of priority, funding is approved for 1) maintenance ($15,000 per mile cap); 2) rehabilitation ($100,000 per mile cap); 3) Hazard Mitigation Plans; and 4) Bulletin 19282 – CALFED goals. There is approximately $40 million of Proposition 50 funding available through FY 2006. At this time, this program is expected to sunset in 2006.

For Yolo County, only Districts 307 and 999 participate in the program. As described above, the program is not lucrative with the per-mile cap and required match. In addition, State funds are disbursed as reimbursements. Districts receive project approval in July, submit all documentation the following June, and present a final claim in November (18 months after the project was initiated). CDFG must then go out and inspect for any mitigation; if all is approved, the district will be reimbursed by February, 21 months after project start. Districts that do not have the working capital or reserves to cover the expenses for this lengthy period are essentially excluded from utilizing this funding source.

CALFED Funding

According to the *Ten-Year Finance Plan Program Element* for the California Bay-Delta Authority (California Bay-Delta Authority, 2004), funding for the levees program reached $83.4 million for the period of 2000 to 2004. This included $68 million State, $0.7 million federal, $1.2 million from State Water Contractors, and $13.5 million from locals, with an average of $21 million annually. Funding covered levee maintenance and improvements as well as habitat improvements and studies.

The CALFED Levees Program has two primary components: base level protection (with Public Law (PL) 84-99 level of protection) and special improvement projects. The relationship between this program and DWR's program is often confusing. In order to rectify this, the Authority is proposing that the CALFED Levee program have three components:

- Levee Maintenance: provide funding for levee maintenance only, with the priority for funding on local flood control benefits. Funding would be distributed through a local subventions program.

- Levee Improvements: provide funding for levee improvements over an existing level of protection, with priority placed on areas that will provide multiple benefits, such as flood protection, water quality, ecosystem restoration, water supply reliability, and transportation benefits.
- All Other Components: elements include a strategic plan, risk assessment, subsidence control plan, emergency response, beneficial reuse of dredge material, program management, oversight and coordination.

The Ten-Year Funding target established for this program is $485.8 million; of that, $40.8 is identified as available and $444.9 as unfunded. Specific issues identified for levee maintenance include the following:

- There has been no federal contribution for levee maintenance traditionally. There is general consensus that the maintenance program should be locally driven and the federal government should not have a financial role.
- While local landowners benefit from a locally driven maintenance program, they may not have the ability to pay for levee maintenance that would be beneficial to the State. The State/local cost share is supposed to be set at 75%/25%, but historically locals have paid closer to 50%.
- With the levee maintenance program locally driven and focused on flood control, Delta export water users may not benefit from levee maintenance projects and their contribution may not be justified. However, others believe that contributions are appropriate and would provide a stable source of funding.

Financial Trends

Three important financial trends that could impact districts were identified during this study. First, risk management costs are increasing. As discussed earlier, districts bear a significant liability risk for flood control. Maintenance programs that are scaled back due to costs and regulatory hurdles only exacerbate the problem. The courts have demonstrated that local agencies must bear some of the cost for repair of any levee breech.

Due to rising costs, other agencies are moving towards establishing a Joint Powers Insurance Authority. This may be something that the districts in Yolo County should explore in order to provide better liability coverage at a more reasonable rate.

Second, districts that maintain trust funds with the County receive an allocation for interest earned. The funds are pooled and invested by the County. However, with the drop in interest rates over the past two years, this source of income is significantly lower for most districts. While this is not a significant concern for larger districts, smaller districts that are financially constrained and have relied on this revenue to balance the budget should recognize the reduction of interest income.

Third, a few districts receive property tax as a revenue source, in particular Districts 307 and 827 and Yolo County Flood Control & Water Conservation District. The State's budget act of 2004 significantly changed how local revenues are allocated. Special districts within California are required to contribute an aggregate of $350 million in both FY 2004-2005 and 2005-2006 to their respective county's Educational Revenue Augmentation Fund. The County Auditor-Controller will reduce a district's annual tax increment by the required contribution amount. Proposition 1a, approved by voters in November 2004, establishes protections so that special districts will not be subject to such significant revenue shifts in the future.

The districts' projected ERAF contributions for FY 2004-2005 are as follows:

Reclamation District No. 307:	$3,146.50
Reclamation District No. 827:	$544.80
YCFC&WCD:	$379,971.00

Rate Restructuring

The rate structures and method of assessment vary widely among the districts included in this review. Some districts use current land valuation, others use a formula derived from several factors, and still others use historic valuations. "Beneficiary pays" is increasingly common so that the assessment charged is related to the benefit of the services provided. The common constraint to rate restructuring that all districts share is the requirements put in place by Proposition 218. Property assessments require a vote by mail; votes are weighted by assessment dollar amount. Property-related fees require public noticing and an approval by the majority of the fee payers or two-thirds vote of the electorate (this does not apply to water fees). Districts which call for an election are charged for related election costs.

As the dynamics in funding and flood control regulations continue to change, it is critical that Yolo LAFCO and the districts stay abreast of the changes and participate in discussions on policy decisions.

B. District Finances

The following section presents a financial snapshot of each district included in this study. The percentage of each revenue source is provided, along with Net Operating Revenue (Operating Income less Operating Expenses) and Working Capital at the end of Fiscal Year 2003 (Current Assets less Current Liabilities). These serve as indicators as to a district's level of income and ability to meet short-term obligations. Given the discussion above regarding the cost of levee maintenance and repairs, it is also an indication of a district's ability to address maintenance needs. Changes in revenue and net operating revenue over time are also included to provide some indication of financial trends for the district. It is important to note that the financial data does not indicate whether there is unfunded maintenance that has been deferred due to financial constraints. As discussed above, districts that have interest income have seen a marked drop in interest earned in 2003 from previous years.

For purposes of the municipal service review and for the sphere of influence studies, the reclamation districts of Yolo County have been loosely divided into four areas based on the proximity of districts, types of services and land uses. The Northern Reach encompasses northern Yolo County, stretching from the Colusa/Yolo boundary south to the Fremont Weir. The Central Reach begins south of the Fremont Weir and continues to the urban area of West Sacramento. The West Sacramento Reach encompasses the urbanized area of the City of West Sacramento and the Southern Reach the area south of West Sacramento to Solano County. The water districts have been grouped separately.

Northern Reach

Reclamation District 108

RD 108 was formed in 1870 and serves a drainage area of approximately 58,000 acres. It lies in both Yolo and Colusa Counties, with the majority of its service area in Colusa. The District provides irrigation, drainage and flood control services, offering both gravity and landowner pump water service. The District operates with two enterprise funds, Maintenance and Irrigation.

Revenue Sources	
Water Sales	46%
Tract 6	36%
Other Revenue and Outside Services	18%
2003 Net Operating Revenue (Loss)	($960,186)*
2003 Working Capital	$4,075,687
Financial Trends (change from 2002 to 2003)	33% increase in operating revenues 86% decrease in net operating revenue*

Note: District had a $1.1 million unbudgeted expense in 2003 for USBR O&M deficit

Knights Landing Ridge Drainage District

The Knights Landing Ridge Drainage District was created by the Legislature in 1914 for the purpose of cutting and maintaining a canal that would carry 20,000 cubic feet of water per second through the Knights Landing Ridge and into the Yolo Bypass, providing a drain for the Colusa Basin, an area of 72,000 acres. The District receives assessments on properties in both Yolo and Colusa Counties.

Revenue Sources	
Assessments	92% (60% Yolo, 32% Colusa)
Interest	8%
2003 Net Operating Revenue	$58,547
2003 Working Capital	$447,492 ($157,237 designated for Levee Project)
Financial Trends (change from 2001 to 2003)	7% decrease in assessment revenue 7% increase in net revenue

Reclamation District 787

RD 787 was formed in 1908; the District serves the area southeast of RD 108, providing drainage, pumping, and levee maintenance. It maintains 4.4 miles of levee. The District has four landowners and costs are apportioned by acreage protected. River Garden Farms Company is the largest landowner and bears 86% of the costs.

Revenue Sources	
Assessments	100%
2003 Net Operating Revenue (Loss)	0 (assessments = expenses)
2003 Working Capital	0 (no reserves maintained)
Financial Trend (2001 to 2003)	16% decrease in revenue 16% decrease in expenses

Reclamation District 730

RD 730, situated southeast of RD 787, is bisected by the Knights Landing Ridge Drainage cut. The District was formed in 1902 and only provides drainage services; levee maintenance is provided by County Service Area No. 6. Its service area is 4,498 acres. The District uses a trust fund held by the County Treasurer for all income and expenditures.

Revenue Sources	
Assessments	95%
Interest	5%
2003 Net Operating Revenue (Loss)	($19,524)
2003 Working Capital	$41,517
Financial Trend (2001 to 2003)	No change in assessment revenue 223% decrease in net revenue

Central Reach

Reclamation District 1600

RD 1600 was formed in 1913 and has a service area of 6,924 acres. The District lies between the Sacramento River to the east and the northern reach of the Yolo Bypass to the west. It provides drainage and levee maintenance services. Assessments are based on the valuation of the land at the time of District formation. Assessment levels are established based on the expected operating expenses of the District.

Revenue Sources	
Assessments	94%
Interest	6%
2003 Net Operating Revenue (Loss)	($34,659)
2003 Working Capital	NP
Financial Trend (2001 to 2003)	4% decrease in assessment revenue 253% decrease in net revenue

NP – not provided

Reclamation District 827

RD 827 was formed in 1918 and is bounded by RD 1600 to the north, the Sacramento River to the east, RD 785 to the south, and the Yolo Bypass (RD 2035) to the west. It provides drainage services for 1,225 acres and maintains 4.2 miles of levee. RD 900 provides management services by contract.

Revenue Sources	
Assessments	83%
Property Taxes	9%
Interest	8%
2003 Net Operating Revenue (Loss)	$17,286
2003 Working Capital	$161,613
Financial Trend (2000 to 2003)	No change in assessment revenue 61% decrease in net revenue*

**Note: District had one time $30,310 expenditure for levee repair and maintenance in 2003*

Reclamation District 785

RD 785 is bounded by RD 827 and the Sacramento River to the north, the Yolo Bypass (RD 2035) to the west, and the Sacramento Bypass on the south. The District was formed in 1930 and provides drainage services to 3,200 acres. It maintains 5.6 miles of levee.

Revenue Sources	
Assessments	91%
Interest	9%
2003 Net Operating Revenue (Loss)	NP*
2003 Working Capital	NP
Financial Trend* (2001 to 2003)	5% increase in assessment revenue

** Only revenue information was provided; NP – not provided*

Reclamation District 2035

RD 2035 was formed in 1909 and is authorized to provide levee maintenance and drainage services to approximately 20,500 acres. The District operates its water delivery service as an enterprise activity with the use of an enterprise fund to account for all revenues and expenses. The Conaway Conservancy Group is closely related to RD 2035 and shares facilities and some staff time. The District maintains substantially all of its cash with the Yolo County Treasury.

Revenue Sources (Enterprise Fund Only)	
Assessments	44%
State Grant	52%
Interest	4%
2003 Net Operating Revenue (Loss)	$153,450
2003 Working Capital	$2,189,532 (all District operations)
Financial Trend (2001 to 2003)	2% decrease in assessment revenue (changes in net operating revenue not applicable due to timing of grant receipts and related expenditures)

West Sacramento Reach

Reclamation District 537

RD 537 was formed in 1891. Its service area encompasses 5,200 acres. The District provides levee maintenance for 6 miles of levee as well as drainage and irrigation services to the area east of RD 785. It is bisected by the Sacramento Bypass, serving a rural northern portion and developed southern section. It also provides pumping services for RD 811.

Revenue Sources	
Assessments	75%
Interest	25%
2003 Net Operating Revenue (Loss)	$46,891
2003 Working Capital	$1,148,811
Financial Trend (2001 to 2003)	59% decrease in assessment revenue* 81% decrease in net operating revenue

**The decrease in revenue appears to be an assessment adjustment due to successive years of high net operating revenue and accumulation of significant working capital.*

Reclamation District 811

RD 811 provides drainage services to one drainage ditch along the rail line, contracting with RD 537 for pumping services. The County did not record receipt of any assessments for the District. However, RD 900, which provides administrative support to RD 537, confirmed that RD 811 is paying an annual pumping charge to RD 537.

Revenue Sources	
Assessments	0%
Interest	100%
2003 Net Operating Revenue (Loss)	($5,847)
2003 Working Capital	NP
Financial Trend (2001 to 2003)	No recorded assessments for 3 years* Operated at a loss for 3 years*

** Note – Based on data supplied by County; NP – not provided*

Reclamation District 900

RD 900 was formed in 1911 and serves an area of 11,000 acres, including West Sacramento. The District provides flood control and storm drainage services, as well as the maintenance and operation of pumps and canals. It maintains 13.6 miles of levee. Irrigation services are operated as an enterprise activity.

Revenue Sources	
Assessments	90%
Irrigation Tolls	3%
Interest	4%
Miscellaneous Income	3%
2003 Net Operating Revenue (Loss)	($10,781)
2003 Working Capital	$708,079
Financial Trend (2001 to 2003)	8% increase in assessment revenue 135% decrease in net operating revenue

Southern Reach

Reclamation District 765

RD 765 provides levee maintenance and drainage services to 1,322 acres just south of West Sacramento. It was formed in 1905 and maintains 1.7 miles of levee. There are only three landowners in the District; the District establishes the level of owner contributions is based on actual expenses for the year.

Revenue Sources	
Assessments (Owner Contributions)	100%
2003 Net Operating Revenue (Loss)	$10,624
2003 Working Capital	$9,916
Financial Trend (2001 to 2003)	30% increase in assessment revenue 33% decrease in net operating revenue

Reclamation District 307

RD 307 was formed in 1877 and provides levee maintenance and drainage services to 119 parcels on 6,000 acres south of RD 765. The District maintains 6.7 miles of levee.

Revenue Sources	
Assessments	54%
Property Tax	23%
Interest	2%
Other Income*	21%
2003 Net Operating Revenue (Loss)	($2,237)
2003 Working Capital	$88,217
Financial Trend (2001 to 2003)	No change in assessment revenue; 7% increase in property tax revenue 50% decrease in net operating revenue

** Primarily Subvention program reimbursements from the State*

Reclamation District 150

RD 150 was formed in 1868 and serves an area of 5,000 acres. It provides levee maintenance, drainage pumping, and irrigation services. The District maintains 18 miles of levee.

Revenue Sources	
Assessments	95%
Interest	5%
2003 Net Operating Revenue (Loss)	$6,216
2003 Working Capital	$81,967
Financial Trend (2001 to 2003)	8% increase in assessment revenue 126% decrease in net operating revenue

Reclamation District 999

RD 999 was formed in 1913 and serves 26,136 acres. A portion of its service area extends into Solano County. The District lies between RD 150 and the eastern levee of the Deep Water Shipping Channel, which it maintains. The District maintains 32.4 miles of levee.

Revenue Sources	
Assessments	87%
State Reimbursement – Subvention	10%
Grants	2%
Interest	0%
Other Income	1%
2003 Net Operating Revenue (Loss)	$57,036
2003 Working Capital	$276,854
Financial Trend (2001 to 2003)	No change in assessment revenue 54% decrease in net operating revenue

Water Districts

Dunnigan Water District

Dunnigan Water District was formed in 1956 to provide a means of bringing Central Valley Project water into the Dunnigan area. The District provides non-potable water from the Tehama-Colusa Canal for irrigation purposes through a gravity-fed system. Its service area encompasses 10,000 acres.

Revenue Sources	
Assessments	51%
Ag Water Sales	47%
Interest	1%
Other Income	1%
2003 Net Operating Revenue (Loss)	($20,045)
2003 Working Capital	$297,866
Financial Trend (2001 to 2003)	No change in assessment revenue; 12% decrease in water sales revenue 111% decrease in net operating revenue

Yolo-Zamora Water District

The Yolo-Zamora Water District was formed in 1955. Its approved service area encompasses 20,700 acres. The District is not presently providing service as it has no surface water supply; its only source of income is interest and expenses are all administrative.

Revenue Sources	
Interest	100%
2003 Net Operating Revenue (Loss)	($826)
2003 Working Capital	$4,650
Financial Trend (2001 to 2003)	68% decrease in interest income 25% reduction in net operating loss

Yolo County Flood Control & Water Conservation District

The Yolo County Flood Control & Water Conservation District was formed in 1951 by a special act of the California State Legislature. The District provides flood control and irrigation services as well as power generation. Its service area encompasses 195,780 acres.

The District's Board of Directors has designated funds for future unforeseen costs of care, operations, maintenance, repairs and replacement or improvements to the District's capital assets. At April 30, 2004, the following had been designated:

$1,161,989	for Indian Valley Dam
$1,091,417	for Cache Creek Dam
$2,602,403	for future droughts
$1,005,568	for the Water Management Plan
$1,276	for future disasters
$5,862,863	Total

Revenue Sources	
Water Sales	85%
Hydroelectric Power Sales	15%
Recreation Fees	0%
FY 2003 Net Operating Revenue (Loss)	$710,650
FY 2003 Working Capital	$7,418,103
Financial Trend (FY 2001 to FY 2003)	No change in revenue from water sales 20% decrease in net income

SUMMARY

The financial trends for the agencies are similar. With a few exceptions as noted in the preceding paragraphs, a majority of the agencies show a decrease in net revenue. This is likely due to increased maintenance and repair costs, rising insurance premiums, escalating costs for power and increased regulatory requirements. Funding programs through the State and federal government are under-funded and, due to the requirements placed on recipients, are sometimes more expensive. Financing constraints and opportunities represent a significant concern for all the reclamation districts.

V. GOVERNANCE

A. Management Efficiencies

The majority of the districts are maximizing opportunities for management efficiencies, both through shared facilities and contracting with adjacent districts for support services. All who responded indicated that they contract out for professional services, such as engineering or legal. *Table 5.1* indicates the staffing level provided by each responding district.

Table 5.1
District Staffing

District	# of Staff
RECLAMATION DISTRICTS – NORTHERN REACH	
Knights Landing Ridge Drainage District	0
RD 108 (Colusa)	17
RD 787	0
RD 730	0
RECLAMATION DISTRICTS – CENTRAL REACH	
RD 1600	0
RD 827	0
RD 785	0
RD 2035	4
RECLAMATION DISTRICTS – WEST SACRAMENTO REACH	
RD 537	2
RD 811	NP
RD 900	5
RECLAMATION DISTRICTS – SOUTHERN REACH	
RD 765	0
RD 307	0
RD 150	0
RD 999	4
RD 2076 *(no services provided)*	0
WATER DISTRICTS	
Dunnigan Water District	2.5
Yolo-Zamora Water District *(no services provided)*	0
Yolo County Flood Control & Water Conservation District	24

NP – Not Provided

B. Shared Facilities and Cost Avoidance

The following opportunities for shared facilities and cost avoidance were noted by the districts:

- Reclamation District 108 shares facilities, staff, internal services, and insurance costs with the West Sacramento River Levee District and the Knights Landing Ridge Drainage District.
- Reclamation District 787 indicated that it would consider participating in an insurance pool if one were available.
- Reclamation District 900 provides administrative support for Reclamation District 537 and Reclamation District 827. The District also has a JPA with the City of West Sacramento and Reclamation District 537 for levee projects as well as a Memorandum of Understanding with both for emergency operations.
- Reclamation District 307 and Reclamation District 765 have a cooperative agreement for maintenance during high water.
- Reclamation District 537 provides pumping service to Reclamation District 811.

C. Local Accountability

Northern Reach

Reclamation District 108 – River Farms (Colusa County)

Reclamation District 108, River Farms, spans both Colusa and Yolo Counties. However, most of RD 108 is located in Colusa County; therefore Colusa LAFCO is the principal LAFCO. A principal LAFCO has the responsibility for sphere of influence updates. RD 108 shares administrative facilities and staff with the Knights Landing Ridge Drainage District which is located in Yolo County. Therefore information about both agencies has been included, but Yolo LAFCO only needs to adopt determinations and an updated Sphere of Influence for the Knights Landing Ridge Drainage District.

Knights Landing Ridge Drainage District

The Knight's Landing Ridge Drainage District is an independent special district. It has five board members; three are elected at large from the northern division area and two from the southern division. To be eligible, a board member must own at least 40 acres of land in the division.

Knights Landing Ridge Drainage District

Name of Member	Title	Term Expiration	Compensation
James Baldson	President	2007	$10/mtg
Fredrick Durst	Commissioner	2007	$10/mtg
Jim Hendrick	Commissioner	2005	$10/mtg
Herbert Pollock	Commissioner	2005	$10/mtg
Jack Wallace	Commissioner	2007	$10/mtg

The Knights Landing Ridge Drainage District meets twice a year at 975 Wilson Bend Road in Knights Landing. The public is noticed through posting.

Reclamation District 108, River Farms (Colusa County)

Name of Member	Title	Term Expiration	Compensation
Frederick Durst	President	2005	$200/month
Arnold Andreotti	Trustee	2007	$100/month
Michael Miller	Trustee	2005	$100/month
Marty Stripling	Trustee	2007	$100/month
James Erdman	Trustee	2007	$100/month

The regularly scheduled meeting time for Reclamation District 108 is the second Wednesday of each month at 8:30 a.m. The District gives the public notice of meetings through posting and mailing notices as well as email.

Reclamation District 787 – Fair Ranch

Reclamation District 787 is an independent special district with a three-member board of trustees elected by the landowners in the District.

Name of Member	Title	Term Expiration	Compensation
E. Marc Faye	Trustee	2007	None
Jan Hurnblad	Trustee	2007	None
Chester M. Stripling	Trustee	2005	None

Meetings are held as needed at 41758 County Road 112 in Knights Landing. The public is noticed through posting.

Reclamation District 730 – Knights Landing

Reclamation District 730 is an independent special district with a three-member board of trustees elected by the landowners in the District.

Name of Member	Title	Term Expiration	Compensation
Robert Dorris	Trustee	NP	None
Fred Tenhunfeid	Trustee	NP	None
Jack Wallace	Trustee	NP	None

The District holds regular meetings in March and June. Meetings are held at 429 First Street, Woodland. Public notice is posted outside the office of the District's attorney as there is no physical location for posting within the District's boundaries.

Central Reach

Reclamation District 1600 – Mull District

Reclamation District 1600 is an independent special district with a three-member board of trustees.

Name of Member	Title	Term Expiration	Compensation
Kent Lang	President	NP	NP
Ren Fairbanks	Trustee	NP	NP
Scott Daly	Trustee	NP	NP

Meeting information, term expirations and compensation was not provided.

Reclamation District 827 – Elkhorn

Reclamation District 827 is an independent special district with a three-member board of trustees elected by the landowners within the District.

Name of Member	Title	Term Expiration	Compensation
Daniel Ramos	President	2007	$100/mtg
Larry Albaugh	Trustee	2007	$100/mtg
Raymond Yeung	Trustee	2005	$100/mtg

The District meets two to four times per year, as needed. Meetings are held at RD 900's offices, at 1420 Merkley Avenue, Suite 4, in West Sacramento. The public is noticed through posting and verbal communication.

Reclamation District 785 – Driver District

Reclamation District 785 is an independent special district with a three-member board of trustees.

Name of Member	Title	Term Expiration	Compensation
William Mattos	President	NP	NP
James Jones	Trustee	NP	NP
Russell Miller	Trustee	NP	NP

Meeting information, term expirations and compensation was not provided.

Reclamation District 2035 – Conaway Ranch

Reclamation District 2035 is an independent special district with a three member board of trustees elected by the landowners within the District.

Name of Member	Title	Term Expiration	Compensation
Regina Cherovsky	Chairperson	2005	None
Chuck Dudley	Trustee	2007	$100/mtg
Sandra McDonough	Trustee	2007	$100/mtg

Meetings are held approximately four times per year, as noticed. The meetings are held at 45332 County Road 25, Woodland, CA. Meeting notices are posted in three separate places within the boundaries of the District at least 48 hours prior to the meeting.

West Sacramento Reach

Reclamation District 537 – Lovdal District

Reclamation District 537 is an independent special district with a three-member board of trustees elected by the landowners within the District.

Name of Member	Title	Term Expiration	Compensation
Kristen Pigman	President	2005	$145/mtg
Don Ingoglia	Vice President	2007	$145/mtg
Kent Lang	Secty/Trustee	2007	$145/mtg

The regularly scheduled meeting day for Reclamation District 537 is the second Tuesday of the month; meetings are called as needed. The District gives the public notice of meetings through posting at meeting location and main District gate.

Reclamation District 811

Reclamation District 811 is an independent special district. No information was provided; however it is understood that there is only one remaining board member.

