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City Member

Stan Neutze  
City Member Alternate

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Joe Chimenti  
County Member

Fred Ryness  
Special District Alternate

Katherine Ann Campbell  
Public Member Alternate

George Williamson  
Executive Officer

James M. Underwood  
General Counsel

Kathy Bull  
Office Manager

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## Agenda Item: 7b

**Meeting Date:** October 7, 2021

**From:** George Williamson AICP, Executive Officer

**Subject:** **Proposed Fall River Valley Community Services District Annexation**  
The Commission will consider proposal, submitted by resolution of application from FRV CSD Board of Trustees for annexation of territory.

LAFCOs are responsible, under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, to regulate the formation and development of local governmental agencies and their municipal services. This includes approving or disapproving proposed changes of organization, such as boundary changes, consistent with adopted policies and procedures pursuant to California Government Code (G.C.) § 56375. LAFCOs have broad discretion in amending and conditioning changes of organization as long as they do not directly regulate land use, property development, or subdivision requirements.

### BACKGROUND

Fall River Valley Community Services District (FRV CSD or District) provides water, wastewater, and park and recreation services to the Fall River Mills and McArthur areas of Shasta County. The District has been working towards expanding services to the McArthur area and is looking to adjust its current boundary based on existing service connections and anticipated future water and wastewater connections.

The District previously consulted with Shasta LAFCo on potential annexation areas that would include District property, existing service connections, and planned expansion areas. Shasta LAFCo was able to assist the District with selecting logical annexation areas and compiling parcel data to support the annexation application.

The complete annexation application was submitted to LAFCo in April 2021 and a Notice of Filing was sent out on April 26, 2021 with comments due no later than May 14, 2021. No comments were received on the proposed annexation.

Territory proposed to be annexed covers approximately 586 acres. The current District boundary covers approximately 1,350 acres. Public notice of the proposed action was published in the newspaper of general circulation: the Record Searchlight for Shasta County, on or before September 16, 2021.

### Provision of Public Services

The District is responsible for providing water, wastewater, and parks and recreation services. A plan for services is an attachment. Water services are provided throughout the District including Fall River Mills and McArthur. Wastewater services are currently limited to Fall River Mills. There are plans to extend wastewater service to McArthur when funding is available.

### Reasons for Proposal

The reasons for the annexation as set forth in the proposal to LAFCO are as follows:

- 1) To include parcels already receiving service in the District boundary and to provide service to interested landowners. An alternative would be to continue to provide out of boundary service extensions; however, per LAFCo policy, out of boundary service extensions are only granted under certain circumstances. It is preferable to annex properties within the SOI wishing to receive service.

### Land Use Designations

Land uses within the proposed annexation area are subject to the Shasta County General Plan and Zoning Regulations. The Shasta County General Plan identifies the communities of McArthur and Fall River Mills, as Town Centers, which are defined as a communities wherein most urban services are provided. Zoning in the Fall River Valley outside the Town Centers is primarily Exclusive Agricultural (EA), Agricultural Preserve (AP), and Rural Residential (R-R). Other zoning designations within the district are Commercial-Light District (C-M), One-Family Residential (R-1), and Public Facilities (PF). General Plan land-use is primarily Agriculture, Timber, Residential, Mixed Use and Unclassified.

### ANALYSIS

The proposal analysis is organized into two sections. The first section considers the proposal relative to the factors mandated for review by the Legislature anytime LAFCOs review boundary changes. The second section considers issues required by other applicable State statutes in processing boundary changes, such as environmental compliance with the California Environmental Quality Act.

### Required Factors for Review

G.C.§ 56668 requires the Commission to consider 16 specific factors anytime it reviews proposals for a change of organization. No single factor is determinative. The purpose in considering these factors is to help inform the Commission in its decision-making process. An evaluation of these factors as it relates to the proposal follows.

