

## REGULAR MEETING AGENDA

Del Norte Local Agency Formation Commission  
Board of Supervisors Chambers  
981 H Street, Suite 100, Crescent City, CA 95531  
September 24, 2018 4:00 pm

1. Call to Order/Roll Call  
Pledge of Allegiance
2. Public Hearings
  - A. HRC Community Services District (CSD) 2018 Municipal Services Review (MSR)& Sphere of Influence (SOI) Update (ATTACHMENT 2A)
  - B. Smith River CSD 2018 MSR& SOI Update (ATTACHMENT 2B)
  - C. Church Tree CSD 2018 MSR& SOI Update (ATTACHMENT 2C)
  - D. Crescent City 2018 MSR& SOI Update (ATTACHMENT 2D- Continued)
3. Regular Business
  - A. Approval of June 4, 2018 Draft Minutes (ATTACHMENT 3A)
  - B. FY 2017-18 Final Budget Review (ATTACHMENT 3B)
  - C. CALAFCO Annual Conference – Voting Delegate (ATTACHMENT 3C)
  - D. Meeting Schedule (ATTACHMENT 3D)
  - E. Legislative Update – CALAFCO Support Letter (ATTACHMENT 3F)
4. Inquiries, Correspondence, Application Status and Referrals
  - A. Staff - The Executive Officer will provide a report of current projects, issues of interest, and pending legislation.
  - B. Commission - On their own initiative, Commission members may make brief announcements or reports on their own activities. They may ask questions for clarification, make a referral to staff or request a business matter for a future agenda per Government Code Section 54954.2 (a).
  - C. Public - Public comment on items of interest within LAFCo subject matter jurisdiction, and not otherwise appearing on the agenda. No action may be taken on any item not appearing on the agenda.
5. Adjournment  
Next Meeting Scheduled for November 26th, 2018.

**DEL NORTE  
LOCAL AGENCY FORMATION COMMISSION**  
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Arcata, California 95521  
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**AGENDA ITEM 2A**

**MEETING DATE:** September 24, 2018  
**TO:** Del Norte Local Agency Formation Commission  
**FROM:** George Williamson AICP, Executive Officer  
**SUBJECT:** HRC CSD Municipal Service Review and Sphere of Influence Update

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**RECOMMENDATION**

The following procedures are recommended for the Commission's consideration of this item:

- Receive verbal report from staff;
- Open the public hearing and invite testimony; and
- Discuss item and - if appropriate - close the hearing and consider action on recommendation.

Staff recommends the Commission approve Resolution No.18-02 approving the HRC CSD Municipal Service Review and Sphere of Influence Update.

**DISCUSSION**

The HRC CSD provides water service for domestic use and fire protection to the unincorporated residential community of HRC and the adjacent golf course. The District covers approximately 0.55 square miles (353 acres) and is located within the Smith River National Recreation Area, ten miles northeast of Crescent City on Highway 197 (North Bank Road).

The District currently provides adequate water service to its existing connections. As water demand grows, the water treatment system is approaching its treatment capacity. There are currently 51 connections consuming 85% of the system capacity. Given that maximum capacity is 100 connections this indicates a high per capita use and a need for proactive conservation measures. These findings are summarized in the MSR. The District did identify infrastructure needs including a need for all customers to have water meters and a need to replace aging poly-piping serving homes around the golf course.

The District appears to consistently operate with a deficit. The MSR recommends that the District should consider restructuring and increasing their water service rates to finance the District's infrastructure needs and provide for anticipated future growth that will require a water system expansion project.

The SOI, extends west of the District boundary, encompassing an additional 231 acres designated for rural residential uses (MSR Figure 1). The District has been in discussion with the Jedidiah Smith HOA about connecting to the District's water system. The HOA is within

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the District's current SOI and would not result in any change to the SOI. The District has indicated a willingness for the HOA to connect provided they cover the connection costs and the cost of any potential water system upgrades. No expansion or reduction to the HRC CSD's SOI is recommended.

**ATTACHMENTS**

Attachment 1: HRC CSD MSR & SOI Update

Attachment 2: Resolution 18-02 Approving the HRC CSD MSR & SOI Update

# HRC Community Services District

## Municipal Service Review & Sphere of Influence Update



**Del Norte Local Agency Formation Commission**

DISTRICT DRAFT August 2018

# DEL NORTE LOCAL AGENCY FORMATION COMMISSION

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## Commissioners

Blake Inscore	Chair & City Member
Bob Berkowitz	Vice Chair& County Member
Roger Gitlin	County Member
Jason Greenough	City Member
Duane (Sparky) Countess	Public Member
Lori Cowan	Alternate County Member
Darrin Short	Alternate City Member
Judy Dobbs	Alternate Public Member

## Staff

George Williamson, AICP, Executive Officer  
Elizabeth Cable, Legal Counsel  
Vanessa Blodgett, Administrator / Services Analyst  
Nicole Burshem, Clerk  
Emily Morris, Assistant Analyst  
Jason Barnes, GIS & Spatial Data Analyst

## Acknowledgements

LAFCo staff would like to thank the contributors to this Municipal Service Review. Input instrumental in completing this report was provided by the Hussey Ranch CSD Board Members Tom Romesberg and Carol Leuthold and System Operator Don Jeffrey This report would not have been possible without the District's assistance.