Name of Member	Title	Term Expiration	Compensation
Gregory DeMars	President		

Reclamation District 900 – West Sacramento

Reclamation District 900 is an independent special district with a five-member board of trustees elected by the landowners within the District.

Name of Member	Title	Term Expiration	Compensation
William Denton	President	2005	$100/mtg
Peter Palamidessi	Vice President	2007	$100/mtg
Edward Bryan	Trustee	2005	$100/mtg
Daniel Ramos	Trustee	2007	$100/mtg
Howard Turner	Trustee	2005	$100/mtg

The regularly scheduled meeting day for Reclamation District 900 is the second Thursday of each month with meetings beginning at 9:00 am at 1420 Merkley Avenue, Suite 4, in West Sacramento. The District gives the public notice of meetings through posting and individual notification via mail and email.

Southern Reach

Reclamation District 765 – Glide District

Reclamation District 765 is an independent special district with a three-member board of trustees elected by the landowners in the District (the District only has three landowners).

Name of Member	Title	Term Expiration	Compensation
Roy Elliott	President	2007	None
John Martinelli	Trustee	2005	None
Tammy Rodrigues	Trustee	2007	None

Meetings for Reclamation District 765 are held on an as-needed basis at one of the Board members residences. The District meets at least once annually and communications are shared between Board Members quarterly. A meeting notice is posted in the vicinity in advance of any meetings.

Reclamation District 307 – Lisbon District

Reclamation District 307 is an independent special district with a five-member board of trustees appointed by the Yolo County Board of Supervisors.

Name of Member	Title	Term Expiration	Compensation
John Martinelli	President	2005	None
Joseph Borges	Trustee	2005	None
Peter Dwyer	Trustee	2007	None
Karen Chesnut	Trustee	2007	None
Dan Serpa	Trustee	2005	None

The District meets four times per year – January, April, July and October – on the third Thursday of the month. The Trustees are aware of the requirements to post public notice prior to any meetings.

Reclamation District 999 – Netherlands

Reclamation District 999 is an independent special district formed in 1913. It has a five-member board of trustees elected by the landowners within the District.

Name of Member	Title	Term Expiration	Compensation
Stephen Heringer	President	2007	None
Stephen Barsoom	Vice President/Trustee	2005	None
Tony Dutra	Trustee	2007	None
Gary Merwin	Trustee	2005	None
Dave Wilson	Trustee	2007	None

District meetings are held at the District's office, 38563 Netherlands, Clarksburg, CA. Meeting notices are posted within the District's boundaries and mailed to all board members.

Reclamation District 150 – Merritt Island

Reclamation District 150 is an independent special district with a five-member board of trustees elected by the landowners within the District.

Name of Member	Title	Term Expiration	Compensation
Roger Berry	President	2005	$600/year
Gary Pylman	Trustee	2006	$360/year
Martin Sakai	Trustee	2005	$360/year
Chris Smith	Trustee	2006	$360/year
Chris Wilcox	Trustee	2005	$360/year

The regularly scheduled meeting day for Reclamation District 150 is the second Monday of each month with meetings beginning at 7:30 PM at 40584 South River Road. The District gives the public notice of meetings through posting and individual notification.

Reclamation District 2120 – Little Holland

Reclamation District 2120 was sold to the Army Corps of Engineers in 1999. It no longer exists as a reclamation district.

Reclamation District 2076

No information was available for Reclamation District 2076. During interviews, it was noted that the District has never been active as a Reclamation District.

Water Districts

Dunnigan Water District

Dunnigan Water District is an independent special district with a five-member board of directors; Directors are elected to staggered four-year terms by the landowners within the District.

Name of Member	Title	Term Expiration	Compensation
Bill Cotter	President	2005	$35/mtg
Tom Mumma	Vice President	2007	$35/mtg
Gary Schaad	Director	2005	$35/mtg
Pat McAravy	Director	2005	$35/mtg
Tim Doherty	Director	2007	$35/mtg

The regularly scheduled meeting day for the Dunnigan Water District is the third Thursday of each month with meetings beginning at 1:30 PM at 3817 First Street in Dunnigan. The District gives the public notice of meetings through posting at the District office and the post office.

Yolo-Zamora Water District

Yolo-Zamora Water District is an independent special district with a five-member board of directors. Directors are elected to staggered four-year terms by the landowners within the District.

Name of Member	Title	Term Expiration	Compensation
Twyla Thompson	President	2005	None
Ken Aoki	Director	2007	None
Fred March	Director	2005	None
Bryan Barrios	Director	2005	None
Tom Hermle	Director	2007	None

The regularly scheduled meeting day for the Yolo-Zamora Water District is the fourth Monday of each month with meetings beginning at 7:00 PM at 292 W. Beamer Street in Woodland. The District gives the public notice of meetings through posting at the District office and the post office.

Yolo County Flood Control & Water Conservation District

The Yolo County Flood Control & Water Conservation District is an independent special district with a five-member board of directors appointed by the Yolo County Board of Supervisors to serve four-year terms.

Name of Member	Title	Term Expiration	Compensation
Ann Brice	Chair	2005	None
Bob Eoff	Vice Chair	2006	None
Erik Vink	Director	2008	None
Bruce Rominger	Director	2007	None
David Scheuring	Director	2007	None

The regularly scheduled meeting day for the YCFC&WCD is the first Tuesday of each month with meetings beginning at 7:00 PM at 34274 State Highway 16 in Woodland. The District gives the public notice of meetings through posting at the District office and the post office.

VI. GOVERNMENT STRUCTURE OPTIONS / SPHERES OF INFLUENCE

For purposes of the Government Structure Options of the municipal service review and for the Sphere of Influence studies for the reclamation districts, Yolo County has been loosely divided into four areas based upon district proximity, types of services and land uses. The water districts are considered separately.

Northern Reach

The first area encompasses northeastern Yolo County, stretching from the Colusa/Yolo boundary south to the Fremont Weir. Land uses in this area are primarily agricultural although the unincorporated community of Knights Landing is also located within this area. The following agencies are included:

- Knights Landing Ridge Drainage District/Reclamation District 108
- Reclamation District 787 – Fair Ranch
- Reclamation District 730 – Knights Landing

The Knights Landing Ridge Drainage District and Reclamation District 108 are administered and operated by the same staff. Both Reclamation District 108 and the Knights Landing Ridge Drainage District are cross-county agencies, however the majority of Reclamation District 108 is located within Colusa County and the majority of Knights Landing Ridge Drainage District is within Yolo County. Therefore, Colusa LAFCO is the principal LAFCO for determining the sphere of influence for Reclamation District 108 but Yolo LAFCO is the principal LAFCO for the Knights Landing Ridge Drainage District. This study includes information about both agencies but the Yolo LAFCO Commission is asked to only adopt service review determinations and a sphere of influence for the Knights Landing Ridge Drainage District.

Central Reach

The second area begins south of the Fremont Weir and includes the following Reclamation Districts:

- Reclamation District 1600 – Mull District
- Reclamation District 827 – Elkhorn District
- Reclamation District 785 – Driver District
- Reclamation District 2035 – Conaway Ranch

Reclamation District 537 – Lovdal District is located on both sides of the Sacramento Weir and Bypass and a portion is included in this service review area. It has been addressed in the section on the West Sacramento Reach, but should be evaluated with the districts in the Central Reach as well for its relationship to the adjacent districts and similar land use/service needs in the Central Reach.

West Sacramento Reach

This area encompasses the urbanized area of the City of West Sacramento south of the Sacramento Bypass. It includes the following agencies:

- Reclamation District 537 – Lovdal District
- Reclamation District 811
- Reclamation District 900 – West Sacramento

As stated in the previous paragraph, Reclamation District 537 has been included in two government structure option/sphere of influence studies due to its location on both sides of the Sacramento Weir and Bypass.

Southern Reach

The southern reach encompasses the area south of West Sacramento to Solano County and includes the following agencies:

- Reclamation District 765 – Glide District
- Reclamation District 307 – Lisbon District
- Reclamation District 999 – Netherlands
- Reclamation District 150 – Merritt Island

Water Districts

The following agencies are grouped according to their agency type (i.e. water district rather than reclamation districts).

- Dunnigan Water District
- Yolo-Zamora Water District
- Yolo County Flood Control & Water Conservation District

Each of the agencies is described in the following sections by a one page profile. This allows the Yolo LAFCO Commission to note the relative sizes of the agencies and provides an easy and convenient means for the Yolo LAFCO staff to update data for use in the next municipal service review and sphere of influence update. In addition to the profile, a map, possible government structure options, information about the previous Yolo LAFCO Sphere of Influence (SOI) designation and SOI findings have been addressed.

It should be noted that not all government structure options have been included. The purpose is to give Yolo LAFCO and the agencies involved a range of options to consider. The government structure options included within this Study are not intended to be comprehensive reorganization studies, and the Yolo LAFCO Commission is not required to act on any of the possible governmental structure options included in this Study.

Two additional factors could influence the Yolo LAFCO's consideration of governmental structure options. Legislation was recently passed which allows the consolidation of special districts formed under different acts. With the approval of this bill, AB 2067, on September 10, 2004, the requirement that districts must have been formed pursuant to the same principal act in order to consolidate has been removed. This change will sunset or end on July 1, 2008. Some of the districts included in this study were formed under different acts and the provisions of AB 2067 may be applicable. The Yolo LAFCO Commission, when discussing possible options, should be cognizant of the time limitation for this legislation.

Also, because of the limited financial resources of some special districts, LAFCO fees can sometimes be an inhibiting factor for agencies to agree to proceed with a reorganization. In some circumstances, Yolo LAFCO may want to consider a one-time fee waiver to process a reorganization of qualifying districts.

Northern Reach

Five different agencies provide reclamation and flood control services to northern Yolo County. Of the five agencies, two agencies are located entirely within Yolo County (Reclamation District 730 and Reclamation District 787). Two agencies provide service to both Yolo and Colusa Counties (Reclamation District 108 and Knights Landing Ridge Drainage District).

The fifth public agency, the Sacramento River Westside Levee District, extends from the town of Colusa to the southern boundary of the town of Knights Landing. The majority of its service area is within Colusa County and Colusa LAFCO is, therefore, the principal LAFCO. The Sacramento River Westside Levee District is not addressed in this study.

Reclamation District 108 is under the purview of Colusa LAFCO; however information has been included about Reclamation District 108 since it provides administration and operations support to Knights Landing Ridge Drainage District.

This service review report addresses the two agencies located entirely in Yolo County (Reclamation District 730 and Reclamation District 787) as well as the Knights Ridge Landing Drainage District.

A. Agency Descriptions

1) Reclamation District 108 was formed in 1870 and is one of the first reclamation districts formed in California that is still in operation. One of the District's first projects was construction of the Tisdale Weir on the east side of the Sacramento River to provide relief from flooding to the levees on the west side of the Sacramento River. Early in its history the District also addressed the impact of the Knights Landing Ridge (an area of high ground created by overflow silt deposits from Cache Creek) on drainage in the Colusa Basin. As a result of a court case, a cut through the Knights Landing Ridge was made to allow water to flow into the Yolo Bypass when flood waters accumulated against the Ridge in the lower Colusa Basin. A significant portion of Reclamation District 108 overlaps with the service area of the Knights Landing Ridge Drainage District. The primary levee that Reclamation District 108 is responsible for is the eastern levee along the Colusa Back Borrow Pit.

2) The Knights Landing Ridge Drainage District was formed in 1913 under a special act of the Legislature to maintain the cut and its adjacent levees.[10] At the same time, the Sacramento River Westside Levee District was formed to maintain the 50 miles of levee on the west side of the Sacramento River from Colusa to Knights Landing. The service area of the Knights Ridge Drainage

[10] Reclamation District No. 108, 125 Anniversary 1870-1995.

District includes the southern Colusa Basin and extends south overlapping Reclamation District 730. The Knight's Ridge Drainage District extends to the western edge of the Yolo Bypass.

3) Reclamation District 787 was formed in 1908 as a result of floods the previous two years. The 1984 staff report noted that the District was established to provide drainage services to agricultural lands. The District provides drainage services and levee maintenance to the eastern bank of the Colusa Basin Drainage Canal and to non-project[11] levees within its boundaries. The Sacramento River levee is maintained by the Sacramento River Westside Levee District.

   Reclamation District 787 is located northwest of the unincorporated community of Knights Landing. The Sacramento River forms the northern and eastern boundaries, the Colusa Basin Drainage Canal forms the southern boundary and County Road 98A forms the western boundary. State Highway 45 and the Sycamore Slough generally bisect the District.

4) Reclamation District 730 was formed in 1902 by petition of the landowners and by subsequent order of the Yolo County Board of Supervisors. In 1909 the formation of the District was re-affirmed by the California State Legislature.

   Reclamation District 730 is located southeast of the unincorporated community of Knights Landing. The Sacramento River forms the northern and eastern boundaries, County Road 16 forms the southern boundary and County Road 102 generally forms the western boundary. The Knights Landing Ridge Cut, a channel that diverts water from the Colusa Basin to the Yolo Bypass during flood periods, bisects the District. The Knights Landing Community Services District (CSD) and Reclamation District 730 overlap in the northeastern corner of the Reclamation District.

B. Governmental Structure Options

As part of the service review process Yolo LAFCO must address a range of possible governmental structure options. The service review report becomes a tool to examine service provision on a regional basis to determine if there are other means of ensuring that services are provided efficiently and concurrent with need. The service review report is not a comprehensive study of the financial, political or operational advantages or disadvantages of each option listed. It is intended to be used as a starting point for regional discussion about how services are currently provided. Finally, examining all possible options does NOT require Yolo LAFCO to initiate any change of organization.

[11] Project levees are federally authorized and can include State maintained levees. See Section III.A, Reclamation District Infrastructure of this report.

Past Government Structure Options

The 1984 Yolo LAFCO sphere of influence study examined the potential for consolidation of Reclamation District 730 with Reclamation Districts 787 and 1600 and concluded that it was unlikely that benefits would result from such a consolidation. A 1985 Yolo LAFCO sphere of influence study for the Knights Landing Ridge Drainage District evaluated consolidation with Reclamation District 108; at that time it was decided to approve the current boundaries of the Drainage District and to continue to evaluate the possible consolidation of the two districts.

Current Government Structure Options

In the Northern Reach, there are several potential options for reorganizing agencies providing drainage and levee maintenance services. Those options are:

1. Maintain existing governmental structure of agencies

Under this option no changes in the governmental structure of the three agencies would occur. Reclamation District 787, Reclamation District 730 and the Knights Landing Ridge Drainage District would continue to operate as separate districts. In 1984 the Yolo LAFCO sphere of influence study examined the potential for consolidation with of Reclamation Districts 787 and 730 along with Reclamation Districts 1600. The staff report concluded that it was unlikely that benefits would result from such a consolidation. The report noted that the natural, physical boundaries of the agencies require individual provision of services and methods of assessment to pay for services.

The advantage of maintaining the agencies "as is" is that they are apparently currently providing adequate service. Frequently this is known as the, "If it isn't broken, don't try to fix it" scenario. If agencies are providing adequate services, have the support of the residents and no significant problems have been identified, it may be more effective to allow them to continue.

The disadvantage of maintaining the agencies as currently configured is that since 1984 there have been changes in the economic climate and budgets for local agencies, land use patterns, technology, staffing, operations and administration of all three districts. These changes can have an impact on the possible benefits of reorganization.

2. Reorganize all public agencies in the area into one agency

This governmental structure option is diametrically different from Option 1. The Knight's Landing community and surrounding areas are served by several small agencies including the Knight's Landing CSD, the Reclamation Districts, the Knights Landing Ridge Drainage District and other entities.

Some advantages that might accrue from the reorganization of all public agencies include a unified source for provision of services to increase staff expertise and depth or to increase the agency's capacity to

provide services. If growth is expected in the Knights Landing area, having one agency coordinating the provision of services could possibly be more efficient and economical.

However, the services provided by the various agencies in the Knights Landing area are dissimilar and the cost and difficulty of creating one organization to administer all the services would likely outweigh any advantages. It is also unclear if there would be any actual or significant costs savings from such an approach. The Knights Landing community has several citizens groups which address community issues and the community is small enough to allow informal interaction among residents and representatives of the agencies.

In addition, the area that benefits from the services of the reclamation and drainage districts is much larger than the Knights Landing community area. The districts primarily serve agricultural interests while the service providers in the Knights Landing area are serving developed areas. The primary land use in the service areas of providers should play a significant role in the evaluation process as to whether reorganization might be beneficial or not.

3. Reorganize agencies providing similar services

With this option, the three districts addressed in this portion of the study would be reorganized into one agency. Reclamation Districts 787 and 730 would be reorganized with the Knights Landing Ridge Drainage District to provide consolidated drainage and levee maintenance services for the areas north of the weir. This governmental structure option should also include Reclamation District 108 since the Knight's Ridge Landing Drainage District and Reclamation District 108 share facilities, services and staff. However, inclusion of Reclamation District 108 would require coordination with Colusa LAFCO. Another variation would be to reorganize Reclamation District 108 and the Knights Landing Drainage District into one agency.

Some advantages that might accrue from either option include a simplification of boundaries, possible improved service delivery, increased economies of scale and possible reduction in costs or fees.

However, the service areas of the agencies follow clear, physical boundaries and the benefits would likely be more on "paper" than real. In addition any reorganization would have to assess and calculate all cost inputs such as the cost of reorganization, of merging staffs, of retirement obligations or of upgrades to systems, etc. Sometimes the actual savings as a result of reorganization are modest enough that it is not cost-efficient to pursue. There may also be little improvement in service efficiency since the agencies are currently operating efficiently. Finally, pursuing any reorganization without the support of residents and of the governing board typically increases the time, cost and effort involved.

In considering the reorganization of Reclamation District 108 with the Knights Landing Ridge Drainage District, it is important to consider several key issues that have not changed since the 1985 study. First, Reclamation District 108 was formed to reclaim land on the west side of the Sacramento River; it has had several major boundary changes and acquired assets that benefit the landowners. The Drainage District was not a party to those changes and was not involved in the reclamation plans or asset financing (and repayment plan). Second, each district serves areas outside the others' boundaries with assessments based on benefit; a reorganization would require a separation of funds and collection, which would almost duplicate what is occurring now. Third, the Knights Landing Act specifies that two commissioners come from the southern portion of the district which is outside the boundaries of Reclamation District 108. This could potentially alter the representation of the landowners within the District.

Recommended Government Structure Option

It is recommended that at this time Yolo LAFCO maintain the existing governmental structure of the Knights Landing Ridge Drainage District, Reclamation District 787 and Reclamation District 730. There appear to be few benefits that would accrue from a reorganization of these agencies at this time. Given the limited budgets of the reclamation districts, the inter-relationship between the Knight's Ridge Landing Drainage District and Reclamation District 108, the difficulties inherent in coordinating efforts of both Colusa and Yolo LAFCO and the fact that the districts serve distinct areas and have different financing methods, the current governmental structure seems efficient.

However, the agencies should be encouraged to continue to cooperate together to find economies of scale. Given the strong community ties and sense of ownership districts have with their services areas, rather than reorganization, greater benefit might be realized through creating Memorandums of Understanding (MOUs) between districts at this time. The MOU could specify how to provide support for emergency needs, shared equipment, etc. In addition, risk management should be evaluated on a scale that includes multiple districts, perhaps through a joint powers insurance authority, so that all districts are afforded the same level of liability coverage.

At some point all agencies at the Federal, State and local level having responsibility for levee maintenance and flood control should re-examine the regional provision of services, the responsibility for maintaining the systems and the increasing cost of complying with governmental regulations.

C. Sphere of Influence

A sphere of influence is a LAFCO determined planning line outside of an agency's legal boundary that designates the agency's probable future boundary and service area. Factors considered in a sphere of influence review focus on the current and future land use, the current and future need and capacity for service, and any relevant communities of interest. A coterminous sphere of influence is identical to the

boundaries of the agency and indicates that there is no expected need for services beyond the agency's current boundaries in the future.

Past LAFCO Sphere of Influence

In 1984, Yolo LAFCO approved coterminous spheres of influence for Reclamation District 787, Reclamation District 730, and in 1985, the Knights Landing Ridge Drainage District. The 1984 Yolo LAFCO sphere of influence study noted each of the agencies are encompassed by natural features which form logical boundaries and that the land will continue to require the drainage and levee maintenance services provided by the agencies.

Recommendation for Current Sphere of Influence:

- *That Yolo LAFCO adopt coterminous spheres of influence for Reclamation District 787, Reclamation District 730, and for the Knights Landing Ridge Drainage District.*

Determinations

1. **The present and planned land uses in the area, including agriculture and open space lands**
   Present and planned land uses in both the boundaries and spheres of influence of Reclamation District 787, Reclamation District 730, and the Knights Landing Drainage District include agriculture uses, land use related to agriculture and residential uses. Approval of new land uses in the District boundaries and SOI are the responsibility of Yolo County as set forth in its General Plan and in the 2001 General Plan for the Knights Landing Town and surrounding areas. The Knights Landing General Plan includes policies relating to land uses within the service area of the three agencies.

Analysis to support determination:

The Knights Landing General Plan, which was adopted in 1999, contains policies that affect future development within the three agencies including managing the rate of expansion in order not to exceed the capacity of local government. However, flexibility in using implementation techniques was recognized as crucial. The Knights Landing General Plan focuses on phased growth in the Town to create a physical form and character while avoiding the premature conversion of agricultural land to urban use. The General Plan notes that in the future population is expected to expand to approximately 2,000 over the next 20 years. Standards were established for the phasing of residential development concurrent with economic and financial needs, and expansion of associated community facilities such as water, sewer and drainage services.

The ultimate development pattern will be contiguous to and generally west of the existing town area. Based on the Knights Landing General Plan as well as existing and proposed land uses, no significant

growth is expected within the boundaries of the three agencies. The Knights Landing General Plan designates a majority of the land within the agencies for agricultural and rural residential land uses; future land uses are expected to be similar.

The Knights Landing General Plan contains policies which address the development of a series of landscaped recreation corridors beginning at the Waterfront Commercial area and extending along the levees of the Colusa and Ridge Cut Canals, along the river frontage, and with similarly landscaped connecting trails accessing the residential areas. The General Plan calls for the riparian vegetation along the Sacramento River and sloughs bordering the urban area to be retained and protected. However, cooperative efforts with local, federal and state agencies responsible for maintaining and inspecting banks and vegetation along the levees should be intensified to ensure a balance between the desire for preservation of scenic resources and recreation, the requirements for levee maintenance and operations and the need for continued flood control protection.

2. **The present and probable need for public services and facilities in the area**
   The present and probable need for water, levee maintenance and flood control services and facilities are established through adopted plans and policies of the Yolo County and Knights Landing General Plans and are met by services provided by Yolo County, Reclamation District 108, Reclamation District 787, Reclamation District 730, Knights Landing Ridge Drainage District, Knights Landing CSD and by other public agencies.

Analysis to support determination:
As noted in the 1984 Yolo LAFCO sphere of influence study, the drainage and levee systems maintained by the three agencies prevent flooding and allow for the continued agricultural productivity of the area. The agencies assess a per parcel amount based on benefit but do not receive property tax. The agencies appear to have adequate revenues at this time to continue the provision of services, and limited change in the need for public services and facilities is expected. Eventually the Knights Landing General Plan should include policies recognizing the need for levee and drainage services to ensure the continued agricultural productivity of the area in addition to protecting existing and future residences.

3. **The present capacity of public facilities and the adequacy of public services which the agency provides or is authorized to provide**
   Reclamation District 787, Reclamation District 730 and the Knights Landing Ridge Drainage District provide adequate service to territory within the agencies' boundaries; currently all three districts have the capacity to serve those areas, although future funding for increased or improved levels of service is critical.

Analysis to support determination:
Reclamation District 730 drains water from its service area into the Sacramento River and Colusa Drain; Reclamation District 787 provides drainage and levee maintenance services to its service area and the Knights Landing Ridge Drainage District provides levee maintenance services to the Knights Landing Ridge cut.

The Department of Water Resources twice annually inspects levees and the ten year record (1993-2002) for the Knights Landing Ridge Drainage District's 12.6 miles of levees was rated as good for each of the ten years. The DWR also provides a rating for compliance with Federal regulations governing maintenance of flood protection facilities and Knights Landing Ridge Drainage District was rated as either good or outstanding in all categories except for a fair rating for rodent control on the right bank of the ridge cut.

The maintenance record for Reclamation District 787's 4.4 miles of levee was outstanding for each of the ten years and was rated as either good or outstanding in all categories for compliance with Federal regulations governing maintenance of flood protection facilities.

Since Reclamation District 730 only provides drainage services and does not provide levee maintenance, it was not rated by the DWR.

4. <u>The presence of any social or economic communities of interest in the area</u>
The three agencies are a part of the unincorporated community of Knights Landing and have social and economic ties to both the community and to other agencies in the area.