- 1) Population and population density; land area and land use; per capita assessed valuation; topography, natural boundaries, and drainage basins; proximity to other populated areas; the likelihood of significant growth in the area, and in adjacent incorporated and unincorporated areas, during the next 10 years.**

The Fall River Valley is a generally flat river valley where the Fall River meets the Pit River in the town of Fall River Mills. The towns of Fall River Mills and McArthur lie along Highway 299 and are close to the Shasta County border. Land use is predominately agricultural with mixed residential and commercial uses along the highway. The District has a current population of approximately 1,875. The area is expected to experience low growth, approximately 1 percent, over the next 10 years and may accommodate a population of approximately 2,000 persons by the year 2030. The nearby community of Pittville (approximately 3 miles east of McArthur) is expected to see similar growth patterns.

The proposed annexation would cover approximately 586 acres over 45 parcels, valued at \$4,541,709 for both land and improvements. The land is valued at \$1,985,440.

- 2) The need for organized community services; the present cost and adequacy of governmental services and controls in the area; probable future needs for those services and controls; probable effect of the proposed incorporation, formation, annexation, or exclusion and of alternative courses of action on the cost and adequacy of services and controls in the area and adjacent areas.**

Pursuant to Government Code § 56653, a Plan for Services was prepared to evaluate annexation territory needs. The need for expanded community services within the affected territory includes water and wastewater services. An analysis of the availability and adequacy of these services relative to projected needs of the proposal follows.

#### *Fire Protection & Emergency Response*

The Fall River Mills and McArthur Fire Protection Districts have recently consolidated as the Fall River Valley Fire Protection District (FPD), the successor agency. It is responsible for providing service and emergency response services to the consolidated District territory, which extends into Lassen County. There is a FPD annexation proposal on file with Shasta LAFCO.

#### *Law Enforcement*

The proposed annexation territory is currently served by the Shasta County Sheriff's Office. Increase in demand for law enforcement is not expected due to annexation as the majority of the subject areas are already developed and there are no further development plans at this time.

#### *Water and Wastewater*

The District would provide potable water and wastewater services to the annexation area. Currently only water service is provided to the McArthur area. Further extension of water service to the northern most annexation area will be funded by connection fees and use fees.

This District has 465 existing water connections. There is capacity to accommodate increased demand from annexation areas that do not have existing connections. According to California Code of Regulations Title 22 related to drinking water, systems with less than 1,000 service connections must have storage capacity equal to or greater than the maximum day demand, unless the system can demonstrate it has an additional source of supply or has an emergency source connection that can meet the requirement.

Due to required fire flow volume for Mayers Memorial Hospital located in Fall River Mills (1,500gpm for 2 hours), the District currently does not meet this requirement and additional storage of approximately 130,500 gallons is needed. Additional water storage is planned for the McArthur area which will help satisfy storage requirements. The backup well and available surface water would require additional treatment in order to qualify as an emergency source.

The District has 223 existing wastewater connections in Fall River Mills and is operating at approximately 25% of its treatment plant capacity. This indicates there is ample capacity to support an expanded service area. The District plans to extend wastewater services to the McArthur area when funding is available.

#### *Road Maintenance*

Shasta County provides road maintenance in the District. No additional requirements for road capacity are anticipated as a result of annexation.

#### *Medical Services*

Medical and ambulance services are provided by Mayers Memorial Hospital. As no development is proposed as part of this annexation, no increased demand for medical services is anticipated.

**3) The effect of the proposed action and of alternative actions, on adjacent areas, on mutual social and economic interests, and on the local governmental structure of the county.**

The annexation as proposed by the District would include 586 acres over 45 parcels and is within the existing District SOI. As many of the parcels are already served by the District, annexation would better reflect provision of services.

**4) The conformity of the proposal and its anticipated effects with both the adopted commission policies on providing planned, orderly, efficient patterns of urban development, and the policies and priorities set forth in G.C. Section 56377.**

The statutory goals of the LAFCO include the promotion of orderly growth and development by determining logical local boundaries [§56001], the preservation of open space by encouraging development of vacant land within cities before annexation of vacant land adjacent to cities [§56377(b)], and the preservation of prime agricultural land by guiding development away from presently undeveloped prime agricultural lands [§56377(a)]. The proposed uses in annexation territory comply with statutory goals discussed above.

