

BOARD AGENDA REPORT
AGENDA ITEM NO: **11.f**

TO: Board of Directors

FROM: Kassy Chauhan

DATE: March 5, 2021

SUBJECT: Discussion/Possible Action Adoption of FID Policy No. 140-539: Detachment Policy Affecting Parcels Historically Within FID But Annexed Into Cities Historically Outside of FID and Served by a Water Supply From an Irrigation District Other Than FID or Its Affiliated GSA

ATTACHMENTS: A. FID Policy No. 140-539: Detachment Policy
B. Exhibit Map – Cities Lands Within FID Boundary

RECOMMENDED ACTION

For the FID Board of Directors to adopt FID Policy No. 140-539: Detachment Policy Affecting Parcels Historically Within FID but Annexed Into Cities Historically Outside of FID and Served by a Water Supply From an Irrigation District Other Than FID or Its Affiliated GSA.

SUGGESTED MOTION

That FID Policy No. 140-539: Detachment Policy Affecting Parcels Historically Within FID but Annexed Into Cities Historically Outside of FID and Served by a Water Supply From an Irrigation District Other Than FID or Its Affiliated GSA be adopted.

EXECUTIVE SUMMARY

Staff has been in discussions with the Cities of Sanger and Fowler over the past 10 to 15 years regarding their future growth into FID's service area. Those discussions centered

around water supply options and adhering to FID policies such as piping open canals, etc. In recent years, several things have changed including the adoption of the Sustainable Groundwater Management Act of 2014 (SGMA), which led to the formation of groundwater sustainability agencies (GSA) and the groundwater sustainability plans (GSP). Another major change that has occurred over the past several years is the Cities of Fowler and Sanger have entered into water supply arrangements with the Consolidated Irrigation District (CID) via the South Kings GSA. This Detachment Policy has no net impact to the Cities of Sanger and Fowler and their future growth given the current water supply agreement with CID.

The detachment process outlined in the draft policy (Attachment A) is consistent with the Cities of Sanger and Fowler agreements/settlement with the Consolidated Irrigation District (CID). The proposed detachment is consistent with the Cities of Sanger and Fowler plans to detach from Central Kings Groundwater Sustainability Agency and join the South Kings Groundwater Sustainability Agency when parcels are annexed into the cities spheres of influence.

FID staff has met with Fresno County Local Area Formation Commission on two separate occasions to discuss the draft Detachment Policy (No. 140-539). LAFCO indicated once the detachment policy is adopted by the FID Board of Directors, the detachment process would be automated using geographic information system (GIS) boundaries for any lands currently with FID being annexed into the Cities of Sanger or Fowler. FID staff is planning a presentation to the LAFCO Directors following adoption of the FID Detachment Policy (No. 140-539) per their request.

FID staff has had two meetings with the City of Sanger to discuss the detachment policy. The City of Sanger did not express concern about the detachment policy but had questions about limiting potential water supply agreements with FID due to the existing agreement with Consolidated Irrigation District and the South Kings GSA. This detachment policy would lead to ultimately detaching 1,456 acres of land currently within FID boundaries as those lands are annexed by the City of Sanger.

FID staff has arranged a meeting with the City of Fowler for a similar discussion regarding the detachment policy prior to the March 11th board meeting despite some staffing changes at the City which has led to difficulties scheduling this meeting. This detachment policy would lead to ultimately detaching 701 acres of land currently within FID boundaries as those lands are annexed by the City of Fowler.

Under existing conditions, minus the Detachment Policy, lands within FID and being annexed into the Cities of Sanger and Fowler would be moved to a minimum assessment rate and there would be no water supply agreement with the cities. The cities would be responsible for making the necessary improvements per FID Standards and comments provided on the proposed annexation. The detachment policy does not affect the ability to annex FID lands into the Cities of Sanger and Fowler as there is a water supply available from Consolidated Irrigation District and the South Kings GSA to support future growth.

Staff has also had several discussions with the Consolidated Irrigation District to inform

them of the proposed detachment policy which they support. We also discussed the possibility of Sanger, and potentially Fowler constructing recharge basins on the north end of their Spheres of Influence which lies within FID. Both FID and CID agreed to work with both Cities to develop the necessary agreements to facilitate this arrangement (i.e. FID may need an agreement with CID to deliver water supply to a City of Sanger basin via FID's Hansen Canal). All agencies agreed to start discussing these options in the near future.