Analysis to support determination:
All three agencies are located within the Knights Landing General Plan area and have direct social and economic ties with the community of Knights Landing as well as with surrounding agricultural areas and reclamation districts.

Agency Profile

Knights Landing Ridge Drainage District

GOVERANCE

ADDRESS:	**975 Wilson Bend, PO Box 50, Grimes CA 95950** **Phone 530.437.2221**
EMAIL/WEBSITE:	**NA**
AGENCY CONTACT:	**Luther Hintz, Manager**
LEGAL COUNSEL:	**Kevin O'Brian, Attorney**
BOARD MEETINGS:	**2nd Wednesday of each month, 8:30 a.m.**

SERVICES

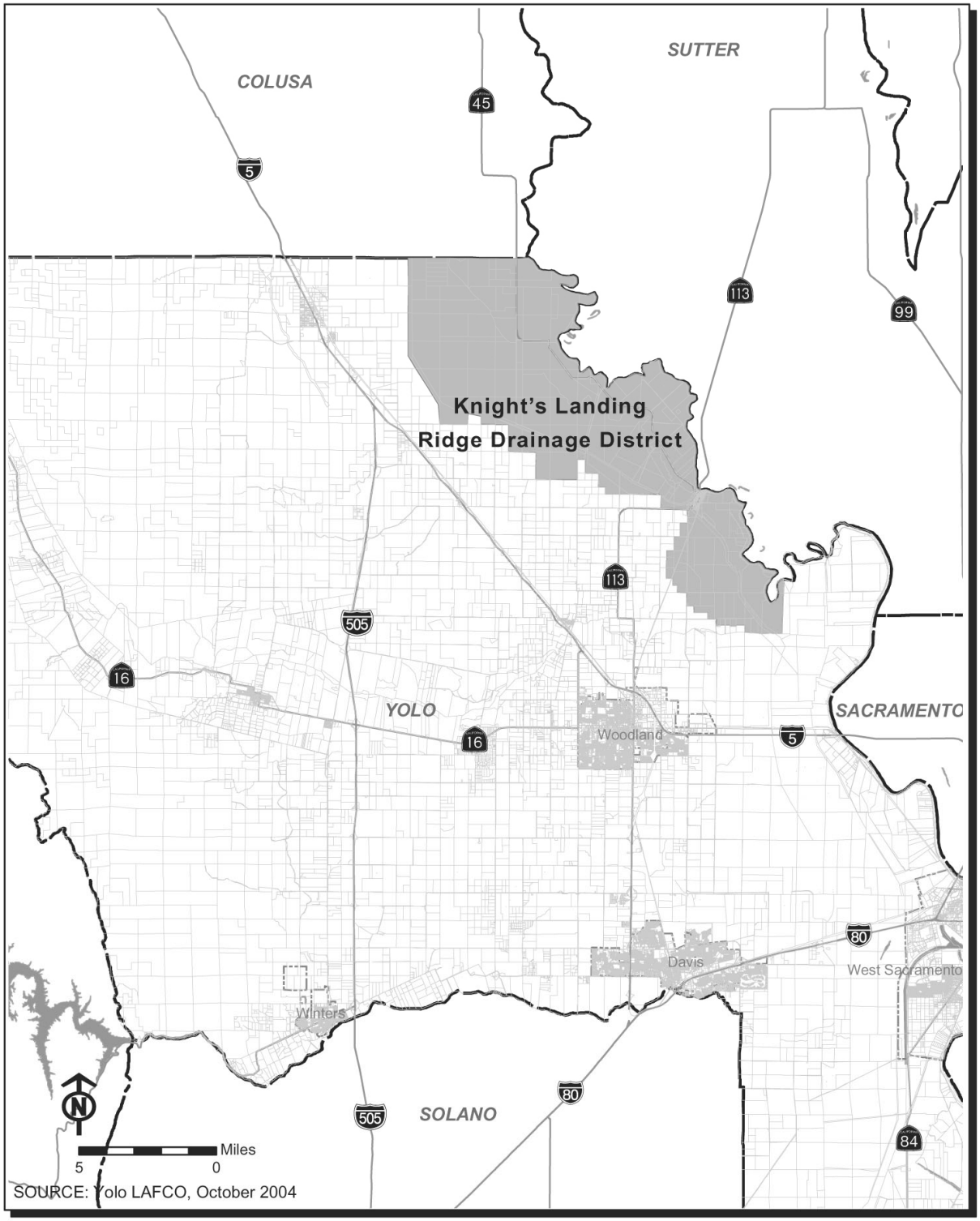
ENABLING LEGISLATION:	**Formed by Special Act of the State Legislature, 1913**
TYPES OF SERVICES:	**Maintenance of drainage cut and adjacent levees**
POPULATION SERVED:	**NP**
SIZE OF SERVICE AREA:	**112.5 square miles (72,000 acres)**
MILES OF LEVEE:	**12.6 miles**

FINANCIAL INFORMATION

BUDGET:	Revenues:	Expenses:
(FY 2002-2003):	**$86,629**	**$28,082**
SOURCES OF FUNDING:	92% Assessments (60% Yolo, 32% Colusa) 8% Interest	

OTHER INFORMATION

NP – Not Provided



Yolo County Reclamation Districts

Knight's Landing Ridge Drainage District

Agency Profile

Reclamation District No. 787 – Fair Ranch

GOVERANCE

ADDRESS: **41758 County Road 112, Knights Landing CA 95645**
Phone 530.735.6280

EMAIL/WEBSITE: **NA**

AGENCY CONTACT: **Chester M. Stripling, President**

LEGAL COUNSEL: **George Basye, Attorney 916.444.1000**

BOARD MEETINGS: **As Called**

SERVICES

ENABLING LEGISLATION: **Formed on August 20, 1908**

TYPES OF SERVICES: **Drainage, pumping and levee maintenance**

POPULATION SERVED: **50**

SIZE OF SERVICE AREA: **15.8 square miles (9,493 acres)**

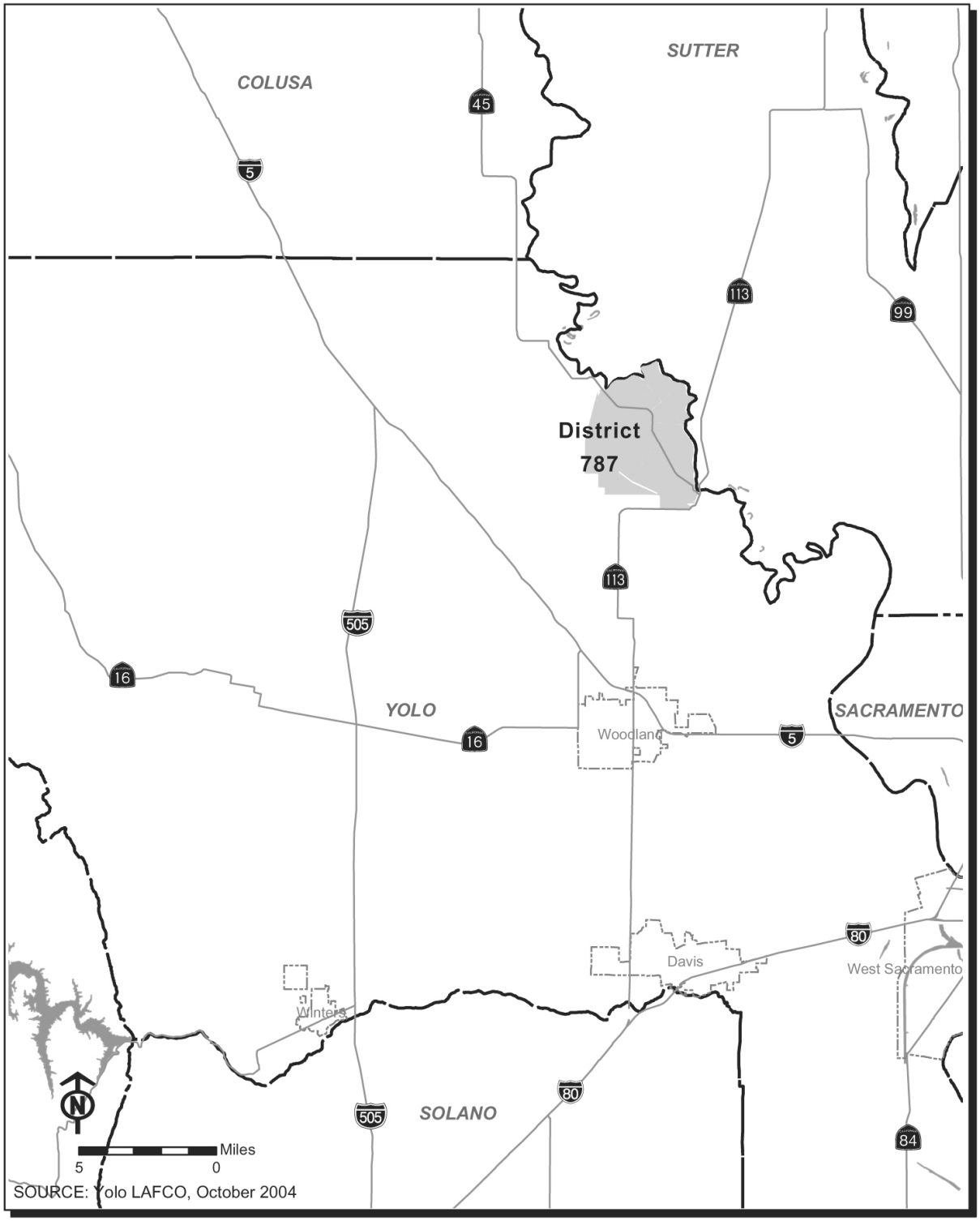
MILES OF LEVEE: **4.4 miles**

FINANCIAL INFORMATION

	Revenues:	Expenses:
BUDGET: (FY 2002-2003):	**$45,666**	**$45,666**

SOURCES OF FUNDING: 100% Assessments

OTHER INFORMATION



Yolo County Reclamation Districts
Reclamation District 787

Agency Profile

Reclamation District No. 730 – Knights Landing

GOVERANCE

ADDRESS: **429 First Street, Woodland CA 95695**
Phone 530.662.7367, Fax 530.666.9116

EMAIL/WEBSITE: **NA**

AGENCY CONTACT: **Robert Nakken, Attorney 530.662.7367**

LEGAL COUNSEL: **Same**

BOARD MEETINGS: **Regular meetings held in March and June**

SERVICES

ENABLING LEGISLATION: **Formed by petition and consent of Yolo County Board of Supervisors on November 19, 1902**

TYPES OF SERVICES: **Drainage, pumping and maintenance of non-project levees (not a part of the Sacramento-San Joaquin Flood Control Project)**

POPULATION SERVED: **NP**

SIZE OF SERVICE AREA: **7 square miles (4,498 acres)**

MILES OF LEVEE: **(450 acres)**

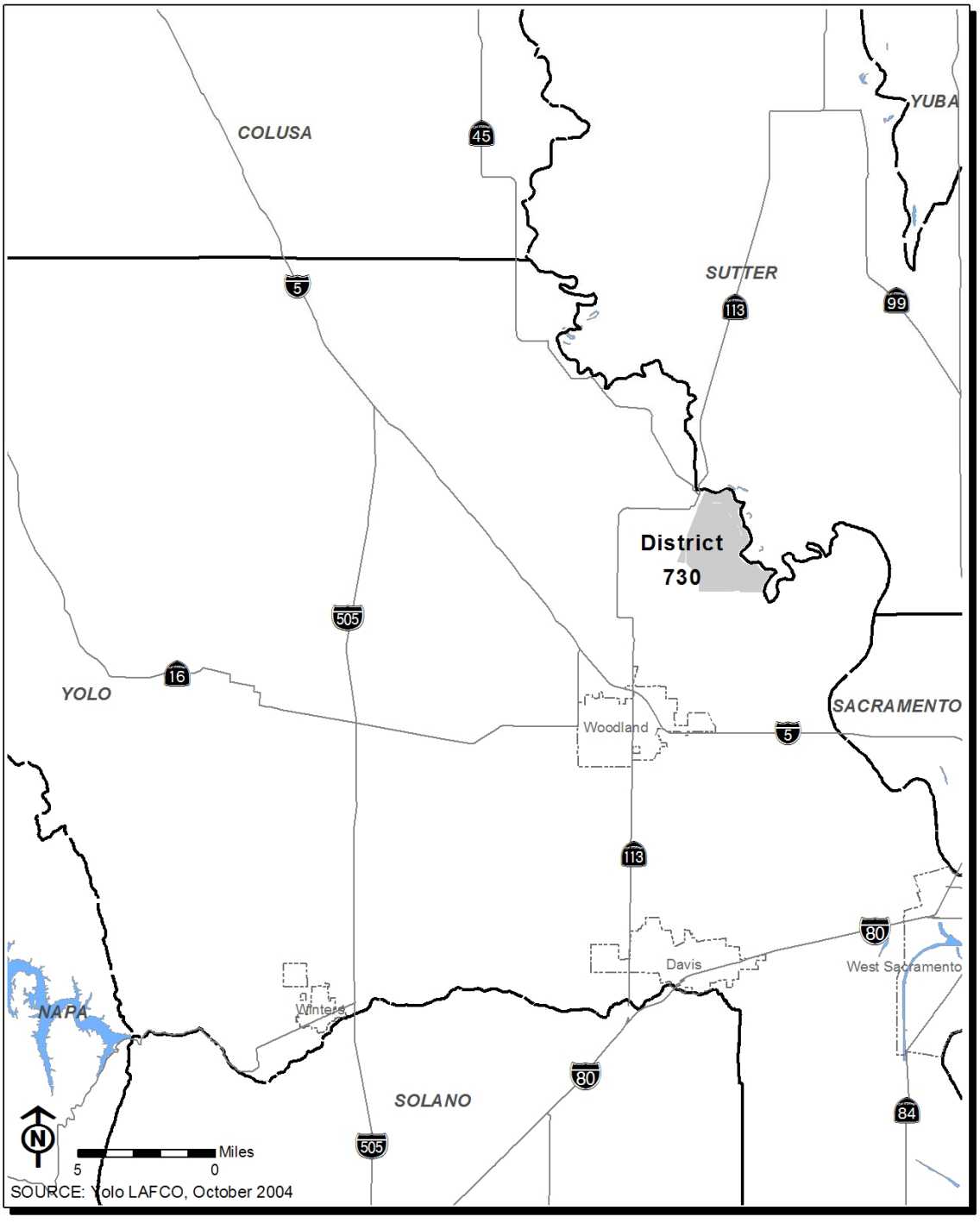
FINANCIAL INFORMATION

	Revenues:	Expenses:
BUDGET: (FY 2002-2003):	**$31,908**	**$51,432**

SOURCES OF FUNDING: 95% Assessments
5% Interest

OTHER INFORMATION

NP – Not Provided



Yolo County Reclamation Districts

Reclamation District 730

Central Reach

The Central Reach service review area includes Reclamation Districts 1600, 827, 785, and 2035. A portion of Reclamation District 537 is also within the informal service review boundaries; however, it has been addressed in the West Sacramento Reach service review section.

A. Agency Descriptions

1) Reclamation District 1600 – The Mull District was formed in 1913 by an act of the California State Legislature. The District provides drainage services and maintenance to the Sacramento River levees and the east levee of the Yolo Bypass. The District is located south and west of the Sacramento River adjacent to the Fremont Weir, north of County Road 22 and east of the Yolo Bypass. It encompasses 6,924 acres and is responsible for 14.7 miles of levee.

2) Reclamation District 827 – The Elkhorn District was established in 1918 under the General Reclamation District law. It provides levee maintenance and drainage services to the area bounded by County Road 22 to the north, the Sacramento River to the east, County Road 124 to the south, and the east levee of the Yolo Bypass to the west. It encompasses 1,225 acres and is responsible for 4.2 miles of levee.

3) Reclamation District 785 – The Driver District was formed in 1930 under Section 50000 of the Water Code. The current district was created by consolidating Reclamation Districts 752 and 785. It provides drainage and levee maintenance services to the area bounded by County Road 124 and the east levee of the Yolo Bypass to the west, the Sacramento River on the north, the Sacramento Bypass on the south, and Reclamation District 537 on the east. The District serves 3,200 acres and has responsibility for 5.6 miles of levee.

4) Reclamation District 2035 – The Conaway Ranch District was formed in 1909 under the General Reclamation District laws. It provides drainage, levee maintenance and irrigation services. Its service area lies partially within the Yolo Bypass; the area is bounded by County Road 103 to the west, the east levee of the Yolo Bypass to the east, various courses three miles northeast of Davis on the south, and County Road 22 and three miles north of Road 22 on the north. It lies adjacent to the eastern boundary of the city of Woodland. The District serves 20,445 acres, including the Cache Creek Settling Basin facility.

B. Governmental Structure Options

As part of the service review process Yolo LAFCO must address a range of possible governmental structure options. The service review report becomes a tool to examine service provision on a regional basis to determine if there are other means of ensuring that services are provided efficiently and

concurrent with need. The service review report is not a comprehensive study of the financial, political or operational advantages or disadvantages of each option listed. It is intended to be used as a starting point for regional discussion about how services are currently provided. Finally, examining all possible options does NOT require Yolo LAFCO to initiate any change of organization.

Past Government Structure Options

The 1984 Yolo LAFCO sphere of influence study examined the potential for consolidation of Reclamation District 1600 with Reclamation Districts 730 and 787 (Northern Reach) and concluded that it was unlikely that benefits would result from such a consolidation. The 1984 sphere of influence study for Reclamation Districts 785, 827 and 2035 concluded that the districts should remain as separate entities in their present condition.

Current Government Structure Options

In the Central Reach there are several potential options for reorganizing agencies providing drainage and levee maintenance services. Those options are:

1. Maintain existing governmental structure of districts

Under this option no changes in the governmental structure of the four districts would occur. Reclamation Districts 1600, 827, 785 and 2035 would continue to operate as separate districts. The 1984 LAFCO study noted that the districts are physically separated from each other by levees and canals, requiring individual provision of services and methods of assessment to pay for services.

The advantage of maintaining the agencies "as is" is that they are apparently currently providing adequate service. Frequently this is known as the, "If it isn't broken, don't try to fix it" scenario. If agencies are providing adequate services, have the support of the residents and no significant problems have been identified, it may be more effective to allow them to continue.

The disadvantage of maintaining the agencies as currently configured is that since 1984 there have been changes in the economic climate and budgets for local agencies, land use patterns, technology, staffing, operations and administration of all four districts. These changes can have an impact on the possible benefits of reorganization.

Reclamation District 2035 has a somewhat different mission than the districts bordering the Sacramento River. Reclamation District 2035 lies partially outside the Sacramento-San Joaquin Drainage District, particularly in the area of the Cache Creek Settling Basin. It maintains the western levee of the Yolo Bypass as well as pumps water from the Sacramento River into the district for irrigation. Over 80% of the District's area is held by one corporate landowner. It has received significant grant funding from CALFED for a fish screen project at the pumps on the river. These factors differentiate it somewhat from

the other districts and make it less logical to include it within a reorganization of reclamation districts in the Central Reach.

2. Reorganize reclamation districts in the area into one agency

This governmental structure option is the opposite of that discussed under Option 1. Some advantages that might accrue from the reorganization of the districts include a unified source for provision of services to increase staff expertise and depth or to increase the agency's capacity to provide services.

However, as discussed above, there is some dissimilarity between the services provided by the districts and the cost and difficulty of creating one organization to administer all the services would likely outweigh any advantages. It is also unclear if there would be any actual or significant costs savings from such an approach.

In addition, the reclamation districts are landowner based with individual owners performing some maintenance tasks. A larger district may be counter to the public sentiment, and it might dilute the sense of ownership that has allowed some maintenance costs to be avoided.

3. Reorganize districts providing services under similar conditions

With this option, the three districts bordering the Sacramento River would be reorganized into one agency. Reclamation Districts 1600, 827 and 785 would be reorganized to provide consolidated drainage and levee maintenance services for the east levee of the Yolo Bypass from the Fremont Weir to the Sacramento Bypass. It would also maintain the west levees of the Sacramento River within the reach of the reorganized district. A variation would be to include the portion of Reclamation District 537 north of the Sacramento Bypass as part of the reorganization. This would establish a unified service area from the Fremont Weir to the Sacramento Weir and Bypass, with the east levee of the Yolo Bypass serving as the western boundary.

Some advantages that might accrue from this option include a simplification of boundaries, possible improved service delivery, increased economies of scale and possible reduction in costs or fees. It would allow a pooling of resources, both financial and operational, to better fortify the financial condition and risk management of these districts.

Any reorganization would have to assess and calculate all cost inputs such as the cost of reorganization, of merging staffs, of retirement obligations or of upgrades to systems, etc. Sometimes the actual savings as a result of reorganization are modest enough that it is not cost-efficient to pursue. There may also be little improvement in service efficiency since the agencies are currently operating efficiently. Finally, pursuing any reorganization without the support of residents and of the governing board typically increases the time and effort involved.

In considering assessment structure, districts that have diverse service areas and varying levels of benefit have increasingly moved towards a "beneficiary pays" rate structure based on beneficial use rather than a flat rate assessment for all landowners. This allows an assessment calculation that includes the value of the land, types of services, and level of benefits among others. In addition, Reclamation District 827 receives property tax as a portion of its income which the others do not.

Therefore, a reorganization of districts with different rate structures would most likely require an election under Proposition 218 to establish a new rate structure, but this should not be considered a fatal flaw if real benefits can be recognized.

Recommended Government Structure Option

It is recommended that at this time Yolo LAFCO maintain the current governmental structure of Reclamation Districts 1600, 827, 785 and 2035.

However, the Commission is strongly encouraged to direct staff to engage Reclamation Districts 1600, 827, 785 and 537 in a discussion and evaluation of their financial condition, liability exposure, and unfunded maintenance requirements for levees. In addition, it should be determined how much of the revenue for Reclamation District 537 is derived from the area south of the Sacramento Bypass and whether the northern portion might benefit from a reorganization with the other reclamation districts.

A discussion involving all agencies at the Federal, State and local level having responsibility for levee maintenance and flood control should be convened to re-examine the regional provision of services, the responsibility for maintaining the systems and the increasing cost of complying with governmental regulations.

C. Sphere of Influence

A sphere of influence is a LAFCO determined planning line outside of an agency's legal boundary that designates the agency's probable future boundary and service area. Factors considered in a sphere of influence review focus on the current and future land use, the current and future need and capacity for service, and any relevant communities of interest. A coterminous sphere of influence is identical to the boundaries of the agency and indicates that there is no expected need for services beyond the agency's current boundaries in the future.

Past LAFCO Sphere of Influence

In 1984, Yolo LAFCO approved a coterminous sphere of influence for Reclamation District 1600. This District was addressed along with Reclamation Districts 787 and 730, but has been included in this

service review area because it is physically separated from the previous two reclamation districts and is adjacent to Reclamation Districts 827 and 2035. In a separate study, Yolo LAFCO approved a coterminous sphere of influence for Reclamation Districts 785, 827 and 2035, determining that they are physically separated, have few inhabitants and were providing an appropriate level of service.

Recommendation for Current Sphere of Influence:

- *That Yolo LAFCO adopt coterminous spheres of influence for Reclamation District 1600, Reclamation District 827, Reclamation District 785 and Reclamation District 2035.*

Determinations

1. **The present and planned land uses in the area, including agriculture and open space lands**

   Present and planned land uses in both the boundaries and sphere of influence of Reclamation Districts 1600, 827, and 785 include agriculture uses and some land use related to agriculture. Approval of new land uses in the Reclamation District 1600 boundaries and SOI are the responsibility of Yolo County as set forth in its General Plan and in the 2001 General Plan for the Knights Landing Town and surrounding areas. The Knights Landing General Plan includes policies relating to land uses within the service area of Reclamation District 1600. Reclamation District 2035 is adjacent to the outer boundaries of the Woodland Area General Plan and falls under the jurisdiction of the County's General Plan.

Analysis to support determination:

Per the County's General Plan, the area between the Sacramento River and the Yolo Bypass is now designated as "Agriculture", with a few exceptions. Knights Landing General Plan contains policies that affect future development within Reclamation District 1600 including managing the rate of development in order not to exceed the capacity of local government. However, flexibility in using implementation techniques was recognized as crucial. The Knights Landing General Plan focuses on phased growth in the community to create a physical form and character while avoiding the premature conversion of agricultural land to urban use. The General Plan, which was adopted in 1999, notes that in the future population is expected to expand to approximately 2,000 over the next 20 years. Standards were established for the phasing of residential development concurrent with economic and financial needs and expansion of associated community facilities such as water, sewer and drainage services.