**5) The effect of the proposal on maintaining the physical and economic integrity of agricultural lands, as defined by G.C. Section 56016.**

Some agricultural lands in the annexation territory are subject to a Williamson Act Contract. A portion of the annexation area is designated Agricultural Exclusive. This is predominantly adjacent to the airport in Fall River Mills and is developed with a portion of the airport runway. No further development, beyond the existing uses, is proposed. As such, the annexation is not expected to have an adverse impact on agricultural lands.

**6) The definiteness and certainty of the boundaries of the territory, the nonconformance of proposed boundaries with lines of assessment or ownership, the creation of islands or corridors of unincorporated territory, and other similar matters affecting the proposed boundaries.**

A map and geographic description, which follows existing boundaries, will be required prior to filing a certificate of completion for the District annexation of territory. Proposed annexation areas follow existing parcel lines. The proposed boundary will create a corridor of land along Reynolds Road that is substantially surrounded by the District. It will also create a small portion of District land that is not connected to the rest of the District to the east of Dee Knoch Road.

**7) A regional transportation plan adopted pursuant to G.C. Section 65080.**

The Shasta County Regional Transportation Plan (RTP) was updated in 2018 by the Shasta Regional Transportation Agency (SRTA) and is a long-range transportation planning document for Shasta County. As part of the RTP, SRTA developed a Sustainable Communities Strategy (SCS) as required under California Senate Bill 375, the Sustainable Communities and Climate Protection Act of 2008 (SB 375) - addressing how the RTP will meet the region's greenhouse gas (GHG) emissions reduction targets. The proposed annexation will not include any further development and will therefore not impact the RTP.

**8) Consistency with city or county general and specific plans.**

Land uses in the District and annexation territory include a mix of commercial, residential, industrial and Town Center designations for McArthur and Fall River Mills communities, in the Shasta County General Plan. Zoning in the Fall River Valley outside the Town Centers is primarily Agricultural: EA and AP, and Rural Residential. Other zoning designations include Commercial-Light, One-Family Residential, and Public Facilities. General Plan land-use in the valley is primarily Agriculture, Timber, Residential, Mixed

Use and Unclassified. The annexation does not require general plan or zoning amendments and land use is expected to remain consistent with county plans.

**9) The sphere of influence of any local agency which may be applicable to the proposal being reviewed.**

The annexation territory is located within the District SOI, which was expanded in 2014 and reaffirmed in the 2021 District Municipal Services Review and SOI Update. The SOI is not proposed to change due to this proposal.

**10) The comments of any affected local agency or other public agency.**

The District provided notice to interested and subject agencies of its intent to adopt resolutions of application, pursuant to GC § 56654(c). Shasta LAFCO provided a notice of application filing to affected agencies and received no comments. Shasta LAFCO also prepared and released a Certificate of Filing to local agencies, setting the October 7, 2021 Commission hearing date. A hearing notice was published in the Record Searchlight, with postings on the LAFCO and District websites.

**11) The ability of the newly formed or receiving entity to provide the services which are the subject of the application to the area, including the sufficiency of revenues for those services following the proposed boundary change.**

The District has filed a plan for services with Shasta LAFCo, attached to this staff report. The District annual budget shows operating costs with administration and accounting costs. Many of the annexation parcels have existing connections. Any new service connections will be funded by connection and use fees. As services will be funded by fees for services, there will be no change in tax revenues associated with the annexation.

The Shasta County Tax Revenue Sharing Agreement for the annexed territory, was passed by Board of Supervisors Resolution 21-079, on August 31 2021. No tax rate allocations were changed or otherwise impacted by this resolution. There will be no property tax allocated to the District for the annexed territory.

**12) Timely availability of water supplies adequate for projected needs as specified in G.C. § 65352.5.**

Water service will be provided by the FRV CSD. As noted under Factor 2, the District is operating at approximately 90% of its current water capacity. While there is enough water to meet current and future demand, the District lacks adequate storage or emergency water source to meet current state standards. Before water service is extended to the northern annexation area, a new storage tank will be installed to help fulfill storage requirements.

