

September 1, 2021

Steven Lucas, Executive Officer
Butte County Agency Formation Commission
1453 Downer Street, Suite C
Oroville, CA 95965

Re: Formation of the Tuscan Water District

Dear Mr. Lucas:

I served as the Chief Administrative Officer (CAO) for Butte County from 2010 to 2017. During my tenure as CAO, the State of California passed and began the implementation of the Sustainable Groundwater Management Act of 2014 (SGMA).

In 2015, Butte County began a collaborative process with local agencies and various stakeholders to reach consensus within the County on how best to respond to SGMA. SGMA provides local agencies (counties and cities with land-use authority and single and multipurpose special districts with water management authority) with the directive and authority to manage groundwater locally, with State oversight.

One of the issues discussed was the fact that in many counties throughout the Central Valley of California, including Butte County, which are subject to SGMA with high and medium priority subbasins, there are tracts of land known as "white areas," which are areas within counties that are not within the boundaries of an otherwise eligible local agency. The roughly 100,000-acre area west of Chico overlaying the Vina and a portion of the Butte Subbasins is one such area.

At the time, several landowners within Butte County's "white areas" expressed interest to Butte County and the Butte County Local Agency Formation Commission (LAFCO) to explore the formation of a new California Water District to better represent their interests in the on-going stakeholder process. To get input on these matters, Butte County hosted a series of formal and informal meetings between landowners, county staff, county supervisors, and other stakeholders on how best to proceed.

After several months of discussion, the Butte County Board of Supervisors unanimously adopted Resolution Number 17-170, "Resolution in support of the Agricultural Groundwater Users of Butte County (AGUBC) Involvement in the Sustainable Groundwater Management Act Process." The Resolution reads in part, "if, and when, the Agricultural Groundwater Users of Butte County desire to move forward with creation of a new California Water District or other type of eligible local agency with the dual purposes of a) SGMA responsibility, and b) exercising powers and duties as a special district as authorized by the Water Code for water purveyance and ancillary activities, Butte County will work constructively, cooperatively and collaboratively with landowners on the formation process of a new eligible local agency for involvement in SGMA issues.

Since passage of Resolution Number 17-170, stakeholders in Butte County have been working collaboratively to implement the regulatory framework and plans required by SGMA. Proponents for the

Tuscan Water District have been involved in these discussions every step of the way and the objectives of the proposed Water District do not appear to have changed.

It is my understanding that earlier this year the TWD proponents submitted petitions for more than 58,000 acres and more recently submitted their formation application to the Butte County LAFCO, starting the final phase of the formation process. They have also secured letters of support from the California Farm Bureau, Butte County Farm Bureau, Assembly Member Gallagher, Congress Member LaMalfa, Northern California Water Alliance, Family Water Alliance, Durham Irrigation District, Rock Creek Reclamation District, Western Canal Water District, Richvale Irrigation District, Paradise Irrigation District, Monroeville Water District as well as from many farmers and ranchers living and working in the Vina sub-basin.

In my opinion, the formation of the district is a practical solution to coordinate and manage groundwater in such a large and currently unserved area.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Paul Hahn", with a large, stylized initial "P" at the beginning.

Paul Hahn
Former County Administrative Officer
Butte County