The ultimate development pattern will be contiguous to and generally west of the existing town center, which is not within the boundaries of Reclamation District 1600. Based on the Knights Landing General Plan as well as existing and proposed land uses, no significant growth is expected within Reclamation District 1600. The Knights Landing General Plan designates a majority of the land within Reclamation District 1600 for agricultural and rural residential land uses; future land uses are expected to be similar.

The Knights Landing General Plan contains policies which address the development of a series of landscaped recreation corridors beginning at the Waterfront Commercial area and extending along the levees of the Colusa and Ridge Cut Canals, along the river frontage, and with similarly landscaped connecting trails accessing the residential areas. The General Plan calls for the riparian vegetation along the Sacramento River and sloughs bordering the urban area to be retained and protected. However, cooperative efforts with federal and state agencies responsible for inspecting banks and vegetation along the levees should be intensified to ensure a balance between the desire for preservation of scenic resources and recreation and for the requirements for levee maintenance and operations.

The area within Reclamation Districts 827, 785 and 2035 is covered by the County General Plan. The Plan includes policies specific to protecting agricultural land in both the General Plan itself and the Agricultural Element. Per Land Use Policy No. 5, new urban development, other than replacement or redevelopment of present urban uses in urban places, shall be discouraged in the places that are not programmed to accommodate development, provide urban services, or not contiguous to existing urban development.

2. <u>The present and probable need for public services and facilities in the area</u>

The present and probable need for public services and facilities are established through adopted plans and policies of the Yolo County and Knights Landing General Plans and are met by services provided by Yolo County, Reclamation District 1600, Knights Landing and Knights Landing CSD, and by other public agencies.

Analysis to support determination:

As noted in the 1984 Yolo LAFCO sphere of influence studies, the drainage and levee maintenance services provided by Reclamation Districts 1600, 827, 785 and 2035 prevent flooding and have allowed for the continued agricultural productivity of the area. Reclamation District 1600 drains water from its service area into the Sacramento River and Colusa Drain. The level of water surrounding the District is generally higher than the elevation of the land so pumping in the future will be required. The District assesses a per parcel amount but does not receive property tax. It appears to have adequate revenues and reserves at this time to continue the provision of services and limited change in the need for public services and facilities is expected for Reclamation District 1600. As the community of Knights Landing grows, eventually the Knights Landing General Plan should include polices recognizing the need for drainage services in order to ensure the continued agricultural productivity of the area in addition to protecting existing and future residences. (It is expected that there will be little to no increase in residential services within Reclamation District 1600.)

The areas served by Reclamation Districts 827, 785 and 2035 will continue to need levee maintenance and drainage in order to support agricultural operations. The Yolo Bypass is a critical facility in the Sacramento River Flood Control Project and will continue to require regular maintenance. Each of the districts is responsible for some levee maintenance on this facility. In addition, the agricultural water supply provided by Reclamation District 2035 through pumping from the Sacramento River is essential to the productivity of agriculture within its area; it also reduces the amount of groundwater that must be extracted, limiting potential land subsidence.

3. **The present capacity of public facilities and the adequacy of public services which the agency provides or is authorized to provide**

   Reclamation Districts 1600, 827, 785 and 2035 provide adequate service to territory within each agency's boundaries. Although several of the agencies have received poor ratings from the Department of Water Resources in the past, the agencies have responded to the Department of Water Resources. While they have capacity to serve those areas now, additional funding is critical if increased or improved levels of service are required.

Analysis to support determination:

The Department of Water Resources twice annually inspects levees and, based on the 2002 report (2002 Inspection Report of the Flood Control Project Maintenance and Repair; Department of Water Resources, Division of Flood Management) the districts have received the following ratings:

- Reclamation District 1600 has maintained poor to good ratings for the previous ten years (from 1993-2002). The most recent two years were rated as good. The District received an outstanding rating in 2002 in the categories of "Repair of Gates" (Sacramento) and "Adequate Levee Section and Grade" (Yolo Bypass), and "Adequate Encroachment Control" (Yolo Bypass). Its lowest ratings (fair) were in "Condition of Rock Revetment" and "Condition of Crown and Roadway" on the Sacramento River levee.
- Reclamation District 827 has maintained poor to good ratings for the previous ten years as well. The most recent two years were rated as good. The District received an outstanding rating in 2002 in the categories of "Adequate Levee Section and Grade" (Sacramento and Yolo Bypass) and "Adequate Encroachment Control" (Sacramento). Its lowest ratings (fair) were in "Rodent Control", "Repair of Gates", and "Condition of Crown and Roadway" (all Yolo Bypass), and "Repair of Gates" (Sacramento).
- Reclamation District 785 has maintained poor to good ratings for the previous ten years as well. The most recent two years were rated as good. The District received an outstanding rating in 2002 in the categories of "Adequate Levee Section and Grade" (Sacramento and Yolo Bypass), "Adequate Encroachment Control" (Sacramento and Yolo Bypass), "Control of Growth on Levee/Revetment – Water Side" (Yolo Bypass) and "Condition of Crown and Roadway" (Sacramento). Its lowest rating (fair) was in "Condition of Pipes" (Sacramento).

- Reclamation District 2035 has maintained primarily good to outstanding ratings for the previous ten years on its levee maintenance. The District received outstanding or good ratings in 2002 in most categories. The exceptions were a fair rating on "Control of Growth on Levee/Revetment – Water and Land Sides" and "Condition of Crown and Roadway" (both Cache Creek Settling Basin).

4) **The presence of any social or economic communities of interest in the area**

Reclamation District 1600 is a part of the Town of Knights Landing social and economic community, and Reclamation District 785 serves the Elkhorn community. The City of Woodland is adjacent to Reclamation District 2035.

Analysis to support determination:

Reclamation District 1600 is located within the Knights Landing General Plan area and has direct social and economic ties with the community of Knights Landing as well as with surrounding agricultural areas and reclamation districts. However, the physical barriers of the Reclamation District 1600 delineate its service area. The City of Woodland has social and economic ties with the landowners in Reclamation District 2035 due to proximity as well as to the Cache Creek Settling Basin area. The unincorporated community of Elkhorn is near the Old River Road area with the service area of Reclamation District 785.

Agency Profile

Reclamation District No. 1600 – Mull District

GOVERANCE

ADDRESS: **429 First Street, Woodland CA 95695**
Phone 530.662.2859

EMAIL/WEBSITE: **NA**

AGENCY CONTACT: **Kent Lang, President**

LEGAL COUNSEL: **James Nolan, Attorney 530.662.2859**

BOARD MEETINGS: **NP**

SERVICES

ENABLING LEGISLATION: **Formed by special act of the California State Legislature on August 19, 1913**

TYPES OF SERVICES: **Drainage, pumping and maintenance of levees**

POPULATION SERVED: **NP**

SIZE OF SERVICE AREA: **10.8 square miles (6,924 acres)**

MILES OF LEVEE: **14.7 miles (842 acres)**

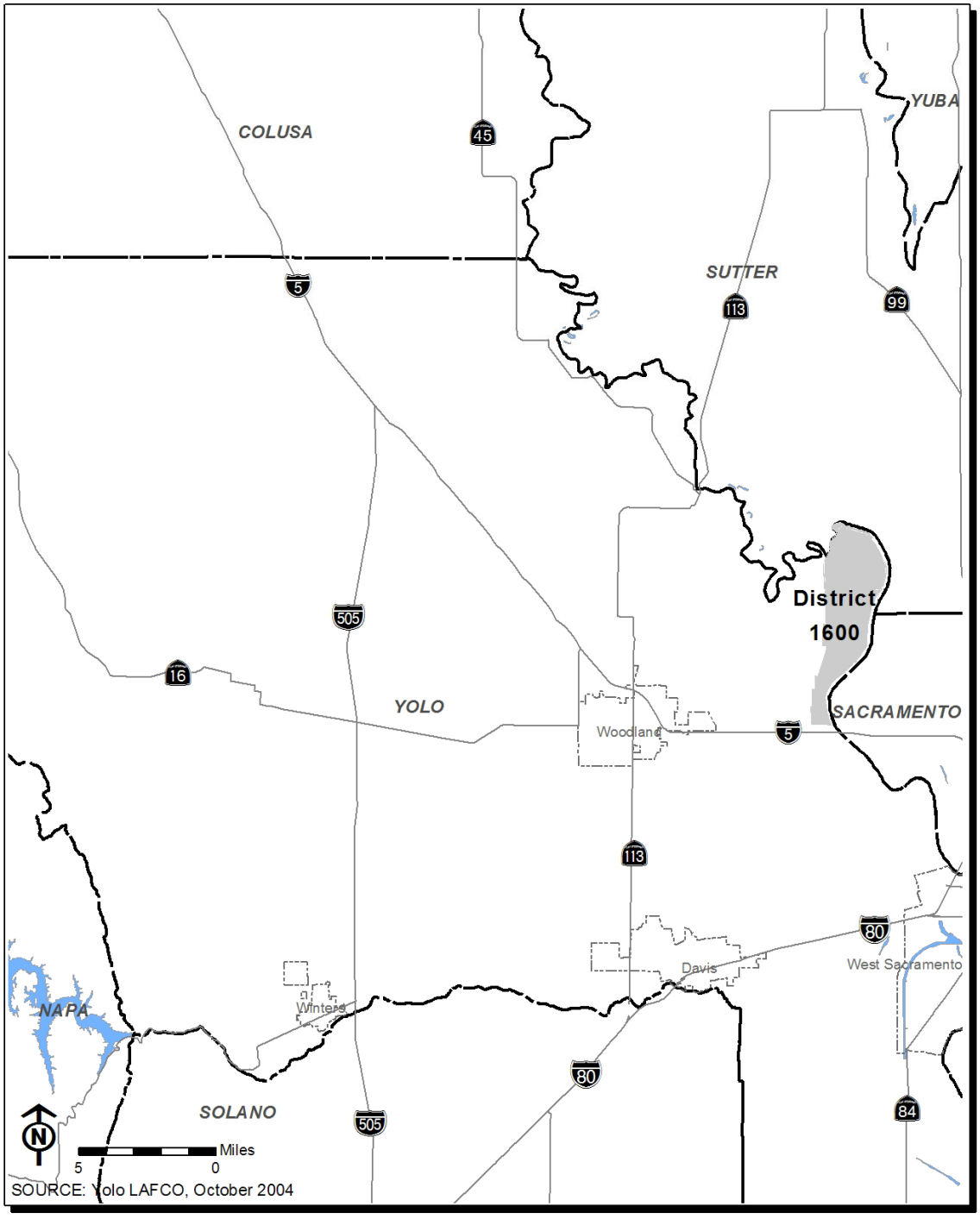
FINANCIAL INFORMATION

	Revenues:	Expenses:
BUDGET: (FY 2002-2003):	**$47,457**	**$82,117**

SOURCES OF FUNDING: 94% Assessments
6% Interest

OTHER INFORMATION

In FY 01-02 and 02-03, Reclamation District 1600 operated under a deficit. The preliminary Auditor's report for FY 03-04 indicated that the District balanced revenues and expenditures.
NP – Not Provided



Yolo County Reclamation Districts

Reclamation District 1600

Agency Profile

Reclamation District No. 827 – Elkhorn District

GOVERANCE

ADDRESS: **P.O. Box 673, 1420 Merkley Avenue, #4, West Sacramento, 95691 Phone 916.371.1483; Fax 916.371.1494**

EMAIL/WEBSITE: **NA**

AGENCY CONTACT: **Franklin Gardner, Secretary**

LEGAL COUNSEL: **George Basye, Attorney 916.444.1000**

BOARD MEETINGS: **As needed, 2-4 times per year**

SERVICES

ENABLING LEGISLATION: **Formed under General Reclamation District Laws – January 4, 1918**

TYPES OF SERVICES: **Drainage and maintenance of levees**

POPULATION SERVED: **30**

SIZE OF SERVICE AREA: **1.9 square miles (1,225 acres)**

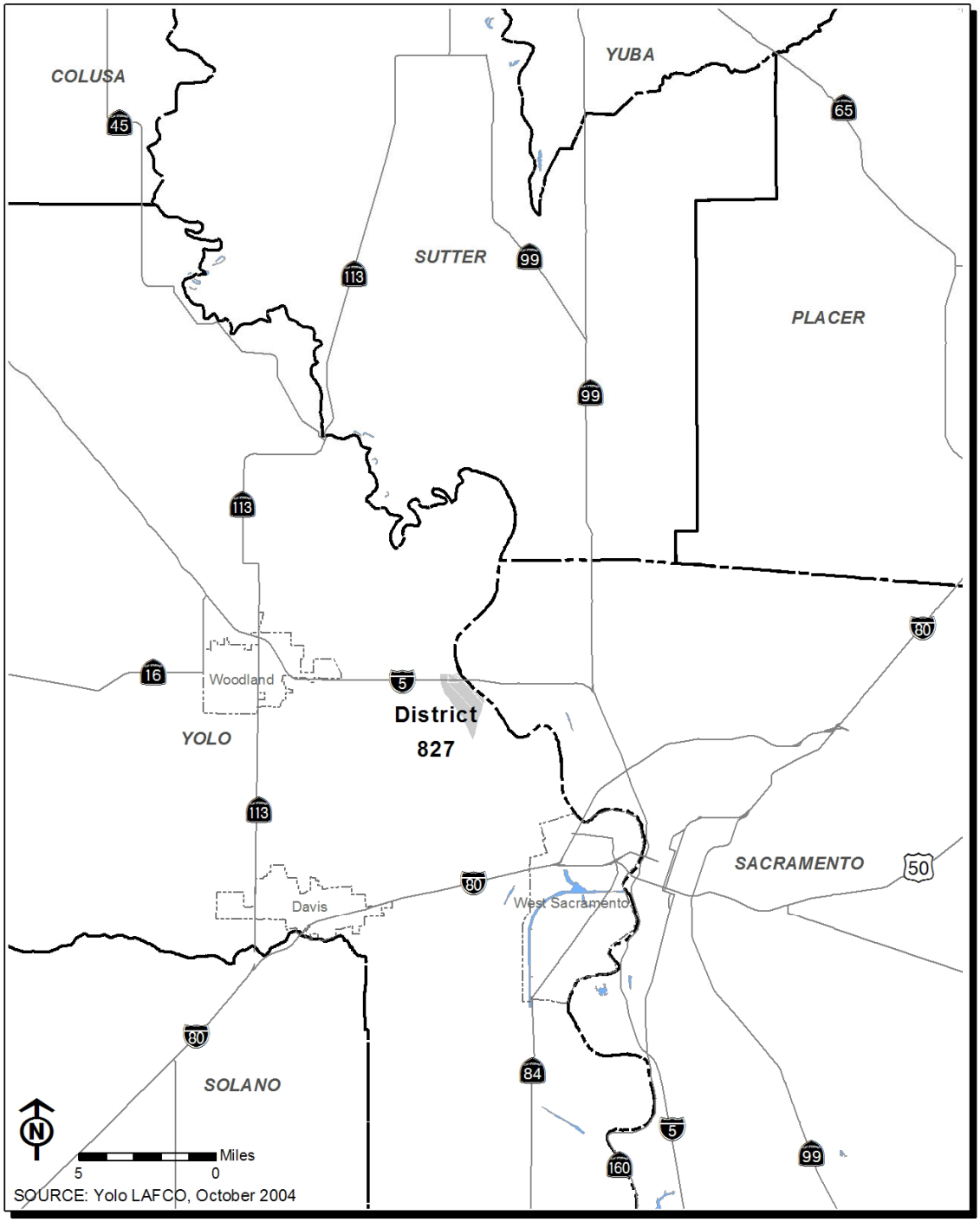
MILES OF LEVEE: **4.2 miles (115 acres)**

FINANCIAL INFORMATION

	Revenues:	Expenses:
BUDGET: (FY 2002-2003):	**$62,794**	**NP**

SOURCES OF FUNDING: 83% Assessments
9% Property Tax
8% Interest

OTHER INFORMATION



Yolo County Reclamation Districts

Reclamation District 827

Agency Profile

Reclamation District No. 785 – Driver District

GOVERANCE

ADDRESS: **20186 Old River Road, West Sacramento 95691**
Phone 916.372.4315

EMAIL/WEBSITE: **NA**

AGENCY CONTACT: **William Mattos, President**

LEGAL COUNSEL: **NP (Office of Franklin Gardner) 530.662.2859**

BOARD MEETINGS: **NP**

SERVICES

ENABLING LEGISLATION: **Formed under Section 50000 et seq. of Water Code**
Established in 1930

TYPES OF SERVICES: **Drainage and maintenance of levees**

POPULATION SERVED: **NP**

SIZE OF SERVICE AREA: **5 square miles (3,200 acres)**

MILES OF LEVEE: **5.6 miles (300 acres)**

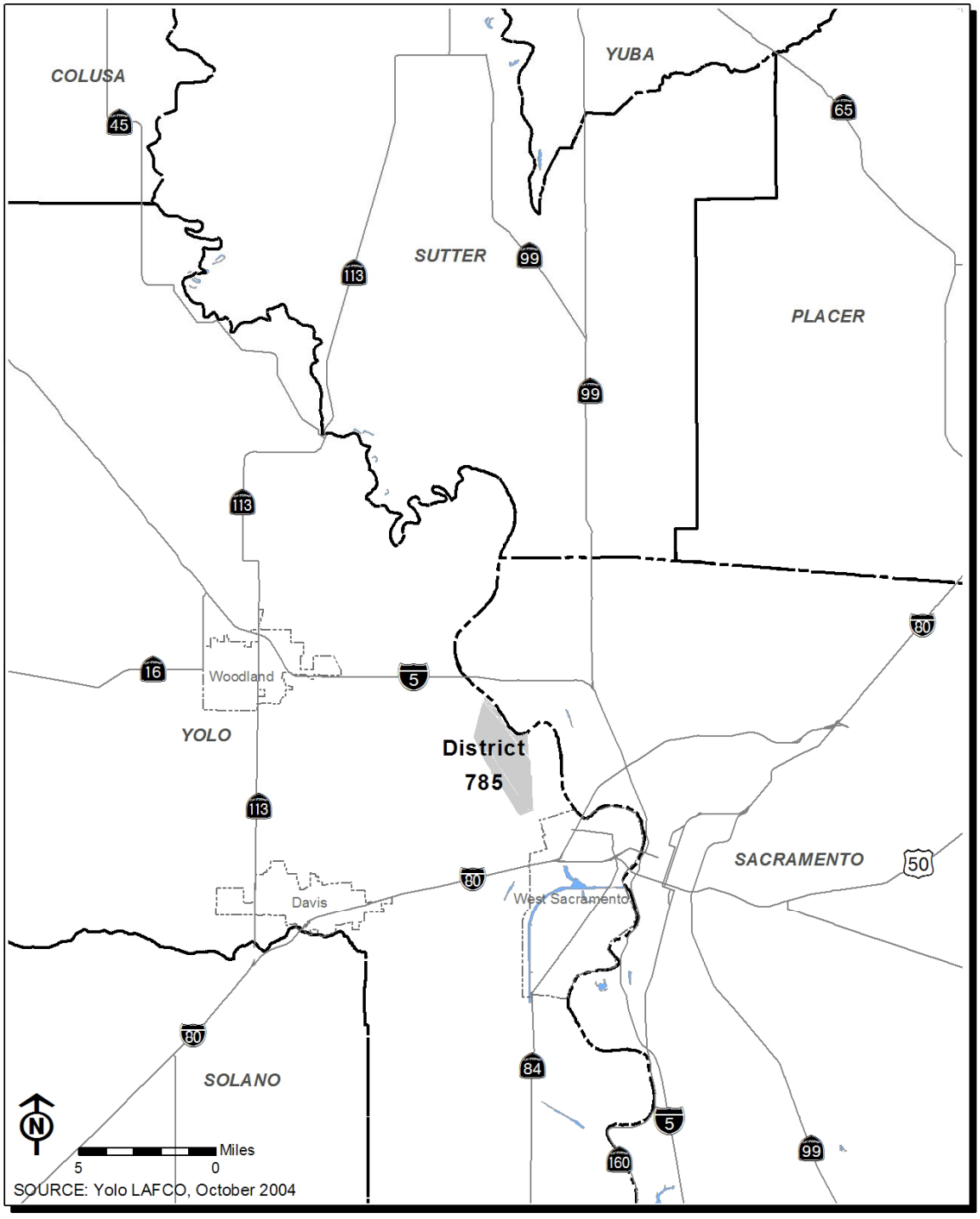
FINANCIAL INFORMATION

	Revenues:	Expenses:
BUDGET: **(FY 2002-2003):**	**$54,471**	**NP**

SOURCES OF FUNDING: 91% Assessments
9% Interest

OTHER INFORMATION

NP – Not Provided



Yolo County Reclamation Districts

Reclamation District 785

Agency Profile

Reclamation District No. 2035 – Conaway Ranch

GOVERANCE

ADDRESS:	**45332 County Road 25, Woodland 95776** **Phone 530.662.1484**
EMAIL/WEBSITE:	**NA**
AGENCY CONTACT:	**James Staker, General Manager**
LEGAL COUNSEL:	**Scott Morris, Attorney 916.321.4500**
BOARD MEETINGS:	**Meetings held approximately 4 times per year**

SERVICES

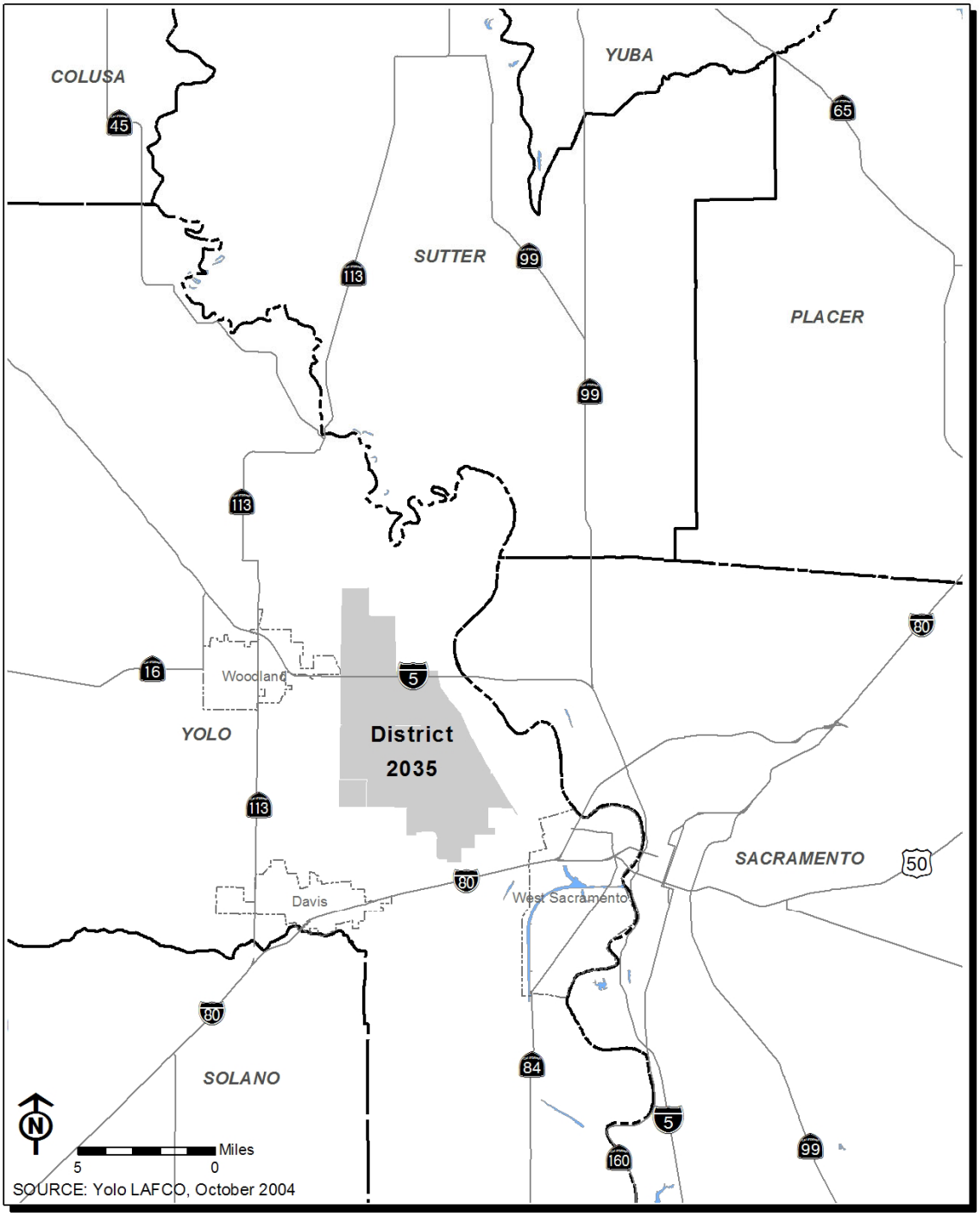
ENABLING LEGISLATION:	**Formed April 9, 1909 under General Reclamation District Laws**
TYPES OF SERVICES:	**Drainage, irrigation and maintenance of levees**
POPULATION SERVED:	**NP (rural – ag district)**
SIZE OF SERVICE AREA:	**32 square miles (20,445 acres)**
MILES OF LEVEE:	**12.1 miles**

FINANCIAL INFORMATION

BUDGET:	Revenues:	Expenses:
(FY 2002-2003 /		
Water Delivery Fund):	**$1,761,532**	**$1,608,082**
SOURCES OF FUNDING:	44% Water Assessments 52% State Grant 4% Interest	

OTHER INFORMATION

NP – Not Provided



Yolo County Reclamation Districts

Reclamation District 2035

West Sacramento Reach

The West Sacramento Reach service review area includes Reclamation Districts 537, 811 and 900. Storm drainage services and flood protection are provided to the City of West Sacramento and surrounding unincorporated areas by numerous agencies, including the City of West Sacramento and Reclamation Districts 900 and 537. Levee maintenance is the responsibility of Reclamation Districts 537 and 900 as well as the State in Maintenance Area No. 4 (MA #4). Reclamation District 811 provides drainage services.