**13) The extent to which the proposal will affect a city or cities and the county in achieving their respective fair shares of the regional housing needs as determined by the appropriate council of governments consistent with Article 10.6 (commencing with § 65580) of Chapter 3 of Division 1 of Title 7.**

The proposed annexation would not impact any local agencies in accommodating their regional housing needs. The County of Shasta General Plan Housing Element addresses how regional housing needs allocations will be met. There are currently no increased residential designations or development plans for the proposed annexation territory.

**14) Any information or comments from the landowner or owners, voters, or residents of the affected territory.**

Notice was published in the newspaper of general circulation, for Shasta County, and posted on the Shasta LAFCO and District websites. No comments were received.

**15) Any information relating to existing land use designations.**

See discussion under Factor 8.

**16) The extent to which the proposal will promote environmental justice. As used in this subdivision, “environmental justice” means the fair treatment of people of all races, cultures, and incomes with respect to the local of public facilities and the provision of public services.**

The proposal will not result in inconsistencies with environmental justice safeguards. The annexation would result in continued public services for residents and will assist in providing services to mobile home housing in McArthur.

## **Other Considerations**

### *Environmental Review*

The purpose of the environmental review process is to provide information about the environmental effects of the actions and decisions made by LAFCO and to comply with the California Environmental Quality Act (CEQA) Guidelines found in Public Resources Code § 210000 et seq. It has been determined that this project is statutorily exempt from CEQA pursuant to § 15262 – Feasibilities & Planning Studies and categorically exempt pursuant to § 15306 – Information Collection. The Commission has prepared a Notice of Exemption as provided under CEQA Guidelines for the District for this change of organization including annexation and makes a specific determination that this environmental determination adequately addresses proposed changes.

### *Municipal Service Review and Sphere of Influence Update*

The FRVCSO MSR and SOI Update, unanimously approved by the Commission on August 5, 2021, reflects the District’s ability to serve the affected territory, and confirms the Sphere of Influence that covers the District, and annexed territory.

### *Tax Revenue Sharing Agreement*

California Revenue & Taxation Code 99(b)(5) provides:

In the event that a jurisdictional change would affect the service area or service responsibility of one or more special districts, the County board of supervisors shall, on behalf of the district or districts, negotiate any property tax revenue exchange. Prior to entering into negotiation on behalf of a district for a property tax revenue exchange, the board shall consult with the affected district. The consultation shall include, at a minimum, notification to each member and executive officer of the district board of the pending consultation and provision of adequate opportunity to comment on the negotiation.

The property tax exchange was lawfully adopted via resolution in accordance with Revenue & Taxation Code section 99. The Shasta County Board of Supervisors passed a Tax Revenue Sharing Agreement by Resolution 21-079 on August 31 2021. The agreement does not convey property tax from the proposed annexation area, to the District.

*Conducting Authority Proceedings*

All Commission approved boundary changes are subject to conducting authority proceedings (i.e., protest hearing) unless waived in accordance with criteria outlined under G.C. § 56663.

**B. RECOMMENDATION**

Staff Recommends that the Commission conduct the continued public hearing on the proposed annexation of territory by:

Receiving a staff report;

Open the Public Hearing and receiving testimony;

Closing the hearing and discussing the proposal;