FISCAL IMPACT

There will be a small fiscal impact associated with the adoption of Policy No. 140-539 and the associated detachments. Currently there are 2,157 acres of land that will ultimately be annexed into Sanger and Fowler that currently pay FID assessments. These parcels consist of a mixture of FID service rates, but are primarily Water Service Rate (\$50.68/acre) and No Water Service/Groundwater Rate (\$36.56/acre).

REASON FOR RECOMMENDATION

The detachment policy results in some parcels historically within FID to be detached when annexed by the Cities of Sanger and Fowler. The detachment allows the Cities to utilize their current water supply agreements with Consolidated Irrigation District and the South Kings GSA and excludes FID from those agreements reducing the complexity of multiple water supply providers and GSAs within a single utility.

ACTIONS FOLLOWING APPROVAL

The Detachment Policy will be provided to both the Cities of Sanger and Fowler as well as Fresno County LAFCO. A presentation to the LAFCO Board of Directors may occur per their request.

Prepared by: Kassy D. Chauhan

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FRESNO IRRIGATION DISTRICT

POLICY NO: DRAFT 140-539 **REVISION/REVIEW DATES:**

POLICY TITLE: DETACHMENT POLICY AFFECTING PARCELS HISTORICALLY WITHIN FID BUT ANNEXED INTO CITIES HISTORICALLY OUTSIDE OF FID AND SERVED BY A WATER SUPPLY FROM AN IRRIGATION DISTRICT OTHER THAN FID OR ITS AFFILIATED GSA

SOURCE:

BOARD APPROVAL

DATE: _____, 2021

POLICY AFFECTING FID-ASSESSED PARCELS PROPOSED TO BE ANNEXED TO A CITY WHICH RECEIVES THEIR CONTRACTUAL WATER SUPPLY DIRECTLY OR INDIRECTLY (e.g. via a GSA supplied water from a third-party irrigation district) FROM ANOTHER IRRIGATION DISTRICT AND ARE THEREFORE SUBJECT TO DETACHMENT FROM FID’S BOUNDARIES VIA THE FRESNO LAFCO DETACHMENT PROCESS AND ANNEXATION INTO THE CITY & THE OTHER IRRIGATION DISTRICT OR GSA PROVIDING THAT WATER SUPPLY;

POLICY DIRECTING FRESNO LAFCO TO DETACH FID-ASSESSED PARCELS WHICH RECEIVE THEIR CONTRACTUAL WATER SUPPLY DIRECTLY OR INDIRECTLY FROM ANOTHER IRRIGATION DISTRICT WHEN CONSIDERING ANNEXATIONS TO CERTAIN CITIES:

Policy

The Board of Directors of the Fresno Irrigation District (“FID”) has adopted the following policy for parcels of land historically assessed by FID and currently within the boundaries of FID but which are within the spheres of influence of the cities of Fowler and Sanger (hereafter “affected city”) that abut or overlap FID’s boundaries.

An affected city already receives a contractual water supply directly (from another irrigation district such as Consolidated Irrigation District, “CID”) or indirectly (such as via the South Kings Groundwater Sustainability Agency associated with CID or CID’s water supply).

In the event that such parcels are proposed to be annexed to an affected city, the FID directs Fresno LAFCO to include detachment of such parcels from the FID in the reorganization.