A. Agency Descriptions

1. Reclamation District 537 – Lovdal District was formed in 1891 under the General Reclamation District Law. The District was established to provide drainage and levee maintenance services to reclaimed, agricultural lands located in eastern Yolo County. Reclamation District 537 is bounded by the Sacramento River on the north and east, the Southern Pacific Railroad embankment to the south, and Reclamation District 785 to the west. It has two distinct service areas divided by the Sacramento Bypass; each has its own separate infrastructure. The facilities of the District include a large earthen channel along the southern and western boundary of the district and a large pumping facility. The pump is owned by MA No. 4 while another pump was installed by the California Highway Patrol Academy. Its service area encompasses 5,200 acres and it maintains 6.0 miles of levees.

2. Reclamation District 811 was formed in 1910 under the General Reclamation District Law and currently provides drainage service to one ditch along the Southern Pacific Railroad embankment. It is separated from Reclamation District 537 by the Harbor Boulevard embankment. The District's service area is the northern end of West Sacramento. The railroad embankment serves as the southern boundary with Reclamation District 900 and the Sacramento River as its remaining boundaries.

   The drainage channel discharges to a larger capacity channel belonging to Reclamation District 537. Reclamation District 811 contracts with District 537 to provide pumping services. A joint pumping plant housing pumps belonging to Reclamation District 537 and MA No.4 is sited on land belonging to Reclamation District 537. Maintenance and operating costs for these facilities are charged to the property owners within the district on an annual basis. No information was provided regarding the acreage in the District.

3. Reclamation District 900 was formed by a special act of the legislature in 1911, with the same purposes and powers as reclamation districts. Reclamation District 900 encompasses most of the City of West Sacramento. The District is bounded by the Deep Water Channel to the west, the Sacramento

River to the east, Reclamation District 811 to the north and Reclamation Districts 765 and 999 to the south. Where the channel turns and enters the City of West Sacramento, it creates two separate drainage areas within District 900. The northern area includes most of the developed industrial and commercial lands within the city and several older residential areas. Development within this area has occurred over a long period and has resulted in a mixture of large capacity channel and pipeline facilities. The southern portion includes developed areas but also some agricultural uses.

The District operates two major pump stations in the northern area: the Racetrack and the Causeway Pump Stations. The District's operating and maintenance costs are paid for by the property owners on an annual basis. The District maintains capital reserves that it can draw on to make capital improvements. Its services area encompasses 11,000 acres and approximately 14 miles of levee.

B. Governmental Structure Options

As part of the service review process Yolo LAFCO must address a range of possible governmental structure options. The service review report becomes a tool to examine service provision on a regional basis to determine if there are other means of ensuring that services are provided efficiently and concurrent with need. The service review report is not a comprehensive study of the financial, political or operational advantages or disadvantages of each option listed. It is intended to be used as a starting point for regional discussion about how services are currently provided. Finally, examining all possible options does NOT require Yolo LAFCO to initiate any change of organization.

Past Government Structure Options

In an earlier study prior to the incorporation of West Sacramento, Yolo LAFCO analyzed the reorganization of Reclamation Districts 537, 811 and 900. It was recommended that Reclamation District 900 assume the services provided by Reclamation District 811, Maintenance Area No. 4, and Reclamation District 537 south of the Sacramento Bypass. Reclamation Districts 811 and 537 opposed this alternative and the spheres of influence remained coterminous with the existing boundaries.

Current Government Structure Options

In the West Sacramento Reach, there are several potential options for reorganizing agencies providing drainage and levee maintenance services. Those options are:

1. Maintain existing governmental structure of districts

Under this option no changes in the governmental structure of the three districts would occur. Reclamation Districts 537, 811 and 900 would continue to operate as separate districts. The earlier LAFCO study noted that the districts are delineated by widely accepted landmarks or geographical features.

The advantage of maintaining the agencies as currently configured is that if the agencies are providing adequate services, have the support of the residents and no significant problems have been identified, it may be more effective to allow them to continue.

The disadvantage of maintaining the agencies as currently configured is that there may be some economies of scale and costs savings resulting from the overall changes in many areas over the past twenty years. These changes might have increased the economies of scale, costs savings and efficiencies that can be gained through a reorganization of the agencies.

2. Reorganize reclamation districts in the area into one agency

This governmental structure option is the opposite of that discussed under Option 1. Some advantages that might accrue from the reorganization of the districts include a unified source for provision of services to increase staff expertise and depth or to increase the agency's capacity to provide services.

As an alternative, Reclamation District 811 could be reorganized with Reclamation District 900. District 811 is only providing service to one facility and it contracts with District 537 for pumping. Only one board member was identified.

The collective service area of the West Sacramento Reach includes diverse land uses. The northern portion of Reclamation District 537 and the southern portion of Reclamation District 900 are agricultural, while the center section is fully developed. The cost and difficulty of creating one organization to administer all the services can outweigh any advantages. It is also unclear if there would be any actual or significant costs savings from such an approach.

3. Create a single purpose flood control agency

Currently the City and the Reclamation Districts have formed a Joint Powers Authority (JPA) to coordinate, fund and construct flood control improvements. With this option, the JPA could be expanded or a new agency could be created with the single purpose of providing flood control services. This option could include formation of an independent special district or the flood control agencies could be merged with the City of West Sacramento.

A similar alternative was evaluated in the earlier report which considered the formation of a drainage district that would provide storm drainage service for all of the developed, urbanized area within the greater West Sacramento area. Currently, it is sometimes confusing to determine who has flood control authority in which areas.

A single agency can sometimes be more effective. In Sacramento, for example, the Sacramento County Flood Control Agency has been successful in establishing a funding stream through developer

assessments and grant funding. That particular agency has raised the profile of flood control both on a local and state level.

The creation of a single purpose flood control agency, whether an independent special district, a Joint Powers Authority or as a department of the City of West Sacramento, would require that the reclamation districts be dissolved. The cost/benefit of this alternative would need to be further examined as it would mean a fundamental change in how services are provided within the area. Assessment structures are often based on a combination of services; this would require restructuring the assessment and fee schedule for districts that would no longer provide flood control. The Yolo LAFCO Commission should discuss the evolution of land uses as it affects the provision of reclamation services; as areas become urbanized, the need for reclamation for farmland decreases. However, given the low priority and limited funding which flood control has received for a number of years, accompanied by a growing exposure to liability, creation of a single purpose agency should be evaluated as a governmental structure option in the West Sacramento area.

Recommended Government Structure Option

It is recommended that Yolo LAFCO start discussions with Reclamation Districts 537, 811 and 900 and the City of West Sacramento regarding the creation of a single purpose flood control agency in this area. As part of the discussion, the Commission is also encouraged to work with Reclamation District 537 to determine the service and financial impacts of a detachment of its territory located north of the Sacramento Bypass.

As an alternative, the Yolo LAFCO Commission is also encouraged to address the possible reorganization of Reclamation Districts 900 and 811. The Commission is also encouraged to determine the service and financial impacts of a possible detachment of the territory of Reclamation District 537 which is located north of the Sacramento Bypass.

Consolidation of any reclamation districts could be initiated by one of the affected districts or Yolo County LAFCo in accordance with the requirements of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

C. Sphere of Influence

A sphere of influence is a LAFCO determined planning line outside of an agency's legal boundary that designates the agency's probable future boundary and service area. Factors considered in a sphere of influence review focus on the current and future land use, the current and future need and capacity for service, and any relevant communities of interest. A coterminous sphere of influence is identical to the boundaries of the agency and indicates that there is no expected need for services beyond the agency's current boundaries in the future.

Past LAFCO Sphere of Influence

In the earlier report, Yolo LAFCO recommended that a "zero area" sphere area be adopted for Reclamation District 811 and that the southern sphere boundary for Reclamation District 537 be set at the northern right-of-way line of the northern levee of the Sacramento Weir. The sphere boundary for Reclamation District 900 would be increased accordingly. There was district opposition and it is assumed that these recommendations were not implemented due to that opposition.

Recommendation for Current Sphere of Influence

- *Concerning Reclamation District 537, Yolo LAFCO should consider possible reorganization actions for the District, including the possible annexation of the southern portion to RD 900, identifying the logical boundary for where a change in district boundaries should occur, based on criteria that includes the mechanics of the service system for the area. Yolo LAFCO should adopt a coterminous sphere of influence for Reclamation District 537 if discussions regarding possible detachment of territory indicate significant issues with a bifurcation of the District's current service area. If no significant issues are identified, then a reduced sphere of influence for RD 537should be considered. RD 537's financial obligations should be investigated to ensure appropriate allocation of reimbursement for debt incurred to fund previous infrastructure improvements in the southern portion of the district.*
- *Concerning Reclamation District 811, Yolo LAFCO should pursue a collaborative process to consolidate RD 811 with RD 900 in the most efficient way possible, primarily for safety reasons. Reclamation District 811 should be included in the sphere of influence for Reclamation District 900.*
- *Yolo LAFCO should adopt a sphere boundary for Reclamation District 900 that encompasses Reclamation District 811.*

Determinations

1. **<u>The present and planned land uses in the area, including agriculture and open space lands</u>**

   Present and planned land uses in the boundaries and sphere of influence of Reclamation District 537 include agricultural and agriculture-related uses in the portion north of the Sacramento Bypass and mixed development south of the Bypass. Land use within the sphere of influence of Reclamation District 811 is mixed use development. Land use within the sphere of influence of Reclamation District 900 ranges from mixed use within the City of West Sacramento to agricultural at the southern boundary. Approval of new land uses in the area is the responsibility

of the West Sacramento General Plan as well as Yolo County as set forth in its General Plan. The West Sacramento General Plan includes policies relating to land uses within the service area of each of the reclamation districts.

Analysis to support determination

The City of West Sacramento's sphere of influence is coterminous with the city limits and includes undeveloped land south and east of the Deep Water Channel. The City's General Plan has a policy that gives preference to development adjacent to the city in order to minimize impacts to agriculture. The County is responsible for land use decisions beyond the incorporated boundaries of the City and it has zoned the northern area of Reclamation District 537 as agriculture, which precludes residential development.

2. <u>The present and probable need for public services and facilities in the area</u>

The present and probable need for public services and facilities are established through adopted plans and policies of the City of West Sacramento and Yolo County General Plans and are met by services provided by the City, Yolo County, Reclamation Districts 537, 811 and 900, and by other public agencies.

Analysis to support determination:

The City of West Sacramento is surrounded on all sides by levees that are maintained by the State and the Reclamation Districts. Some levees along the Sacramento River are maintained by the State via Maintenance Area No. 4. Levees along the Sacramento Bypass are maintained by the State Department of Water Resources. Reclamation District 537 is responsible for levee maintenance from the Sacramento Weir to the Bryte area in north western West Sacramento. Reclamation District 900 is responsible for levees along the Sacramento River as well as the eastern side of the Deep Water Channel. The City and Reclamation Districts have formed a Joint Powers Authority to coordinate, fund, and construct major flood control improvements.

The areas served by Reclamation Districts 537, 811 and 900 will continue to need levee maintenance and drainage in order to provide public safety and support agricultural operations. As development continues, flood control, including levee maintenance and storm drainage, will continue to be an essential public service. In addition, the irrigation services provided by Reclamation District 537 and 900 are an important water supply for agricultural operations.

3. <u>The present capacity of public facilities and the adequacy of public services which the agency provides or is authorized to provide</u>

Reclamation Districts 537 and 900 provide adequate service to territory within each agency's boundaries; currently they have capacity to serve those areas although future funding for

increased or improved levels of service is critical. Reclamation District 537 needs to analyze assessments to ensure that the southern portion is not subsidizing maintenance work in the northern portion. Reclamation District 811 is providing adequate service through the support of District 537; however, with only one board member, it is operating more as a private enterprise than a public agency.

Analysis to support determination:

The Department of Water Resources twice annually inspects levees and, based on the 2002 report (2002 Inspection Report of the Flood Control Project Maintenance and Repair; Department of Water Resources, Division of Flood Management) the districts have received the following ratings:

- Reclamation District 537 has maintained fair to good ratings for the previous ten years (from 1993-2002). The most recent two years were rated as good. The District received good and outstanding ratings in 2002 in all assessment categories.
- Reclamation District 811 is not responsible for levee maintenance.
- Reclamation District 900 has maintained overall good ratings for all previous ten years. The District received either good or outstanding ratings in 2002 in all categories of assessment except for a rating of fair in "Adequate Encroachment Control" and "Control of Growth on Levee/Revetment" (Sacramento River).

As a result of the record flood stages experienced, the Corps concluded in a 1991 report that the levees along the Sacramento River and Yolo Bypass did not provide protection from a 100-year flood event. Work by the Corps, individual districts and the JPA to strengthen and raise the levees resulted in new Flood Insurance Rate Maps being issued in 1995. The new maps designated almost all of the developable area as being protected from a 100 year flood event by levees. As a consequence of that work, only minor damage occurred during the January 1997 storms which caused major flooding elsewhere in the region.

However, the US Army Corps of Engineers did identify some problem areas. Portions of the west bank of the Sacramento River south of the barge canal were found to have stability problems due to the materials used to construct the levees. This is a problem common to most of the levees built before the 1950s. Some slumping has also occurred on the east side of the Yolo Bypass.

4. <u>The presence of any social or economic communities of interest in the area</u>

Reclamation Districts 537, 811 and 900 are a part of the West Sacramento social and economic community.

Analysis to support determination:

Reclamation District 900 serves a majority of the area of West Sacramento, is located within the West Sacramento General Plan area and has direct social and economic ties with the community of West

Sacramento as well as with surrounding agricultural areas and reclamation districts. The District was originally formed to handle levee maintenance and drainage; the City, which was incorporated in 1988, grew in part as a result of the District's ability to control flood waters. Reclamation District 537 serves the northwest portion of West Sacramento. Reclamation District 811's drainage facility is entirely within the City's boundaries on the northern part of West Sacramento.

Agency Profile

Reclamation District No. 537 – Lovdal District

GOVERANCE

ADDRESS: **1420 Merkley Avenue, Suite 4, West Sacramento, 95691**
Phone 916.371.1483, Fax 916.371.1494

EMAIL/WEBSITE: **NA**

AGENCY CONTACT: **Kristen Pigman, President**

LEGAL COUNSEL: **David Aladjem, Attorney 916.444.1000**

BOARD MEETINGS: **Called as needed, 2nd Tuesday at 9:00 am**

SERVICES

ENABLING LEGISLATION: **Formed under General Reclamation District laws, 1891**

TYPES OF SERVICES: **Levee maintenance, drainage, irrigation**

POPULATION SERVED: **less than 100**

SIZE OF SERVICE AREA: **8.1 square miles (5,200 acres)**

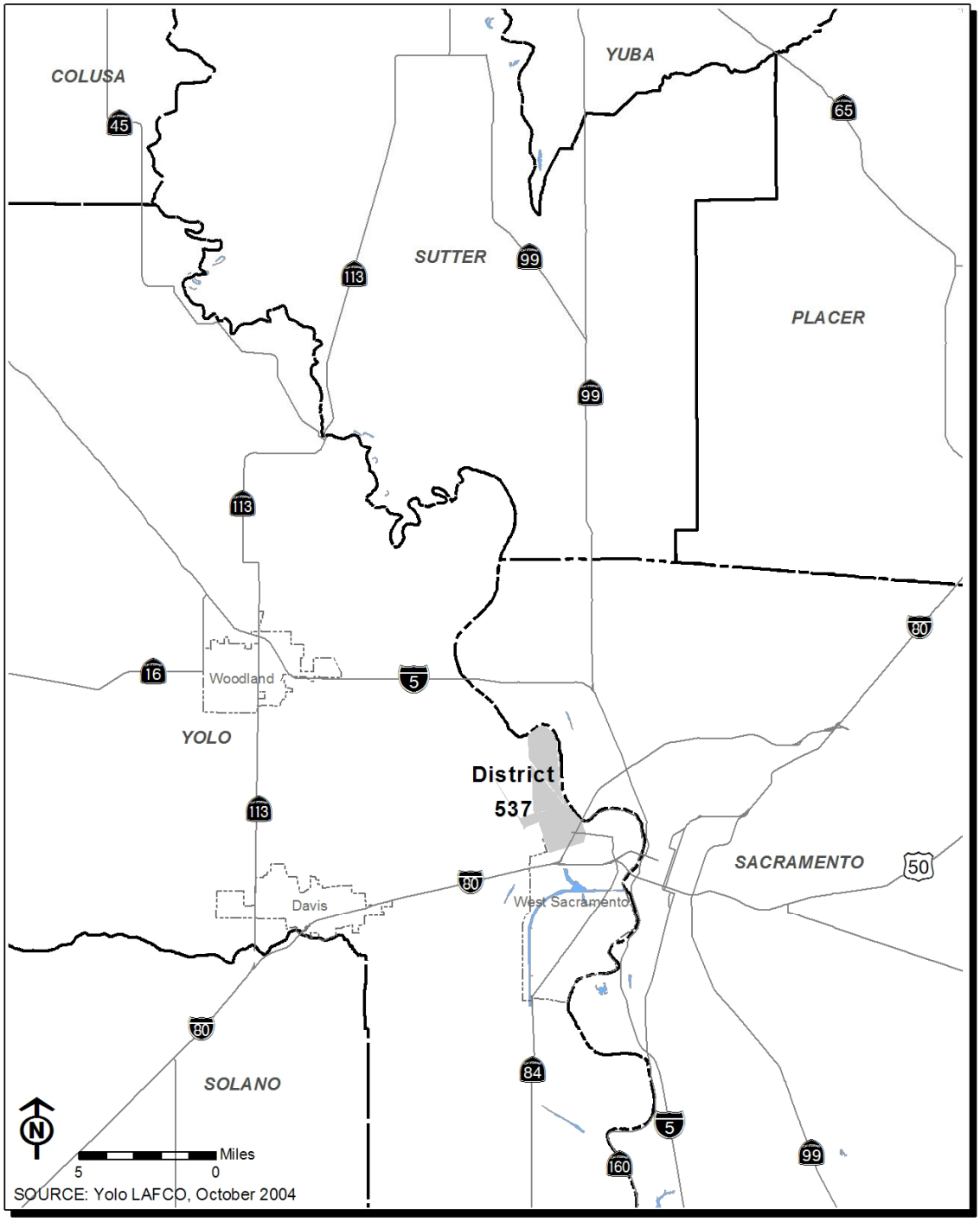
MILES OF LEVEE: **6.0 miles (297 acres)**

FINANCIAL INFORMATION

	Revenues:	Expenses:
BUDGET: (FY 2002-2003):	**$166,947**	**$120,056**

SOURCES OF FUNDING: 75% Assessments
25% Interest

OTHER INFORMATION



Yolo County Reclamation Districts

Reclamation District 537

Agency Profile

Reclamation District No. 811

GOVERANCE

ADDRESS: **624 North Hobson Avenue, Bryte, 95605**
916.371.3737

EMAIL/WEBSITE: **NA**

AGENCY CONTACT: **Gregory DeMars, Trustee**

LEGAL COUNSEL: **NP**

BOARD MEETINGS: **NP**

SERVICES

ENABLING LEGISLATION: **Formed under General Reclamation District laws, 1910**

TYPES OF SERVICES: **Drainage**

POPULATION SERVED:

SIZE OF SERVICE AREA: **NP**

MILES OF LEVEE: **-0-**

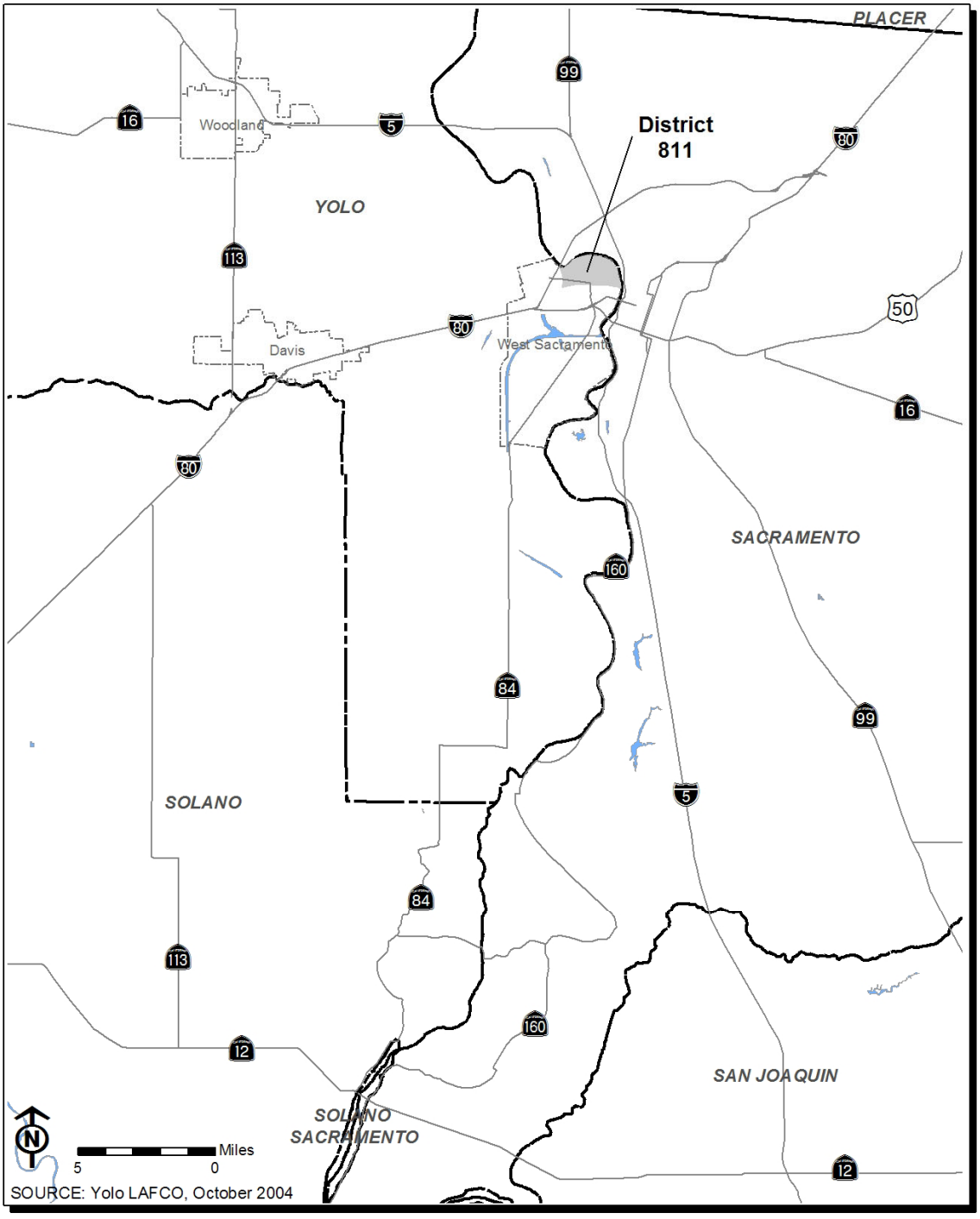
FINANCIAL INFORMATION

	Revenues:	Expenses:
BUDGET: (FY 2002-2003):	**$4,294**	**$10,141**

SOURCES OF FUNDING: NP

OTHER INFORMATION

NP – Not Provided



Yolo County Reclamation Districts

Reclamation District 811

Agency Profile

Reclamation District No. 900 – West Sacramento

GOVERANCE

ADDRESS: **P.O. Box 673, 1420 Merkley Avenue, #4, West Sacramento, 95691 Phone 916.371.1483; Fax 916.371.1494**