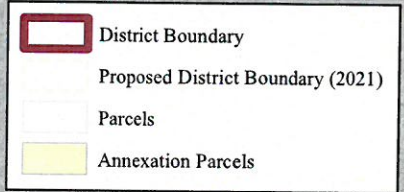
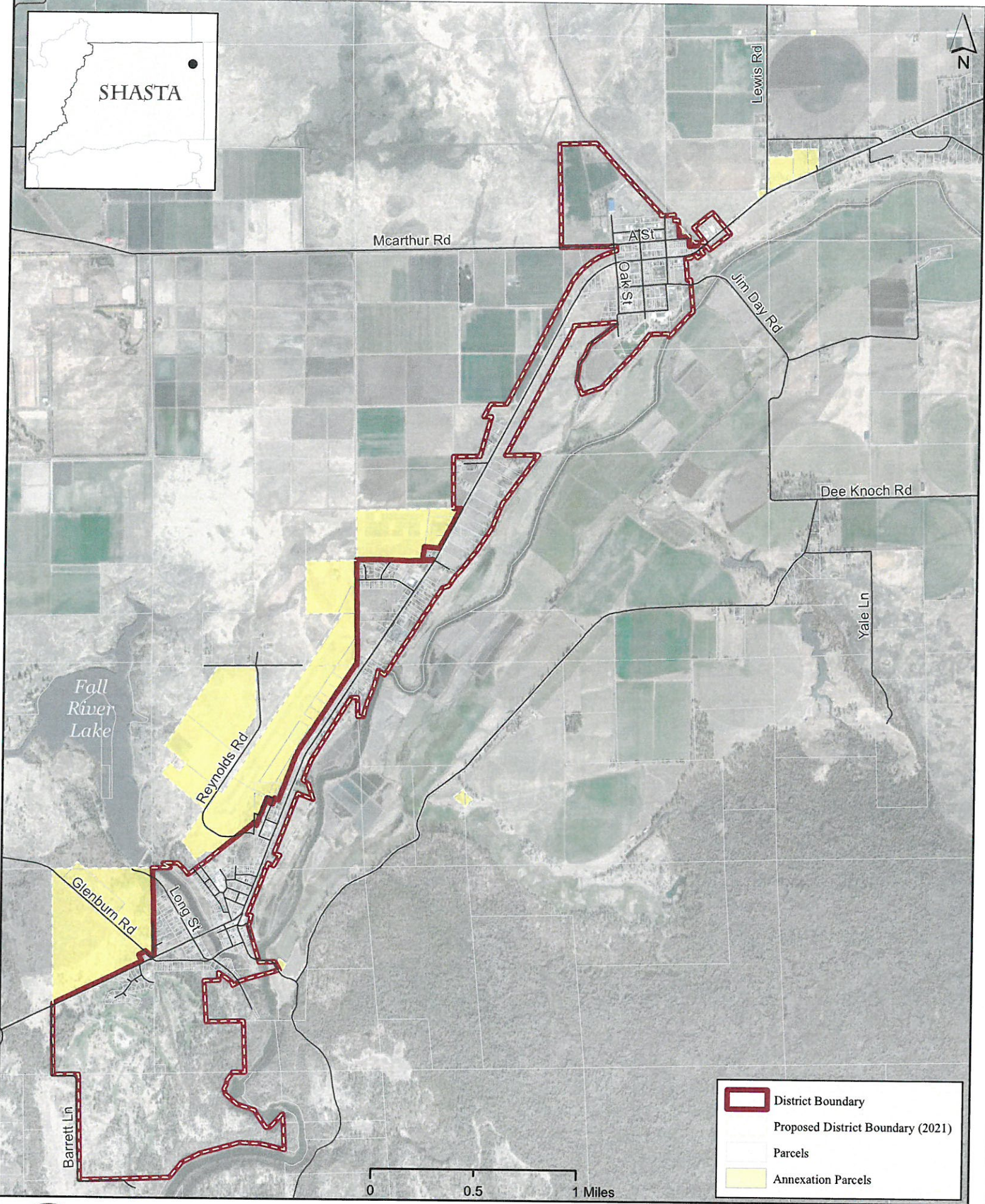
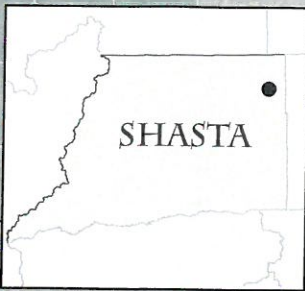
Approve the annexation to the District, with conditions;

Take these actions, pursuant to the findings and determinations contained in this staff report, by adopting Resolution 2021-13 with conditions:

**Alternatives**

Deny the annexation to the District, due to insufficient revenues to serve the annexed territory.