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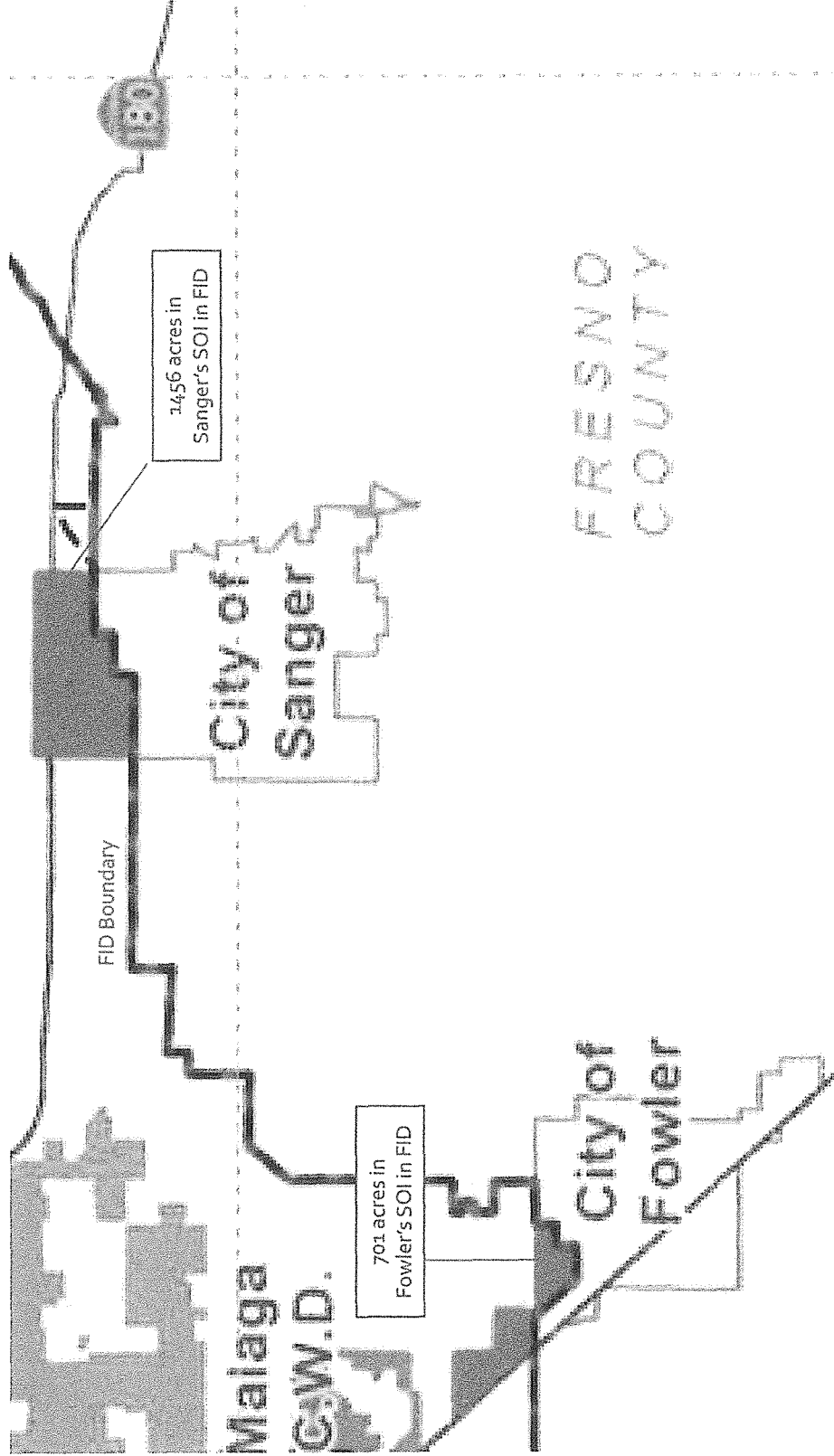
Upon the reorganization (annexation and detachment) the following procedures and policies apply¹:

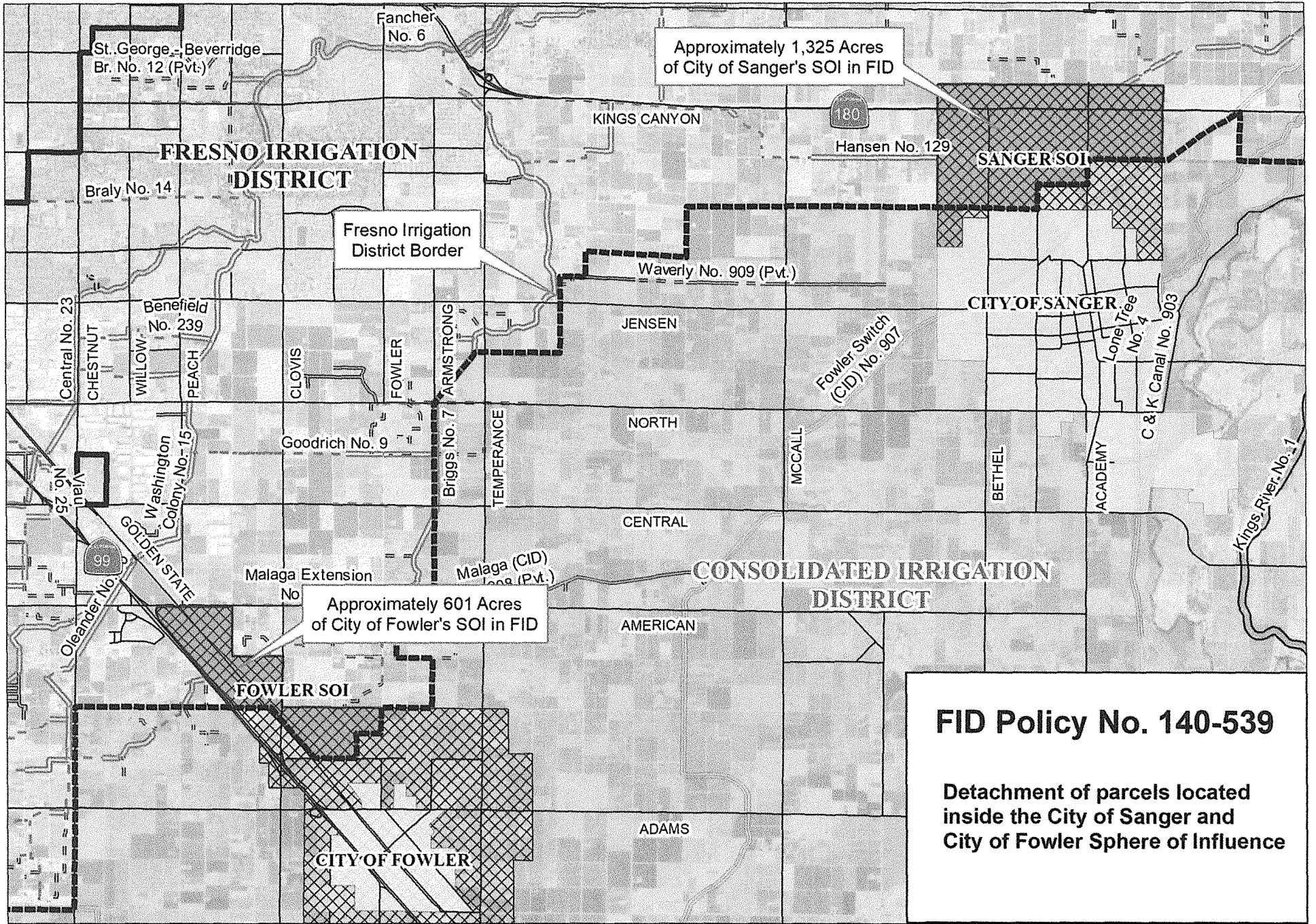
1. Parcels historically within and assessed by FID that are being annexed to an affected city for residential, public use, commercial or industrial or any other non-exclusively agricultural purpose shall be detached from FID and, by separate action by the Department of Water Resources, from the NKGSA under the following parameters:
 - a. A reorganization consisting of the annexation of such parcels shall include their detachment from the FID; and
 - b. FID will continue to assess and serve the annexed parcels with a surface water supply commensurate with FID's historic irrigation parameters up to the effective completion of the reorganization.

DRAFT Policy Staff/Policies/140/539/LAFCO DF version 3 2 4 21

¹ Presently, the corporate boundaries of the Cities of Fowler and Sanger are outside of FID (and NKGSA) boundaries. These cities have entered into water supply agreements with other GSAs (e.g. South Kings GSA) or other irrigation districts directly or indirectly (such as CID), to supply them with water. These cities' spheres of influence overlap with the FID (and NKGSA) service area and are therefore expected to grow into the FID through annexation of territory. FID does not wish to interfere with the pre-existing contractual water supply arrangements that those cities have with their GSAs or irrigation districts providing them with water. Accordingly, FID-assessed lands presently in the FID (and NKGSA) service area and proposed to be annexed to one of these cities should be detached from the FID. Alternatively, such parcels may be annexed to another irrigation district and, by action of the Department of Water Resources, also annexed to its associated GSA upon annexation into one of these cities.

EXHIBIT: CITIES' LANDS WITHIN FID BOUNDARY





FID Policy No. 140-539

Detachment of parcels located inside the City of Sanger and City of Fowler Sphere of Influence



This map was produced by the Fresno Irrigation District and is provided for reference and informational purposes only and is not intended to show map scale accuracy or all inclusive map features, nor for legal purposes. FID makes no statements regarding the accuracy of this map as the features shown are in their approximate location. Please contact the FID Engineering Dept. at (559) 233-7161 for further information on FID facilities.

FRESNO IRRIGATION DISTRICT

Legend

- | | | | | |
|-----------------|--------------------|-------------------|----------------|-----------------------|
| FID Canal | FID Pipeline | Stream Group | FID Boundary | Parcel |
| Private Canal | Private Pipeline | Other-Creek/River | Railroad | FMFCD Acquired Basins |
| Abandoned Canal | Abandoned Pipeline | Other-Pipeline | Streets & Hwys | FMFCD Proposed Basins |

0 0.5 1 Miles