EMAIL/WEBSITE: **wsrd@pacbell.net**

AGENCY CONTACT: **Ken Ruzich, District Manager**

LEGAL COUNSEL: **James Day, Jr., Attorney 916.743.0413**

BOARD MEETINGS: **2nd Thursday at 9:00 am**

SERVICES

ENABLING LEGISLATION: **Formed by Special Act of the California State Legislature in 1911**

TYPES OF SERVICES: **Levee maintenance, drainage, pumping, irrigation**

POPULATION SERVED: **35,000**

SIZE OF SERVICE AREA: **17.1 square miles (11,000 acres)**

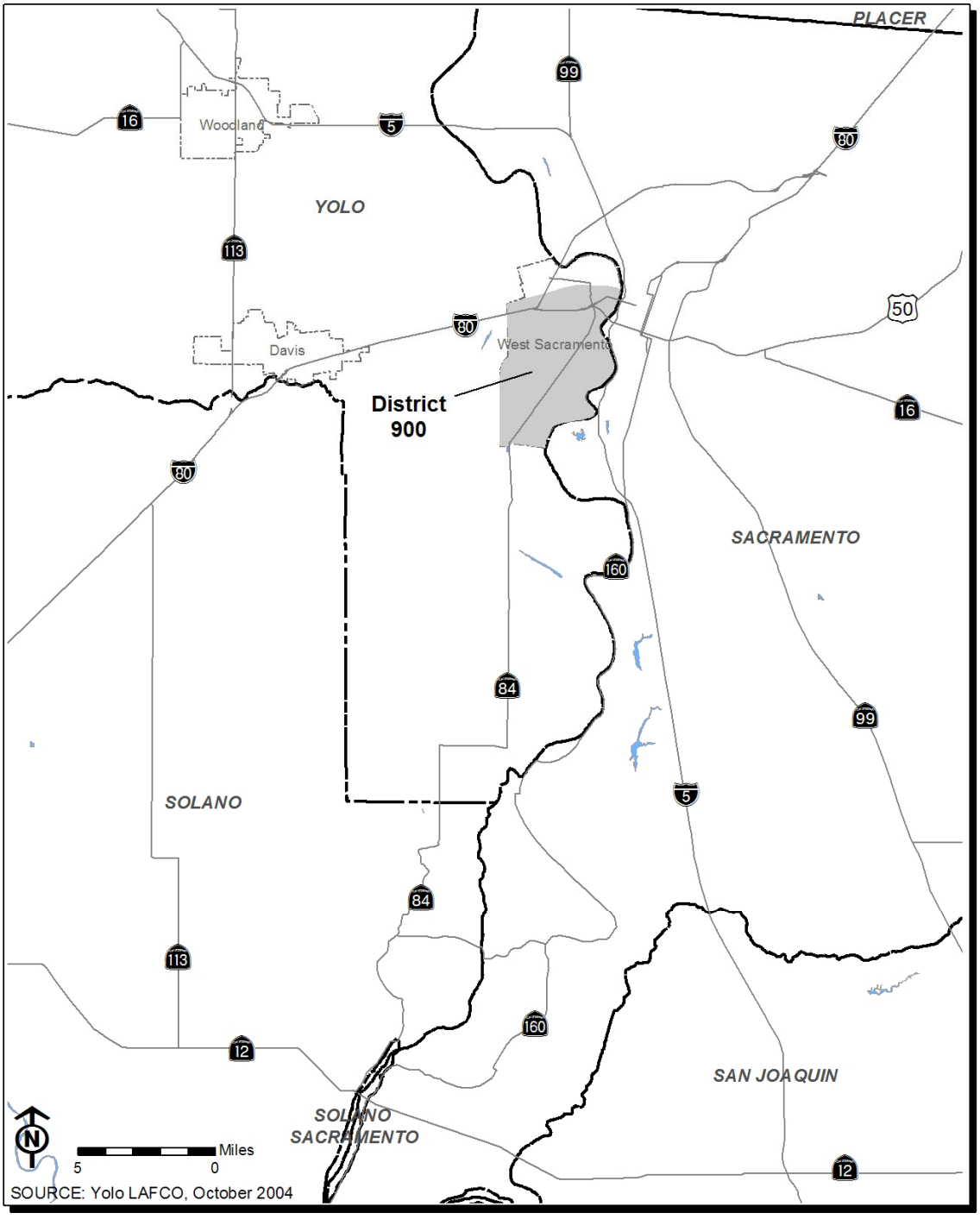
MILES OF LEVEE: **13.6 miles**

FINANCIAL INFORMATION

BUDGET:	Revenues:	Expenses:
(FY 2002-2003):	**$517,957**	**$528,738**

SOURCES OF FUNDING: 90% Assessments
3% Irrigation Tolls
4% Interest
3% Miscellaneous Income

OTHER INFORMATION



Yolo County Reclamation Districts

Reclamation District 900

Southern Reach

The southern reach of the service review report includes five reclamation districts: 765, 307, 999, 150, and 2076.

A portion of Reclamation District 2068 is located in Yolo County; however a majority of it is in Solano County; therefore Solano LAFCO is the principal LAFCO.

A. Agency Descriptions

1. Reclamation District 765 – The Glide District was formed in 1905 under General Reclamation District laws. It is located in southeastern Yolo County near the Garcia Bend of the Sacramento River. It is west of the River, east of the former Sacramento-Northern railroad right-of-way, north of Clarksburg and the Babel Slough and immediately south of the Shangri-La Slough. The District provides drainage services from a pump in the southwestern corner of the District and maintains the portions of the Sacramento River levee located within its boundaries. The current District was once part of a larger holding owned by the Glide Family which encompassed three Reclamation Districts—765, 472 and 2076. When the Yolo Bypass was constructed, a majority of the Glide Family land holdings were included in it. The remainder of Reclamation District 472 was annexed to Reclamation Districts 765 and 999. The District has no employees and only three landowners. Its service area encompasses 1,322 acres with 1.7 miles of levee.

2. Reclamation District 150 – Merritt Island has long-standing, natural boundaries which include the Sacramento River on the east with Sutter Slough and the Elk Slough forming the western and southern boundaries. It was formed in 1868 by a special act of the California State legislature and the Yolo County Board of Supervisors in response to flooding in the 1860s which destroyed the town of Clarksburg. It provides levee maintenance and flood control services to approximately 5,000 acres. It maintains 18 miles of levee.

3. Reclamation District 307 – The Lisbon District was established to provide drainage and levee maintenance services to reclaimed, agricultural lands located in southeastern Yolo County. Reclamation District 307 is surrounded by the Sacramento River on the north, Babel Slough on the north and west and Winchester Lake on the south. It was formed in 1877 under General Reclamation District Laws by petition of landowners and by an act of the Yolo County Board of Supervisors. It was named the Lisbon District in acknowledgment of the Portuguese settlers in the area. The District's service area encompasses 5,941 acres; it maintains 6.7 miles of levee.

4. Reclamation District 999 – The Netherlands District was established to provide drainage and levee maintenance services to reclaimed, agricultural lands located in southern Yolo County east of the Yolo Bypass. Reclamation District 999 is surrounded by the Sacramento River and Reclamation District 150 on the west, Babel Slough and Winchester Lake on the north and by the east levee of the Deep Water Channel on the east. In Solano County, the southern border of the District is Miner Slough. It was formed in 1913 by a Special Act of the California State Legislature. Its service area includes 26,136 acres, including areas in Solano County, and it maintains 32.4 miles of levee.

5. Reclamation District 2076 was once part of the Glide Family holdings which eventually became the Yolo Bypass. The District 2076 has been inactive since it was formed and no information was available regarding its size, miles of levees or budgets.

B. Governmental Structure Options

As part of the service review process Yolo LAFCO must address a range of possible governmental structure options. The service review report becomes a tool to examine service provision on a regional basis to determine if there are other means of ensuring that services are provided efficiently and concurrent with need. The service review report is not a comprehensive study of the financial, political or operational advantages or disadvantages of each option listed. It is intended to be used as a starting point for regional discussion about how services are currently provided. Finally, examining all possible options does NOT require Yolo LAFCO to initiate any change of organization.

Past Government Structure Options

From February 1983 through January 1984, Yolo LAFCO approved coterminous spheres of influence for Reclamations Districts 150, 307, 765 and 999. In a separate action the Yolo Commission also heard a proposal to form a new Reclamation District, 2120 (Little Holland).

The first sphere of influence approved by Yolo LAFCO in February of 1983 was for Reclamation District 999. The Commission approved a coterminous sphere of influence (identical to the District's boundaries) but recommended that the LAFCO staff prepare a subsequent study addressing the inter-relationship between Reclamation District 999 and the three adjoining Reclamation Districts (150, 765 and 307).

Also during February of 1983, the Yolo LAFCO Commission heard a proposal for formation of a new Reclamation District 2120 (Little Holland) which was located at the southern boundary of Yolo County between Reclamation Districts 999 and 2076. The Yolo Commission denied the proposal. Subsequently, the State Reclamation Board approved formation of the District. However, in 1999 the property was sold to the US Army Corps of Engineers for habitat mitigation purposes. It is no longer a reclamation district although it was never formally dissolved.

In May of 1983 a coterminous sphere of influence study for Reclamation District 765 was also adopted. At that time Yolo LAFCO briefly addressed the possibility of a consolidation of Reclamation District 765 with Reclamation District 999. The staff report concluded that Reclamation District 765 was separated by both land uses and physical barriers from the Clarksburg area resulting in a limited inter-relationship between Reclamation District 765 and that community and the Reclamation Districts (150, 307 and 999) which provide service to the Clarksburg area. The staff report concluded that RD 765 was providing adequate service and there was no need at that time to pursue a reorganization.

The staff report also noted that Reclamation District 999 serves a small area just to the west of RD 765; this area was once part of a former reclamation district, Reclamation District 472, which was consolidated with RD 999. The LAFCO staff report addressed annexation of this small area of RD 999 to RD 765 and concluded that since RD 999 maintains the eastern levee of the Deep Water Channel within its service area in Yolo County that an annexation of this area to RD 765 would disrupt the continuity of maintenance currently performed by RD 999.

Finally in January of 1984, the Yolo Commission approved coterminous spheres of influence for Reclamation Districts 150 and 307. It also addressed the potential consolidation of Reclamation Districts 150, 307 and 999, concluding that while there was social and economic interdependence among the three reclamation districts and the Districts should remain as independent agencies. It also noted that physical boundaries clearly define their service areas and that the districts appeared to be providing adequate service at relatively equal levels. Consolidation seemed unlikely to result in clear benefits.

Current Government Structure Options

In the Southern Reach, there are three potential government structure options:

1. Dissolve Reclamation District 2076

The Reclamation District does not provide services and has been inactive since its formation.

2. Maintain existing governmental structure of operating agencies

Under this option no changes in the governmental structure of the four agencies would occur. Reclamation Districts 150, 307, 765 and 999 would continue to operate as separate districts.

The advantage of maintaining the agencies starts with the adage of, “If it isn’t broken, don’t try to fix it.” If agencies are providing adequate services, have the support of the residents and no significant problems have been identified, it may be more effective to allow them to continue. As an indication of whether significant problems have been identified, the following table shows the ten year overall maintenance ratings from DWR. Reclamation District 2076 does not provide levee maintenance and is not rated.

Table 6.1
DWR Levee Maintenance Ratings

	#150	#307	#765	#999
1993	Good	Poor	Fair	Good
1994	Good	Poor	Good	Good
1995	Good	Poor	Good	Good
1996	Fair	Poor	Good	Good
1997	Fair	Poor	Good	Good
1998	Poor	Poor	Good	Good
1999	Poor	Poor	Good	Good
2000	Fair	Poor	Good	Good
2001	Fair	Fair	Good	Good
2002	Fair	Fair	Good	Good
2003	I	I	C	C

Rating System changed by DWR in 2003: C – Compliant; I – Improvement Needed; N – Non-Compliant

Compliance with federal regulations governing the maintenance of flood protection facilities is harder to summarize but generally averages from fair to outstanding for all four agencies. The only poor ratings noted were for one stretch of the levee maintained by Reclamation District 150 in the areas of encroachment, growth of vegetation and rodents. For RD 307 poor ratings were given for encroachment control and readiness for flood emergencies.

The disadvantage of maintaining the agencies as currently configured is that since 1984 there have been changes in the economic climate and budgets for local agencies, land use patterns, technology, staffing, in operations and administration of all four districts. These changes can have an impact on the possible benefits of reorganization. The most important concern is each of the agency's ability to financially meet the increased costs of compliance with regulations of the multitude of oversight agencies without federal and state assistance.

3. Consolidate the agencies

There are several variations of this option. One is that all the districts addressed in this portion of the service review report would be consolidated into one agency. Reclamation Districts 150, 307, 765 and 999 would be consolidated into one reclamation district to provide drainage and levee maintenance services for the entire Southern Reach of the service review report. Other variations include:

- Consolidation of 765 and 307, which currently share the responsibilities of patrolling the levees of both agencies for security and trespassers
- Consolidation of 150, 307 and 999

Some advantages that might accrue from any option include a simplification of boundaries, possible improved service delivery, increased economies of scale and possible reduction in costs or fees.

However, the physical boundaries of the agencies follow clear, physical boundaries and simplification of boundaries would likely be more on "paper" than real. In addition, any reorganization would have to assess and calculate all cost inputs such as the cost of reorganization, of merging staffs, of retirement of obligations or of upgrades to systems etc. Sometimes the actual savings as a result of reorganization are modest enough that it is not cost-efficient to pursue. There may also be little improvement in service efficiency since the agencies are currently operating efficiently. Finally, pursuing any reorganization without the support of residents and of the governing board typically increases the time and effort involved.

Recommended Government Structure Option

It is recommended that at this time Yolo LAFCO maintain the current governmental structure of Reclamation Districts 765, 307, 150 and 999 and dissolve Reclamation District 2076 as it has never provided services since its inception. The other districts are providing adequate services within their service areas.

C. Sphere of Influence

A sphere of influence is a LAFCO determined planning line outside of an agency's legal boundary that designates the agency's probable future boundary and service area. Factors considered in a sphere of influence review focus on the current and future land use, the current and future need and capacity for service, and any relevant communities of interest. A coterminous sphere of influence is identical to the boundaries of the agency and indicates that there is no expected need for services beyond the agency's current boundaries in the future.

Past LAFCO Sphere of Influence

The past LAFCO Sphere of Influence analysis was discussed in *Part B. Past Government Structure Options.*

Recommendation for Current Sphere of Influence:

- *That Yolo LAFCO adopt a coterminous sphere of influence for Reclamation Districts 765, 307, 150 and 999*
- *That Yolo LAFCO adopt a "zero area" sphere of influence for Reclamation District 2076*

Determinations

1. **The present and planned land uses in the area, including agriculture and open space lands**
   Present and planned land uses in both the boundaries and spheres of influence for the reclamation districts, include agriculture and residential uses. Approval of new land uses in the District boundaries and SOI are the responsibility of Yolo County as set forth in its General Plan and in the 2001 General Plan for the Clarksburg area.

Analysis to support determination

The Clarksburg General Plan contains policies that affect future development within the reclamation districts including the protection of agricultural uses and the historic, cultural, environmental, and social values of the community from town/urban encroachment. The Clarksburg General Plan has adopted policies requiring more future in-fill re-development within the Clarksburg Town Area with a transition of density and parcel size moving away from the Town Area out to the agricultural lands that adjoin the Town. These transitional areas provide for the buffers and protection of actively farmed areas from the encroachment of residences and more urban densities. Land use development proposals are guided by the General Plan Advisory Committee and the Clarksburg General Plan and are reviewed at the community level. Growth within the Clarksburg Town Area is limited to approximately 2% per year.

The Clarksburg General Plan contains numerous policies which address the preservation of agricultural lands and uses. However, the policies protecting scenic and natural resources located along the Sacramento River and the sloughs of the Districts can conflict with the requirements of the State and federal oversight agencies for levees and reclamation districts. The Clarksburg General Plan calls for cooperative efforts with federal and State agencies responsible for maintaining the banks and vegetation along the Sacramento River segment and these efforts should be intensified to ensure a balance between the desire for preservation of scenic resources and recreation along the river and for the requirements for levee maintenance and operations.

Occasionally renovations of buildings and grounds by new landowners within the reclamation districts will encroach onto levees. The reclamation districts' boards of directors should work with new landowners to ensure a thorough understanding of the importance of the levees and the critical service the reclamation districts provide. Yolo County may want to consider working with the local real estate professionals to ensure that all landowners receive information on reclamation districts. Finally, some current parcel lines within the districts do not match current Yolo County records due to the parcel lines preceding development of the County Assessor's maps.

The Clarksburg General Plan designates a majority of the land within the reclamation districts for agricultural and rural residential land uses and future land uses are expected to be similar.

2. The present and probable need for public services and facilities in the area

The present and probable need for public services and facilities are established through adopted plans and policies of the Yolo County and Clarksburg General Plans and are met by services provided by Yolo County, the Reclamation Districts and by other public agencies.

Analysis to support determination:

As noted in the 1984 Yolo LAFCO sphere of influence study, the levee and maintenance systems maintained by reclamation districts prevent flooding and have allowed for the continued agricultural productivity of the area. The Districts, with the exception of Reclamation District 999, do not generally have employees; work is done by individual landowners, by contractors hired by the District and by volunteer labor.

The Districts assess a per parcel amount to pay for maintenance but do not receive property tax. While most of the reclamation districts have adequate revenues and reserves at this time to continue the provision of services, rising costs to meet continued State and federal regulations, to finance repairs as well as for insurance, power and supplies, will require increased assessments for the foreseeable future.

RD 999 is participating in discussions with the Sacramento Area Flood Control Agency regarding flood control issues and services in the southern portion of Yolo County. There is a concern for the southern end of the Yolo Bypass as no agency is providing maintenance. The vegetation growth has increased the flood risk, but there is no funding to correct the situation.

Limited change in the need for public services and facilities is expected for the reclamation districts. Policies contained in the Yolo County and the Clarksburg General Plans recognize the need for the levee maintenance and drainage to ensure the continued agricultural productivity of the district service areas in addition to protecting existing residences.

3. The present capacity of public facilities and the adequacy of public services which the agency provides or is authorized to provide

The reclamation districts provide adequate service to territory within the agencies' boundaries; currently they have capacity to serve those areas although future funding for increased or improved levels of service is critical.

Analysis to support determination:

The facilities maintained by the Districts typically drain water from their service area and pump into the Sacramento River and Elk Slough. The level of water in the surrounding river and sloughs are generally higher than the elevation of the land so continued pumping will be required in the future. The

Department of Water Resources twice annually inspects levees and the results are shown in *Table 6.1* of this report.

4. <u>The presence of any social or economic communities of interest in the area</u>
The reclamation districts are part of the Town of Clarksburg and are interrelated through social and economic interests.

Analysis to support determination:
Portions of the reclamation districts are located within the Clarksburg General Plan area and have direct social and economic ties with the Town of Clarksburg as well as with surrounding agricultural areas and reclamation districts. However, the physically barriers of the Sacramento River and surrounding sloughs delineate social and economic areas.

Agency Profile

Reclamation District No. 765 – Glide District

GOVERANCE

ADDRESS: **8780 Auburn-Folsom Road, Granite Bay, CA 95746**
916.782.1177, Fax 916.782.1155

EMAIL/WEBSITE: **trodrigues@jenamar.com**

AGENCY CONTACT: **Tammy Rodrigues, Trustee**

LEGAL COUNSEL: **George Basye, Downey/Brand 916.444.1000**

BOARD MEETINGS: **As called**

SERVICES

ENABLING LEGISLATION: **Formed under General Reclamation District laws on April 27, 1905**

TYPES OF SERVICES: **Levee maintenance and drainage**

POPULATION SERVED: **None (all agricultural land under production)**

SIZE OF SERVICE AREA: **2 square miles (1,322 acres)**

MILES OF LEVEE: **1.7 miles (96.5 acres)**

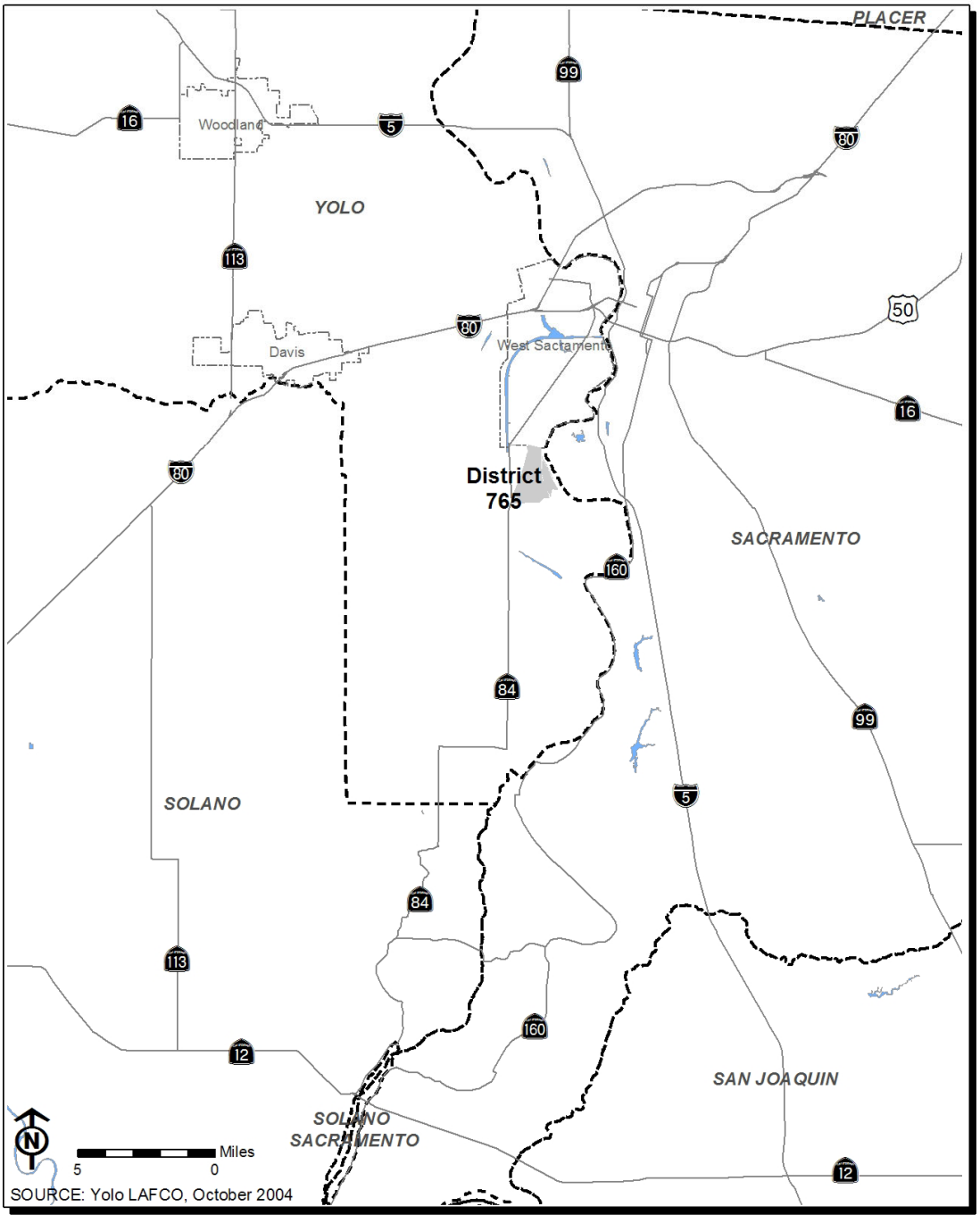
FINANCIAL INFORMATION

	Revenues:	Expenses:
BUDGET: (FY 2002-2003):	**$22,214**	**$11,590**

SOURCES OF FUNDING: 100% Assessments (owner contributions)

OTHER INFORMATION

This district only has three landowners.