**Attachments:** Exhibit A: Boundary Map  
Plan for Services  
Shasta LAFCO Resolution 2021-13



# Fall River Valley CSD Proposed Annexation

Figure



# Fall River Valley Community Services District Proposed Annexation

## *Attachment - Plan for Service*

### **Introduction**

The intent of the Plan for Service (Government Code § 56653) is to describe how a proposed annexation will be implemented if approved. The service provider for the district must document their ability to provide services to the proposed annexed parcels, taking into account the services, capacity, cost and services adequacy and how those services would be affected by the proposed LAFCO action. A Plan for Service, accepted by the Executive Officer, is required for the application to be deemed complete.

This plan of service is being presented to Shasta LAFCo in support of annexation to the Fall River Valley Community Services District. The District is proposing to annex parcels that are currently receiving water and/or wastewater services from the District as well as parcels seeking services and parcels that will make for a logical boundary.

### **District Profile**

The Fall River Valley Community Services District was formed in May 1962 and is located in northeastern Shasta County. It is composed of the communities of Fall River Mills and McArthur. The District boundary encompasses approximately 1,350 acres and the Sphere of Influence (SOI) encompasses 28,971 acres, including the communities of Gomez and Pittville.

The District has a five-member Board of Directors that meets monthly. The District provides municipal water to the communities of Fall River Mills, McArthur, and areas outside of the District Boundary, including the Shasta County Airport, located to the west of the District. The District provides wastewater collection, treatment and disposal for the community of Fall River Mills. The District also provides Park & Recreation services to the community. The District owns and operates property at Fall River Lions Park and contracts with the Fall River Lions Club for maintenance of the park and facilities.

The population of the District is approximately 1,875. According to the 2020 Rural Community Assistance Corporation (RCAC) Income Survey, funded by the State Water Resources Control Board, the District is considered to be a Severely Disadvantaged Unincorporated Community (SDUC). The District has a median household income (MHI) that is 42% of the California MHI, thereby qualifying the district as a SDUC. Areas outside of the district but within the SOI are also considered to be DUCs.

### **The Need for Annexation**

There are 44 parcels proposed for annexation which are listed in Exhibit A of this application. Of those parcels, 14 are already receiving one or more services from the district, including the Fall River Mills Airport, which receives municipal water. The other parcels already being served by the district are housing units on agricultural land, commercial businesses, and the Shasta County Corp yard near the southwest edge of the District. As these parcels are already receiving service it follows that they should be included in the District boundary.

Annexation of the Pine Grove mobile home park is also being proposed. Annexation will provide reliable potable water to the residents of the mobile home park who are currently receiving water from an onsite well that contains a moderate level of iron and manganese.

Additional parcels are being proposed for annexation in order to create a logical boundary. These parcels are primarily composed of small undeveloped commercial lots adjacent to the airport and several small residential parcels near the Inter Mountain Fair. There are no planned service connections for these parcels currently.

### **Plan for Services**

This plan shall, at a minimum, respond to each of the following and be signed by the proponents of the change.

#### **1. Level and range of services to be provided to the territory.**

The District will continue to provide water, waste water, and parks and recreation services within its boundary and will continue to provide water to parcels outside of the service boundary but within the Sphere of Influence that already have existing service. Water service will continue for those parcels already receiving water from the district and water service is planned to be extended to the Pine Grove mobile home park. Wastewater service will continue to be provided to those parcels already receiving service. Parks and recreation will continue to be provided to the community as a whole. This will include continued efforts to obtain grant funding to support future trails and parks for the District.

#### **2. Indicate when service would be extended to the territory.**

Service will not be interrupted and will continue normally for those parcels that already have an established water and/or waste water connection with the District. The Pine Grove mobile home park will require a water storage tank. Once the tank is constructed, water service can be established.

#### **3. Identify any improvements, structures, other infrastructure, or other conditions the consolidated district would need to serve the territory.**

A new water storage tank and infrastructure will be needed to provide water service to the Pine Grove mobile home park. The District is currently negotiating a site for the new storage tank. Construction is estimated at \$1,500,000.00

#### **4. Estimated cost of services and description of how services or required improvements will be financed. A revenues sufficiency discussion for the consolidated service is also required.**

The majority of properties with residential units or other buildings needing service connections already have established connections with the CSD. As such, these expenses are already accounted for in the annual operating budget. Any new service connections will be subject to the fees established by the CSD which are listed in Exhibit C. These charges are put in place to recover the cost of providing service.

The CSD is exploring grant and grant loan opportunities with the SWRCB and the USDA.

#### **5. Indicate whether the territory is or will be proposed for inclusion within a proposed improvement zone/district, assessment district, or community facilities district.**

This territory is not proposed for inclusion in an improvement zone, assessment, or community facilities district at this time.

**6. Outline of the proposed governing body structure and projected revenues and expenditures. The budget presented will need to indicate the source and amount of revenues and expenditures based upon services to be provided.**

*Governing Body*

The Fall River Valley CSD maintains a five-member Board of Directors. Meetings are conducted on the Wednesday after the 10<sup>th</sup> of the month at 6:00PM. Vacancy announcements are published in the local newspaper, District Website, and local public places for a minimum of three weeks. Candidates are interviewed and voted by District Board and the selected name goes to the Shasta County Board of Supervisors for approval. The current Board, listed below, will continue to meet without interruption.

1. Jerry Monath, Chairman
2. Tyler DeWitt, Vice Chairman
3. Kathy Ontano, Director
4. Paulette Gooch, Director
5. Ron Colby, Director

*Proposed Revenues and Expenditures*

The Fall River Valley CSD receives the majority of its revenue from charges for services. This accounts for approximately 94% of its annual revenue. Additional revenue comes from a portion of the ad valorem property tax on individual parcels. This property tax is collected and distributed by Shasta County. A summary of budgeted revenues and expenditures is provided below.

| <b>Revenue</b>      | <b>FY 2019/20 Budget</b> |
|---------------------|--------------------------|
| Water Charges       | \$473,375.00             |
| Sewer Charges       | \$142,600.00             |
| Outside Water Sales | \$12,000.00              |
| Property Tax        | \$32,400.00              |
| Utility Fees        | \$7,200.00               |
| <b>Total</b>        | <b>\$667,950.00</b>      |
| <b>Expenditures</b> |                          |
| Employee Benefits   | \$375,277.04             |
| Operating           | \$263,180.00             |
| Debt Service        | \$18,800.00              |
| <b>Total</b>        | <b>\$657,257.04</b>      |
| <b>Gain (Loss)</b>  | <b>\$10,692.96</b>       |

According to the FY2019/20 Audit Report prepared by Singleton Auman PC, Fall River Valley CSD had approximately \$1,126,449.00 in revenues (including all sources such as charges for service, property taxes, grant funds, etc.) and \$704,973.00 in expenses (including benefits, post-employment benefits, operating expenses, debt service, etc.) for a net increase in position of \$421,476. The fiscal year prior also reported a net increase in position. As such, it is anticipated that service charges and other revenue sources will continue to provide adequate services funding for proposed annexation areas.

**SHASTA LAFCO RESOLUTION 2021-13**

**RESOLUTION OF THE SHASTA LOCAL AGENCY FORMATION COMMISSION  
MAKING DETERMINATIONS AND APPROVING AN  
ANNEXATION TO THE  
FALL RIVER VALLEY COMMUNITY SERVICES DISTRICT**

**WHEREAS**, the Shasta Local Agency Formation Commission (LAFCO), hereinafter referred to as the "Commission", is responsible to review and regulate boundary changes for local governmental agencies whose jurisdictions are within Shasta County pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000; and

**WHEREAS**, in the accordance with California Government Code Section 56661, the Executive Officer has given sufficient notice of the public hearing by the Commission on the proposal; and

**WHEREAS**, the Executive Officer has presented to the Commission, a written staff report with recommendation on the proposal in the manner provided by law; and

**WHEREAS**, the Commission heard and fully considered all testimony and evidence presented at a public hearing held on October 7, 2021; and

**WHEREAS**, the proposal seeks Commission approval for annexation of territory into Fall River Valley Community Services District (CSD).