Yolo County Reclamation Districts

Reclamation District 765

Agency Profile

Reclamation District No. 150 – Merritt Island

GOVERANCE

ADDRESS: **37220 River Road, Clarksburg, CA 95612**
Phone 916.744.1241, Fax 916.775.1683

EMAIL/WEBSITE: **NA**

AGENCY CONTACT: **Roger Berry, President**

LEGAL COUNSEL: **Forest Plant (980 9th Street, Suite 1800A, Sacramento, CA 95814, 916.448.0448)**

BOARD MEETINGS: **2nd Monday of each month at 7:30 pm**

SERVICES

ENABLING LEGISLATION: **Formed by Special Act of California State legislature on March 28, 1868**

TYPES OF SERVICES: **Levee maintenance, drainage, pumping, irrigation**

POPULATION SERVED: **125 permanent, 800 seasonal**

SIZE OF SERVICE AREA: **7.8 square miles (5,000 acres)**

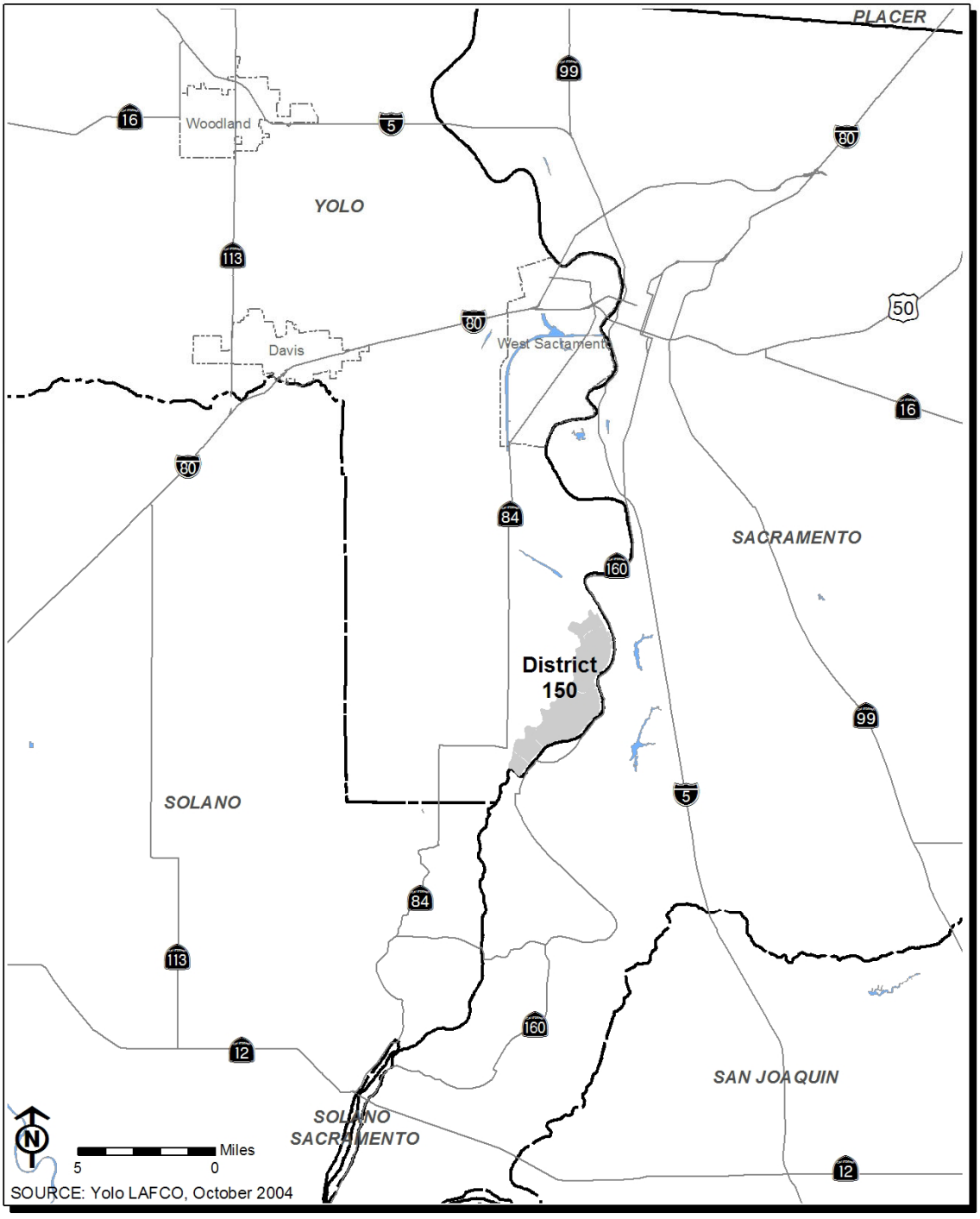
MILES OF LEVEE : **18 miles (61 acres)**

FINANCIAL INFORMATION

	Revenues:	Expenses:
BUDGET: **(FY 2002-2003):**	**$150,235**	**$144,019**

SOURCES OF FUNDING: 95% Assessments ($25.00 per $100 of assessed value (1868 value))
5% Investment earnings (house rental, $400/month)

OTHER INFORMATION



Yolo County Reclamation Districts

Reclamation District 150

Agency Profile

Reclamation District No. 307 – Lisbon District

GOVERANCE

ADDRESS:	**PO Box 518, Clarksburg 95612** **916.371.2351**
EMAIL/WEBSITE:	**NA**
AGENCY CONTACT:	**John Martinelli, President of the Board**
LEGAL COUNSEL:	**Paul Simmons, Attorney 916.446.7979**
BOARD MEETINGS:	**Four times per year (Jan, Apr, Jul, Oct) – 3rd Thursday**

SERVICES

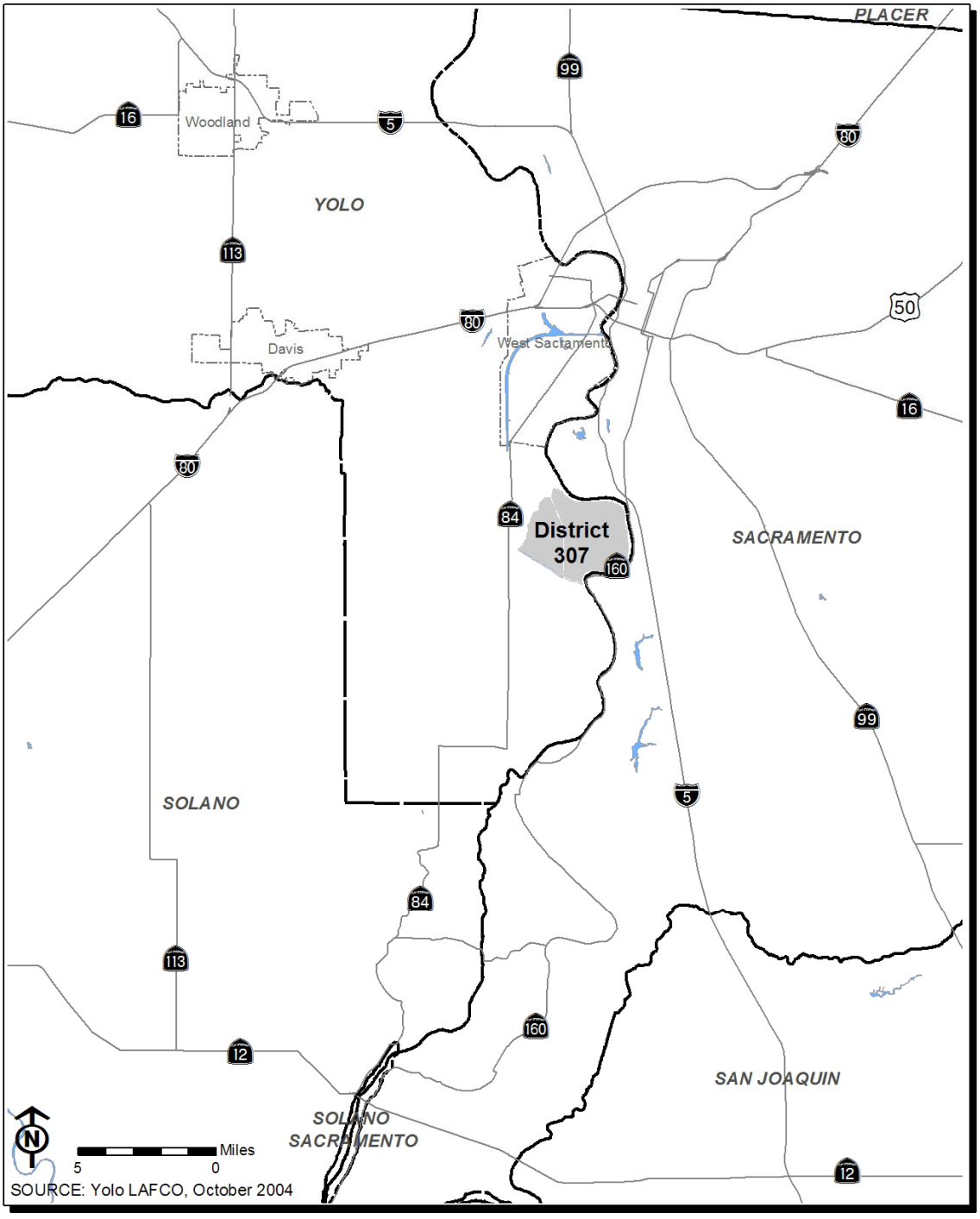
ENABLING LEGISLATION:	**Formed by Landowner petition and Yolo Board of Supervisors on September 14, 1877**
TYPES OF SERVICES:	**Levee maintenance, drainage, pumping, irrigation**
POPULATION SERVED:	**73**
SIZE OF SERVICE AREA:	**9.2 square miles (5,941 acres)**
MILES OF LEVEE:	**6.7 miles (297 acres)**

FINANCIAL INFORMATION

BUDGET:	Revenues:	Expenses:
(FY 2002-2003):	**$141,861**	**$144,098**

SOURCES OF FUNDING:
23% Property Taxes
54% Assessments
21% Income from the State and Other
2% Interest

OTHER INFORMATION



Yolo County Reclamation Districts

Reclamation District 307

Agency Profile

Reclamation District No. 999 – Netherlands

GOVERANCE

ADDRESS: **38563 Netherlands Road, Clarksburg, CA 95612**
916.775.2144

EMAIL/WEBSITE: **NA**

AGENCY CONTACT: **Bob Webber, District Manager**

LEGAL COUNSEL: **George Basye, Downey/Brand 916.444.1000**

BOARD MEETINGS: **2nd Thursday of each month at 9 a.m.**

SERVICES

ENABLING LEGISLATION: **Formed by Special Act of the California State Legislature on May 22, 1913**

TYPES OF SERVICES: **Levee maintenance, drainage, pumping, irrigation**

POPULATION SERVED: **1,500**

SIZE OF SERVICE AREA: **40.8 square miles (26,136 acres including Solano County portion)**

MILES OF LEVEES: **32.4 miles**

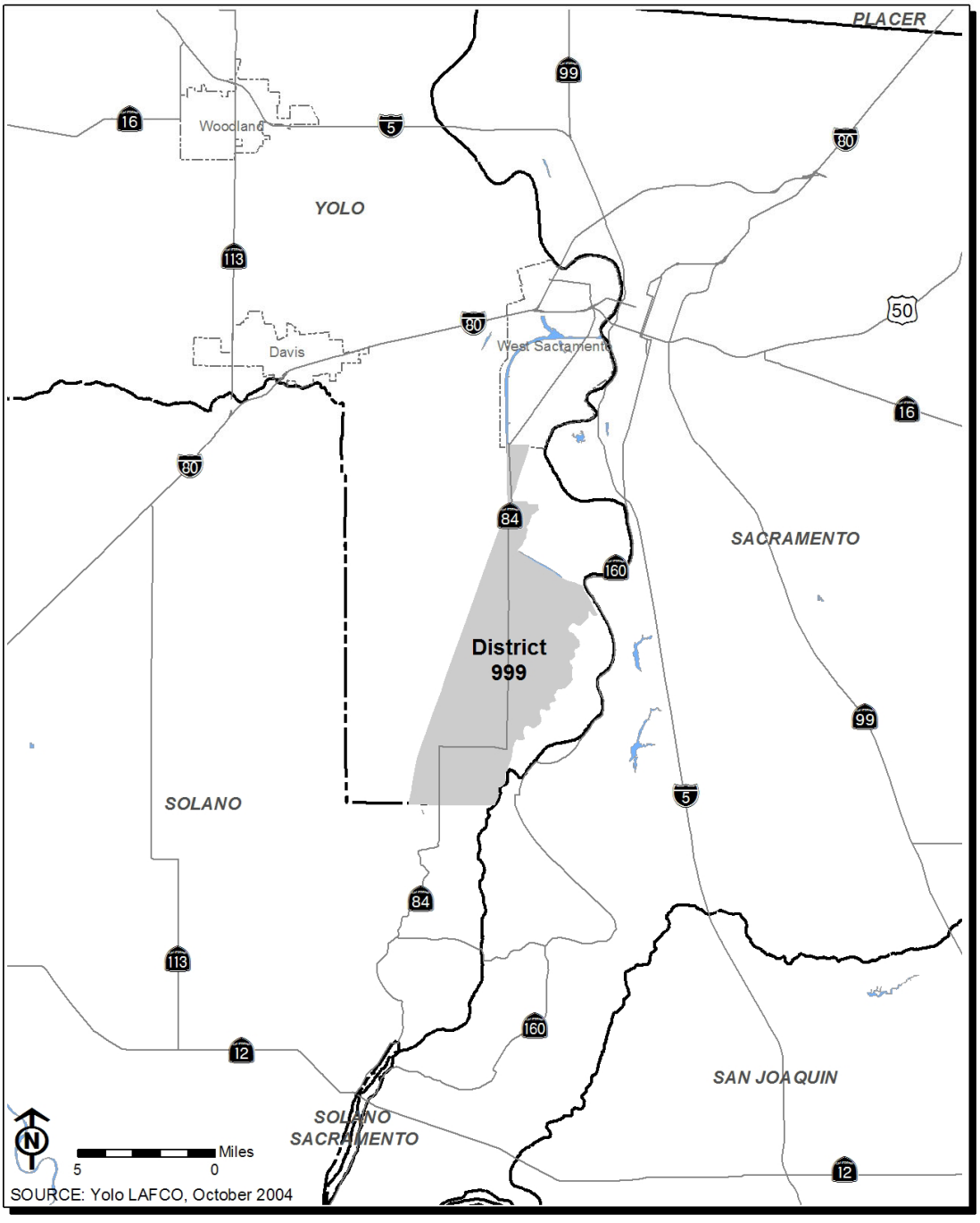
FINANCIAL INFORMATION

	Revenues:	Expenses:
BUDGET: **(FY 2002-2003):**	**$512,002**	**$519,366**

SOURCES OF FUNDING:
87% Assessments
10% State Reimbursement – subvention
2% Grants
1% Other Income

OTHER INFORMATION

Reclamation District No.999 serves both Yolo and Solano Counties. Approximately 2,600 acres or 10% of the District is located in Solano County. Reclamation District 999 was formed in 1913 and in 1919 it was merged, by Special Act of the California State legislature, with Reclamation Districts 146 and 472, both of which had been inactive.



Yolo County Reclamation Districts

Reclamation District 999

Water Districts

The public water districts addressed in the service review report include the Dunnigan Water District, Yolo-Zamora Water District, and the Yolo County Flood Control & Water Conservation District.

A. Agency Descriptions

1. The Dunnigan Water District was established in 1956 as a California Water District under the California Water Code. It serves an area of approximately 10,000 acres in the northern portion of Yolo County, which is primarily agriculture. The District has a contract with the US Bureau of Reclamation for delivery of water through the Tehama-Colusa Canal. It is a member agency of the Tehama-Colusa Canal Authority.

2. The Yolo-Zamora Water District was established in 1955 as a California Water District. Its service area is approximately 20,700 acres south of Dunnigan Water District and includes the towns of Yolo and Zamora. The District is not currently providing service and groundwater is the sole source of supply for agricultural operations. The District lies within the Tehama-Colusa Canal Service Area; however there is currently no means to deliver the water to the District's service area. There is no groundwater recharge program in place and pumping from private wells has led to significant land subsidence issues within the District and in other parts of Yolo County.

3. The Yolo County Flood Control & Water Conservation District was established in 1951 under a special act of the California State Legislature. It serves approximately 196,000 acres (306 square miles) reaching from the northwest portion of Yolo County to the southeast. The cities of Woodland, Davis and Winters are within its boundaries. The majority of the District's service area outside the cities is in agricultural land uses.

B. Governmental Structure Options

As part of the service review process Yolo LAFCO must address a range of possible governmental structure options. The service review report becomes a tool to examine service provision on a regional basis to determine if there are other means of ensuring that services are provided efficiently and concurrent with need. The service review report is not a comprehensive study of the financial, political or operational advantages or disadvantages of each option listed. It is intended to be used as a starting point for regional discussion about how services are currently provided. Finally, examining all possible options does NOT require Yolo LAFCO to initiate any change of organization.

Past Government Structure Options

In 1985 and 1987, Yolo LAFCO prepared sphere of influence updates for each of the three districts. The reports did not include any alternative government structure options.

Current Government Structure Options

The following are potential options for reorganizing the water districts:

1. Dissolve the Yolo-Zamora Water District

Under this option the District, which does not provide services and does not have a dedicated water supply, would be dissolved. The Dunnigan Water District and the Yolo County Flood Control & Water Conservation District would remain as independent special districts.

2. Maintain existing governmental structure of agencies

Under this option no changes in the governmental structure of the three agencies would occur. Dunnigan Water, Yolo-Zamora Water, and Yolo County Flood Control & Water Conservation District would continue to operate as separate districts.

If agencies were providing adequate services, have the support of the residents and no significant problems have been identified, it might be more effective to allow them to continue. Although Yolo-Zamora is not providing services, the other two agencies currently provide services and no significant issues were discovered with either of those two agencies as part of this service review process. Currently, the three districts are working on conjunctive use options that might create a surface water source for Yolo-Zamora and help to address subsidence issues in Yolo County.

3. Consolidate the agencies

Some form of consolidation within the three agencies could be considered, particularly given that the Yolo-Zamora Water District does not have a source of water supply except for groundwater. Some advantages that might accrue from this option include possible improved service delivery, increased economies of scale and possible reduction in costs or fees.

The districts have clearly defined purposes and goals that are not homogenous across the combined service areas. Dunnigan is strongly tied to the US Bureau of Reclamation and the Tehama-Colusa Canal Authority. The voters of the Yolo County Flood Control District have approved several significant obligation bonds for infrastructure development which have either been retired or defeased eliminating the financial obligations to the bondholders.

Any reorganization would have to assess and calculate all cost inputs such as the cost of reorganization, of merging staffs, of retirement of obligations or of upgrades to systems etc. Sometimes the actual savings as a result of reorganization are modest enough that it is not cost-efficient to pursue. There may also be little improvement in service efficiency since the two agencies providing service are currently

operating efficiently. Finally, pursuing any reorganization without the support of residents and of the governing board typically increases the time and effort involved.

In the past, the residents of the Yolo-Zamora Water District have indicated a strong desire not to consider reorganization options. It is unknown if opposition to a reorganization still exists.

Recommended Government Structure Option

It is recommended that at this time Yolo LAFCO maintain the current governmental structure of the Dunnigan Water District and Yolo County Flood Control & Water Conservation District. Both Dunnigan and Yolo County Flood Control are providing adequate services within their boundaries.

While local landowners maintain a strong community tie to the Yolo-Zamora Water District and would like to see it continue, it does not provide service, does not have a source of water and does not have the funding to acquire additional water. In addition, there are significant concerns with land subsidence within the District and other parts of Yolo County. The Yolo County Flood Control & Water Conservation District, in conjunction with other agencies, is addressing the land subsidence issues. For these reasons, Yolo LAFCO should consider the reorganization of the Yolo-Zamora Water District with another district.

As an alternative, the LAFCO Commission may want to consider amending the spheres of influence for the Dunnigan Water District and the Yolo County Flood Control & Water Conservation District to include territory of the Yolo-Zamora Water District. The areas that might be included in the spheres for the two agencies, and therefore detached from the Yolo-Zamora Water District, would include those areas that could efficiently receive services from either the Dunnigan Water District or the Yolo County Flood Control & Water Conservation District within a twenty year horizon. The extent to which service could be provided would depend on available funding from grants or assessments to implement the capital improvements needed for the transmission and delivery systems.

A request for annexation or detachment could be initiated by one of the agencies in accordance with the requirements of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

C. Sphere of Influence

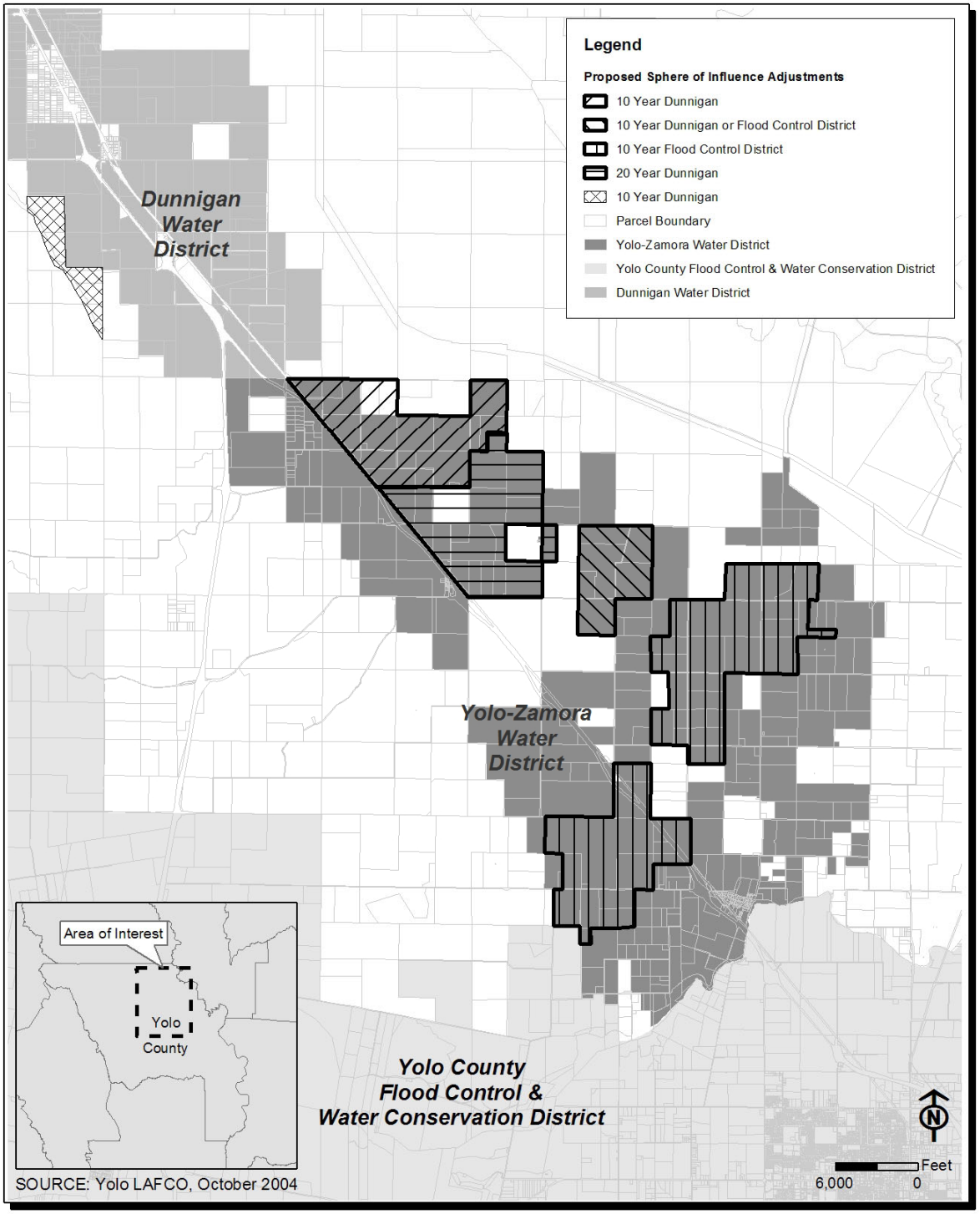
A sphere of influence is a LAFCO determined planning line that designates the agency's probable future boundary and service area. Factors considered in a sphere of influence review focus on the current and future land use, the current and future need and capacity for service, and any relevant communities of interest. A coterminous sphere of influence is identical to the boundaries of the agency and indicates that there is no expected need for services beyond the agency's current boundaries in the future.

Past LAFCO Sphere of Influence

As mentioned earlier, Yolo LAFCO updated the spheres of influence for each of the three districts in 1985 and 1987. The Yolo-Zamora Water District sphere was expanded to include the entire "Yolo-Zamora Unit" of the Tehama-Colusa Canal Service Area. The Dunnigan Water District sphere boundary was adopted as the current boundaries of the district. The Yolo County Flood Control & Water Conservation District sphere boundaries were adopted as proposed, including area to the west and north of the existing district boundaries.

Recommendation for Current Sphere of Influence:

- *That Yolo LAFCO adopt a sphere of influence for Dunnigan Water District as shown on the following map. The sphere would include a portion of the current Yolo-Zamora Water District.*
- *That Yolo LAFCO adopt a sphere of influence for Yolo County Flood Control & Water Conservation District as shown on the following map. The sphere would include a portion of the current Yolo-Zamora Water District.*
- *That Yolo LAFCO adopt a sphere of influence for Yolo-Zamora Water District as shown on the following map. The sphere would delete those areas that could efficiently receive services from either the Dunnigan Water District or the Yolo County Flood Control & Water Conservation District.*



Yolo County

Public Water Districts - Proposed Spheres of Influence

Determinations

1. **The present and planned land uses in the area, including agriculture and open space lands**
   Present and planned land uses in both the boundaries and spheres of influence for the water districts are primarily agriculture and related uses. The exceptions are the incorporated cities of Woodland, Davis and Winters within the Yolo County Flood Control & Water Conservation District as well as unincorporated communities. Approval of new land uses in the Districts' boundaries and SOIs is the responsibility of Yolo County as set forth in its General Plan and in the General Plans for each of the cities as well as the Dunnigan and Capay Valley Community Plans.

Analysis to support determination

Excepting the incorporated cities and some growing unincorporated communities such as the towns of Esparto and Dunnigan, the area within the three districts is primarily zoned for agriculture and agriculture-related uses. The County General Plan includes policies that protect land zoned for agriculture and direct growth towards existing developed areas. The Dunnigan Water District indicated that the District is expecting some growth in the area but it will not reach build-out within the foreseeable future. The Yolo-Zamora Water District serves an area that is primarily designated as agricultural preserve, with less than a thousand residents. It is unlikely that land use will change significantly within its service area. The Yolo County Flood Control & Water Conservation District serves a diverse area, ranging from urban development to open space.

2. **The present and probable need for public services and facilities in the area**
   The present and probable need for public services and facilities are established through adopted plans and policies of the Yolo County and Woodland, Winters, and Davis General Plans as well as the Dunnigan and Capay Valley Community Plans.

Analysis to support determination:

The public services and facilities provided by the Dunnigan Water District and Yolo County Flood Control & Water Conservation District will continue to be necessary as they provide an essential water supply to agricultural operations as well as flood control to the central area of the county. The General Plans for Yolo County and cities include the provision of public services within their respective planning areas. This holds true for the Yolo-Zamora Water District service area as well; with the land primarily zoned for agricultural preserve, irrigation water is essential to the economic viability of that land use.

Land subsidence due to groundwater extraction is a critical issue within the service areas of the three districts. The area east of Zamora has been identified as having the greatest degree of subsidence within Yolo County. This elevates the need for the services these districts are authorized to provide; a reliable source of surface water reduces the reliance on groundwater and allows for groundwater recharge.

Changes to the spheres as shown on the maps would allow flood control services and provide a source of water to the area for groundwater recharge.

3. **The present capacity of public facilities and the adequacy of public services which the agency provides or is authorized to provide**

   The Dunnigan Water District provides adequate service to territory within its boundaries; currently it has capacity to serve those areas although adequate supply to meet projected future demand may not be available. The Yolo County Flood Control & Water Conservation District provides adequate service to territory within the agency's boundaries. It has the capacity to serve the areas within its boundaries; flood control and water supply should be adequate to meet future demand. The Yolo-Zamora Water District is not providing service at this time, which is a concern given the land subsidence issues in the area.

Analysis to support determination:

The Dunnigan Water District is a member agency of the Tehama-Colusa Canal Authority and has an interim delivery contract with the US Bureau of Reclamation with an entitlement of 19,000 acre feet per year from the canal. Current demand is 10,000 acre feet, all supplied through a gravity system. This is adequate to meet the current and near term needs of the service area. However, some growth is expected including a greater percentage of viticulture operations. The current allotment from the canal may not be adequate in the future, particularly if land subsidence increases and groundwater use needs to be curtailed.

The Dunnigan Water District had a long-term water delivery contract with the US Bureau of Reclamation that expired in 1995. Since that time, eight interim contracts have been used to continue Dunnigan's service. The current contract expires on February 28, 2006. The District is in the process of negotiating the renewal of its long-term service contract with USBR, as are other CVP contractors. The effort is being conducted in accordance with Section 3404c of the Central Valley Project Improvement Act and environmental documentation is being prepared.

The Yolo County Flood Control & Water Conservation District is providing adequate service within its service area. Through the construction of the Indian Valley Reservoir, it has developed a reliable water source, improved flood control, and created beneficial recreational opportunities such as boating and camping at the reservoir and recreational opportunities on the North Fork and main stem of Cache Creek. According to the 1985 LAFCO report, a large portion of the District's service area is designated as agricultural preserve, with the majority of the balance designated as agriculture-general. Development is concentrated within the incorporated cities and unincorporated community areas, allowing for an efficient provision of services by the District.

All three districts have collaborated on studies to identify opportunities to bring surface supply to Yolo-Zamora; however, cost has been an inhibiting factor to implementation of any of the alternatives. It should be noted that the initial design was for gravity flow and did not include a distribution system that could serve the entire service area of the Yolo-Zamora Water District. The extent of any infrastructure improvements would depend on the amount of funding available from grant or assessments approved by the landowners within the District.

The Yolo County Flood Control & Water Conservation District is expected to receive funding through the US Bureau of Reclamation for a conjunctive use program. The analysis of alternatives has included Yolo County Flood Control providing surface water to Yolo-Zamora through the China Slough; this could be done on a contract basis or through a sphere of influence update whereby the serviceable area lies within the sphere of influence of the Flood Control District. Maintaining the governance structure of the three districts and allowing for some sphere of influence adjustments may serve to improve the efficient provision of services within the area.

4. The presence of any social or economic communities of interest in the area

The water districts are interrelated through social and economic interests to the areas they serve: Dunnigan Water with the Dunnigan Hills area; Yolo-Zamora Water with the area between Dunnigan and the Yolo County Flood Control & Water Conservation District; and Yolo County Flood Control with each of the communities within its service area.

Analysis to support determination:

The Dunnigan Water District and Yolo-Zamora Water District are landowner districts which inherently include strong social and economic ties with the local community. The agricultural operations within Dunnigan rely on the District for a vital water supply source. The Yolo-Zamora Water District is tied to the communities of Yolo and Zamora and there is a strong sense of community identity with the District even though it has not provided services. The Yolo County Flood Control & Water Conservation District plays a significant role across a broad swath of Yolo County. The communities it encompasses have both social and economic ties for the services it provides and the recreational opportunities it has created with the Indian Valley Reservoir.

Agency Profile

Dunnigan Water District

GOVERANCE

ADDRESS:	**PO Box 84, Dunnigan 95637** **530.724.3271**
EMAIL/WEBSITE:	**dwd2@afps.com**
AGENCY CONTACT:	**Donita Hendrix, Secretary/Manager**
LEGAL COUNSEL:	**Mark Atlas, Attorney 530.934.5416**
BOARD MEETINGS:	**3rd Thursday of each month, 1:30 p.m.**

SERVICES

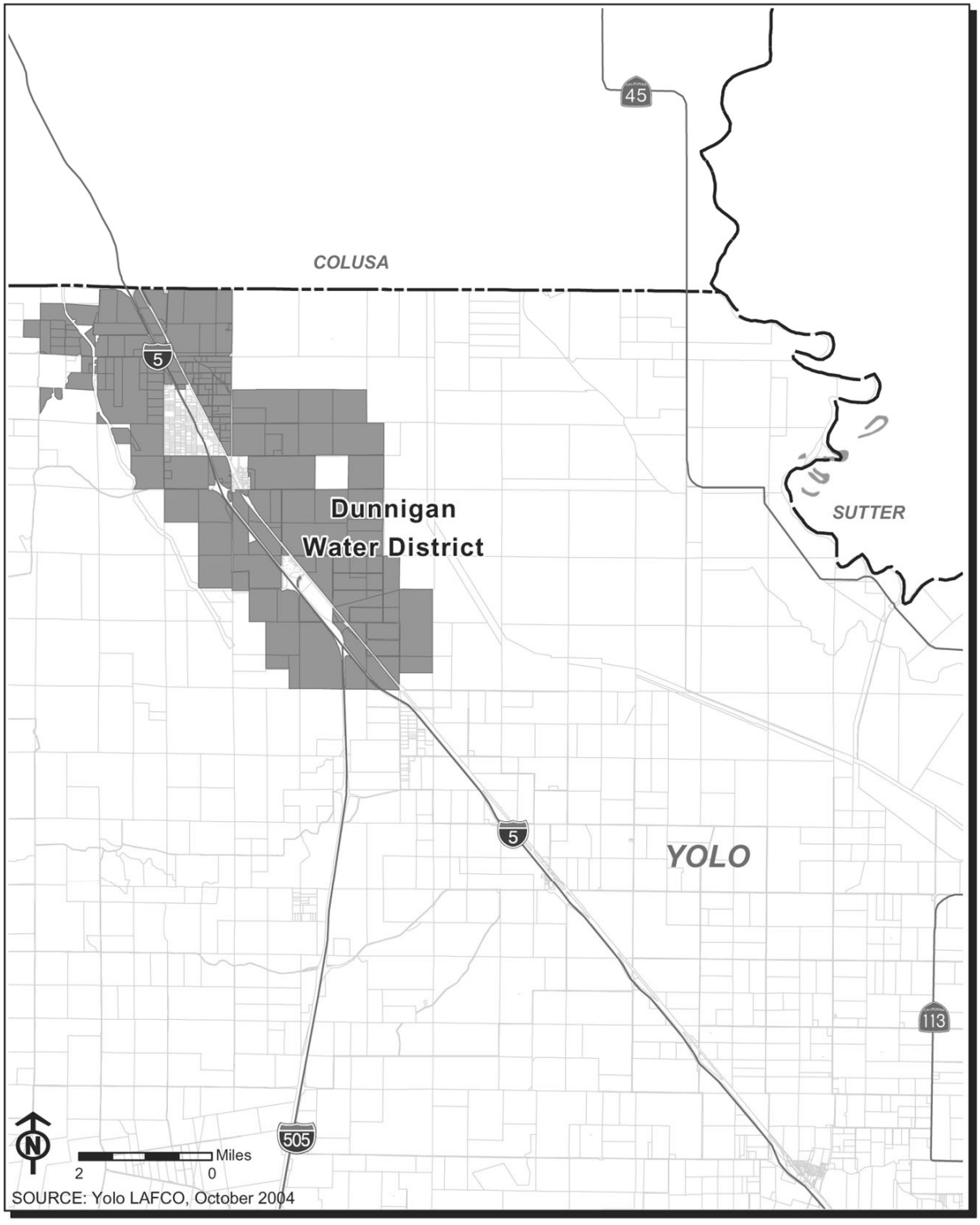
ENABLING LEGISLATION:	**Formed as a California Water District under Water Code 1956**
TYPES OF SERVICES:	**Provides agricultural water from the Tehama-Colusa Canal**
POPULATION SERVED:	**1,000**
SIZE OF SERVICE AREA:	**15.6 square miles (10,000 acres)**

FINANCIAL INFORMATION

BUDGET:	Revenues:	Expenses:
(FY 2002-2003):	**$624,145**	**$644,190**

SOURCES OF FUNDING: 51% Assessments
47% Water Sales
2% Interest and Other Income

OTHER INFORMATION



Yolo County
Dunnigan Water District

Agency Profile

Yolo – Zamora Water District

GOVERANCE

ADDRESS: **PO Box 355, Yolo 95697**
530.666.2893

EMAIL/WEBSITE: **NA**

AGENCY CONTACT: **Twyla Thompson, Board President**

LEGAL COUNSEL: **Mark Atlas, Attorney 530.934.5416**

BOARD MEETINGS: **Twice each year (April/Oct.)**

SERVICES

ENABLING LEGISLATION: **Formed under Division 13 of the California Water Code December 5, 1955**

TYPES OF SERVICES: **Provide agricultural water**

POPULATION SERVED: **Yolo = 400; Zamora = 61; Rural/Other = 150**

SIZE OF SERVICE AREA: **32.3 square miles (20,700 acres)**

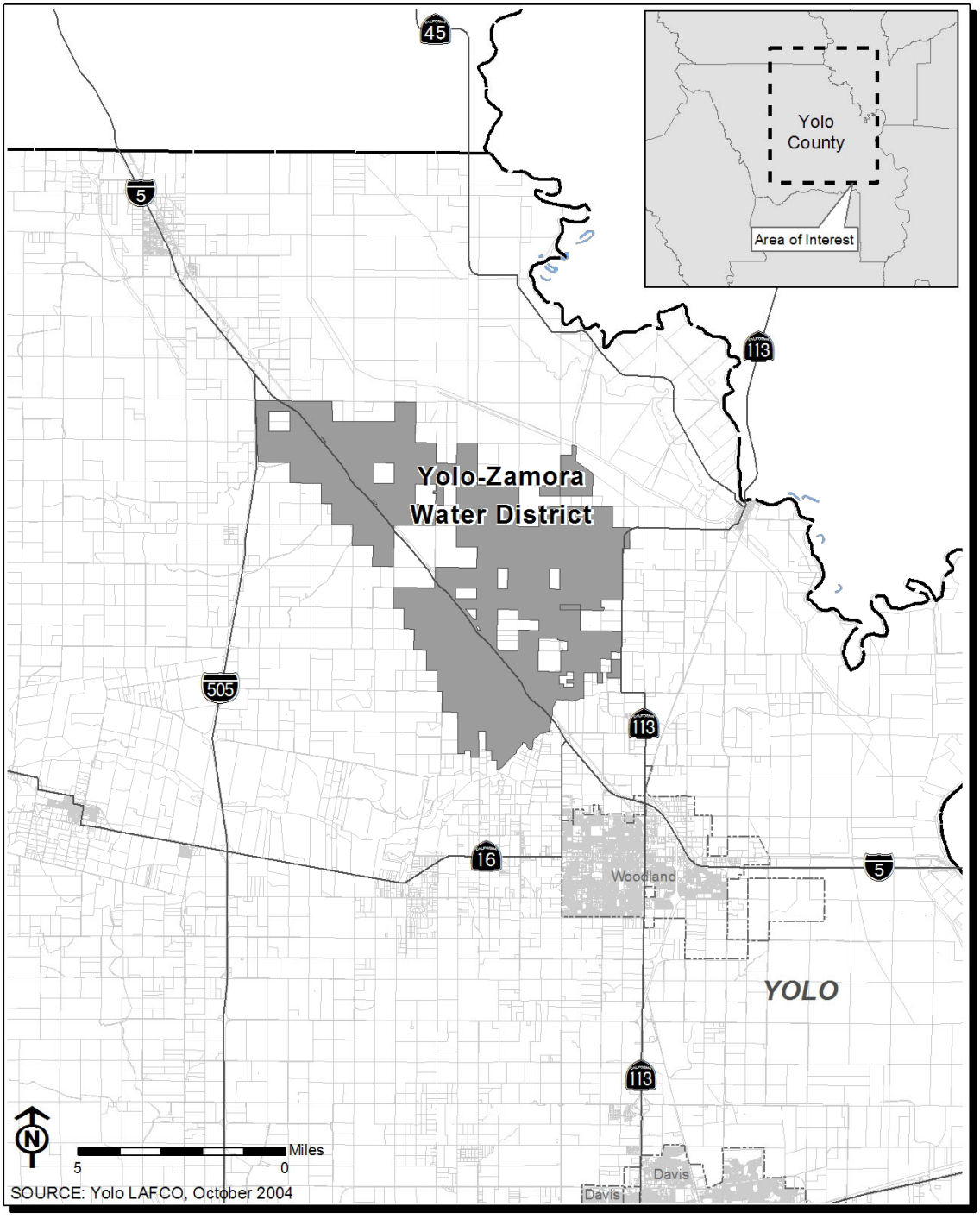
FINANCIAL INFORMATION

	Revenues:	Expenses:
BUDGET: (FY 2002-2003):	**$178**	**$1,003**

SOURCES OF FUNDING: 100% Investment Earnings

OTHER INFORMATION

Yolo-Zamora Water District does not currently provide services as there is no source of surface water supply.



Yolo County
Yolo-Zamora Water District

Agency Profile

Yolo County Flood Control & Water Conservation District

GOVERANCE

ADDRESS:	**34274 State Highway 16, Woodland 95695** **530.662.0265**
EMAIL/WEBSITE:	**www.ycfcwcd.org**
AGENCY CONTACT:	**Ann Brice, Board Chairman**
LEGAL COUNSEL:	**Paul Bartkiewicz, Attorney 916.446.4254**
BOARD MEETINGS:	**1st Tuesday of each month, 7:00 pm**

SERVICES

ENABLING LEGISLATION:	**Formed by Special Act of the California State Legislature in 1951**
TYPES OF SERVICES:	**Flood control; provide agricultural and wholesale municipal water; recreation; hydroelectric power generation***
POPULATION SERVED:	**134,000**
SIZE OF SERVICE AREA:	**306 square miles (195,780 acres)**

FINANCIAL INFORMATION

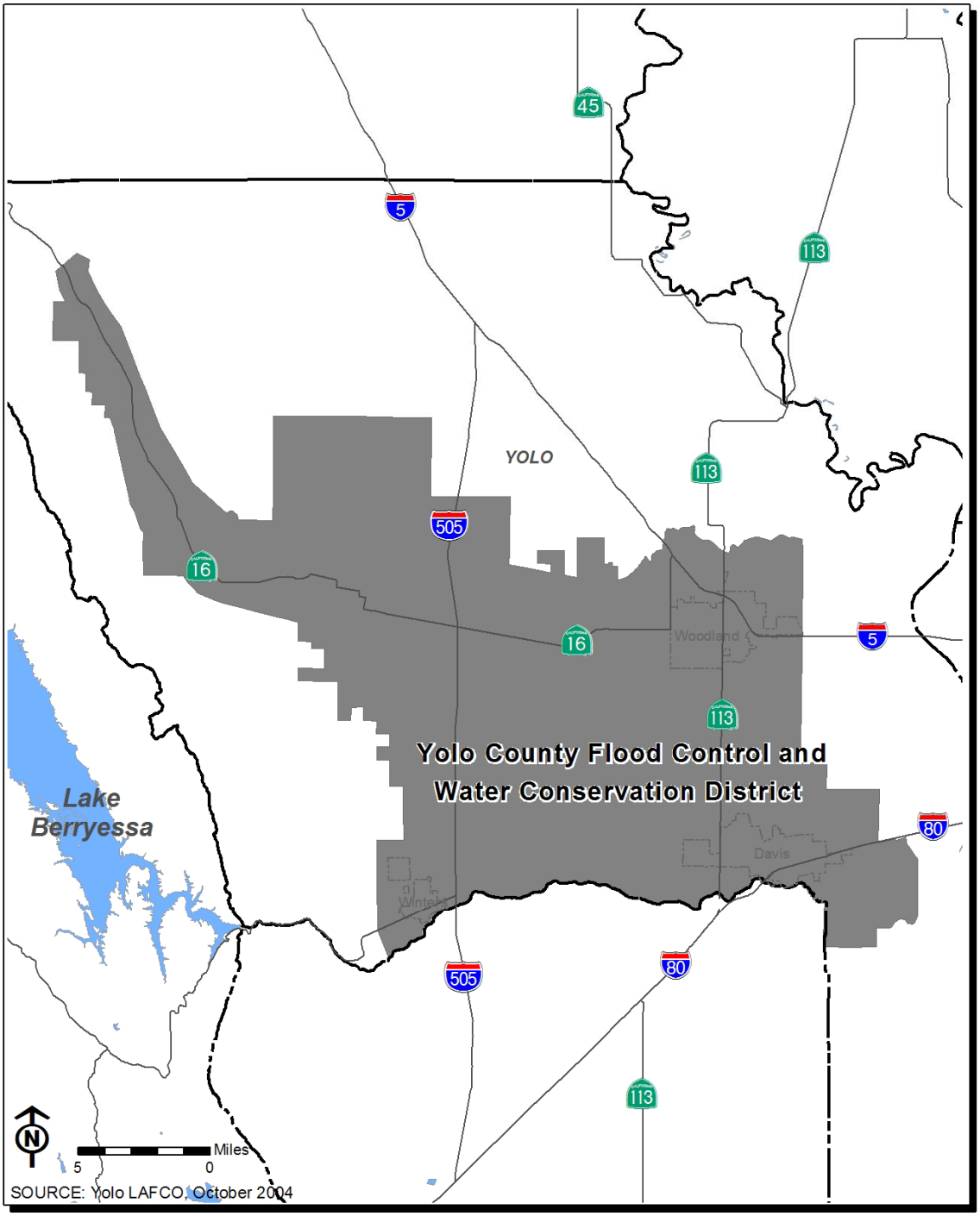
BUDGET:	Revenues:	Expenses:
(FY 2003-2004):	**$2,753,440**	**$3,108,421**

SOURCES OF FUNDING:

57% Water Sales - Irrigation
5% Water Sales - Other
13% Hydro Revenue
1% Canal Maintenance
24% Non-Operating Revenues

OTHER INFORMATION

*Wholesale municipal water service provided in the vicinity of Clear Lake in Lake County only. The District provides drainage services for the facilities the District's owns or operates.

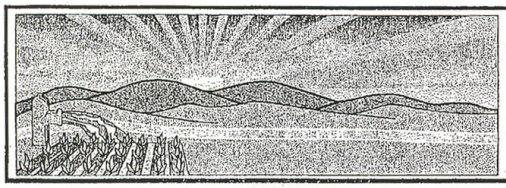


Yolo County

Yolo County Flood Control and Water Conservation District

APPENDIX

Supplementary Information Provided in response to Public Review Draft



DUNNIGAN WATER DISTRICT
P.O. BOX 84 DUNNIGAN, CA. 95937
PHONE: (530) 724-3271
FAX: (530) 724-3273

RECEIVED
MAR 17 2005
YOLO LAFCO

March 14, 2005

Yolo County Local Agency Formation Commission
625 Court Street, Room 202
Woodland, California 95695

Subject: Yolo County Water and Reclamation Districts Municipal Service Review and Sphere of Influence Study

Dear Elizabeth Castro Kemper

This letter is in response to the sphere of influence study. The research provided Dudek and Associates firm was very thorough and informative. The concern I have for the Dunnigan Water District is the potential growth pattern planned for this area and the financial stability of this organization. The potential growth will remove several hundred acres of farmland out of production, which will reduce agricultural water sales. Water sales represent 45% of our revenue. With the potential change of land usage the district would have to search innovative ways to meet financial obligations.

If you have any questions feel free to call me at 530-724-3271.

Sincerely,

Donita Hendrix

Donita Hendrix
Secretary/Manager
Dunnigan Water District

Additional Water-Related Planning Processes in Yolo County

(provided by Yolo County Planning and Public Works Department)

The processes below represent multi-year, multi-jurisdiction efforts to identify water-related challenges in Yolo County and potential solutions. The results of these planning processes may indicate a need to revisit the reorganization determinations outlined in the Municipal Services Review.

General Plan Update

In 2004, Yolo County started its first General Plan Update in over 20 years. The Update will provide the foundation for all decisions within the unincorporated area involving land use, including housing, economic development, public works, transportation, and resource conservation. Sometime during summer 2005, the Board of Supervisors will select an alternative that provides guidelines for future growth in the unincorporated area. The General Plan Update is expected to be completed by the end of 2006.

Yolo County Integrated Regional Water Management Plan

The Water Resources Association of Yolo County is currently preparing the Yolo County Integrated Regional Water Management Plan, scheduled for completion by December 2006. The Plan will serve as an update to the 1992 Yolo County Water Plan and will provide information on water-related challenges in the following five areas: water supply, wastewater, stormwater drainage and flood control, aquatic ecosystem enhancement, and recreation. It will also recommend high-priority projects for implementation.

Yolo County-Sacramento Area Flood Control Agency (SAFCA) Lower Sacramento River Collaborative

On December 7, 2004, the Yolo County Board of Supervisors agreed to partner with SAFCA to form the Lower Sacramento River Collaborative, facilitated by the Center for Collaborative Policy. The Lower Sacramento River Collaborative process will allow the County and SAFCA to explore regional flood protection, ecosystem enhancement, and farming improvement opportunities.

Sacramento River Corridor Planning Forum

The Sacramento River Corridor Planning Forum (Planning Forum) addresses riverfront development, public access and flood management issues affecting the reach of the Lower Sacramento River extending from the Fremont Weir to Courtland. The Planning Forum's principal focus has been developing guidelines that the State Reclamation Board will consider when making decisions regarding projects or activities in the flood zone. The Forum's goal is to conclude its activities by July 2005, resulting in a set of guidelines that decision makers hope cities and counties will incorporate into their General Plans.