**WHEREAS**, the annexation is located within the District's sphere of influence; and

**WHEREAS**, the subject territory is inhabited as defined in California Government Code Section 56046; and

**WHEREAS**, the Commission considered all the factors required under California Government Code Section 56425; and

**NOW THEREFORE, IT IS RESOLVED, DETERMINED AND ORDERED as follows:**

1. The Commission's considered each of the factors required by Government Code Section 56668 and LAFCo adopted policies when making determinations on the proposal based on the information and analysis provided in the Executive Officer's written staff report incorporated by reference.
2. The Commission finds that property owners received notice of the proposed annexation.
3. The annexation territory is found to be inhabited.

4. The boundaries of the affected territory are found to be definite and certain.
5. Shasta LAFCO, hereby determines that the proposed annexation is statutorily exempt from California Environmental Quality Act (CEQA) Guidelines found in Public Resources Code Section 210000 et seq. pursuant to Section 15262 – Feasibilities & Planning Studies and categorically exempt pursuant to Section 15306 – Information Collection.
6. The Commission, pursuant to Government Code Section 56425, makes the written statement of determinations included in the sphere of influence update, hereby incorporated by reference.
7. The proposal is assigned the following distinctive short-term designation:  

**Fall River Valley CSD Annexation**
8. The Plan for Services provided by the Fall River Valley CSD shall determine the manner in which services are provided to the affected territory.
9. The effective date shall be the date of recordation of the Certificate of Completion. The Certificate of Completion must be filed within one calendar year from the date of approval unless a time extension is approved by the Commission.
10. Upon effective date of the proposal, the affected territory will be subject to all previously authorized charges, fees, assessments, and lawfully enacted taxes. The affected territory will also be subject to all the rates, rules, regulations, and ordinances of Fall River Valley CSD.
11. The proposal is subject to a tax exchange agreement which was passed by the County Board of Supervisors on August 31, 2021 by Resolution 2021-079.
12. The effective date shall be the date of recordation of the Certificate of Completion. The Certificate of Completion must be filed within one calendar year from the date of approval unless a time extension is approved by the Commission.
13. Upon effective date of the proposal, the affected territory will be subject to all previously authorized charges and fees that were lawfully enacted by the District for the provision of water services. The affected territory will also be subject to all of the District rates, rules, regulations, and ordinances.
14. LAFCO is the conducting authority for this annexation. In accordance with the provisions of Government Code § 56000 et. seq. and Shasta LAFCO Policies, if the Commission does not receive written objections prior to the close of the public hearing on October 7 2021, the protest-hearing requirement pursuant to Government Code § 57000 et seq. shall be waived and the annexation of territory is ordered complete, subject to conditions below. If written protests are received at

the public hearing, the proposal shall be subject to protest proceeding thresholds in Government Code § 57077.2. As necessary the Commission hereby directs the Executive Officer to schedule a protest hearing for this matter after the expiration of the reconsideration period specified by § 56895; to conduct the hearing for this reorganization; and, upon completion of the hearing, to take action as appropriate in accordance with LAFCO Policies and the requirements.

- 15. The Executive Officer is instructed to mail a certified copy of this resolution to the applicants per Government Code Section 56882.
- 16. The approval will be subject to the following conditions:
  - a) Completion of the 30-day reconsideration period provided under G.C. Section 56895.
  - b) Submittal of a final map and geographic description of the affected territory conforming to State Board of Equalization requirements (Exhibit "A").
  - c) Payment of any outstanding fees as identified in the Commission's adopted fee schedule and incurred in the processing of this proposal.

**BE IT FURTHER RESOLVED** The Fall River Valley Community Services District Annexation is hereby approved and incorporated herein by reference as presented on the attached map noted as Exhibit A.

**THE FOREGOING RESOLUTION** was passed and duly adopted at a regular meeting of the Shasta LAFCO Commission on October 7, 2021, by the following votes:

AYES:  
NOES:  
ABSTAINS:  
ABSENT:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Joe Chimenti, Vice-Chairman  
Shasta Local Agency Formation Commission

ATTEST:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Kathy Bull, LAFCO Manager  
Shasta Local Agency Formation Commission