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# INTRODUCTION

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This report is prepared pursuant to legislation that requires Local Agency Formation Commissions (LAFCo) to conduct municipal services review and spheres of influence (SOI) update of all agencies under LAFCo's jurisdiction. This service review focuses on the Hussey Ranch Corporation Community Services District (HRC CSD or District).

## Service Review Determinations

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (California Government Code Section 56000 et seq.) requires LAFCo to review and update spheres of influence not less than once every five years and to review municipal services prior to or in conjunction with sphere updates. The requirement for service reviews arises from the identified need for a more coordinated and efficient public service structure to support California's anticipated growth.

Effective January 1, 2008, Government Code Section 56430 requires LAFCo to conduct a review of municipal services provided in the county by region, sub-region or other designated geographic area, as appropriate, for the service or services to be reviewed, and prepare a written statement of determination with respect to each of the following topics:

1. Growth and population projections for the affected area;
2. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence (effective July 1, 2012);
3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies (including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence);
4. Financial ability of the agency to provide services;
5. Status of, and opportunities for, shared facilities;
6. Accountability for community service needs, including governmental structure and operational efficiencies; and
7. Any other matter affecting or related to effective or efficient service delivery, as required by Commission policy.

## Uses of This Report

The service review process provides LAFCo with a tool to study current and future public service conditions and to evaluate organizational options for fostering orderly growth and development, promoting the efficient delivery of services, and encouraging the preservation of open space and agricultural lands. The potential uses of this report are described below.

### Update Spheres of Influence

LAFCo will use this report as a basis to update the sphere of influence of the District. Spheres of influence designate the territory that LAFCo believes represent the affected agencies'

appropriate future jurisdictions and service areas. All boundary changes, such as annexations, must be consistent with the affected agencies' spheres of influence with limited exceptions.

### **Consider Jurisdictional Boundary Changes**

LAFCo is not required to initiate any boundary changes based on service reviews. However, LAFCo, local agencies, or the public may subsequently use this report together with additional research and analysis, where necessary, to pursue changes in jurisdictional boundaries.

### **Resource for Further Studies**

Other entities and the public may use this report for further studies and issues analysis relating to County water services. The District may use this report to support grant applications.

## **Review Methods**

The agency reviewed as part of this service review process demonstrated full accountability in disclosure of information and cooperation with LAFCo. The following information was considered in the service review:

- Agency-specific data: responses to LAFCo requests for information, budgets, fee schedules, maps, and district plans.
- Demographic data: U.S. Census Bureau; Department of Finance.

Information gathered was analyzed and applied to make the required determinations for each agency. All information gathered for this report is filed by LAFCo for future reference.

## **California Environmental Quality Act**

The California Environmental Quality Act (CEQA) is contained in Public Resources Code § 21000 et seq. Public agencies are required to evaluate the potential environmental effects of their actions. MSRs are statutorily exempt from CEQA pursuant to § 15262 (feasibility or planning studies) and categorically exempt pursuant to CEQA Guidelines § 15306 (information collection). CEQA requirements are applicable to SOI Updates. The CEQA lead agency for SOI Updates is most often LAFCO, unless an agency has initiated an SOI expansion or update.

## **HRC COMMUNITY SERVICES DISTRICT**

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### **Formation**

The HRC CSD was established in 1965. The special district was formed for the purpose of providing water for domestic and recreational (golf course) use.

### **Boundary and Sphere of Influence**

The HRC CSD is located approximately ten miles northeast of Crescent City on North Bank Road (Highway 197). The district lies within the Smith River National Recreation Area and covers



approximately 353 acres. The district sphere of influence is approximately 584 acres<sup>1</sup>. Figure 1 shows the district boundary and sphere of influence.

**Table 1: HRC Agency Profile**

Formation	
Agency Name	HRC Community Services District
Date of Formation	1965
Enabling Legislation	Community Service District Law, CA Government Code 61000
Contact	
Contact	Wes White, Board President
E-mail	hrcwater@gmail.com
Alternate Contacts	Scott Wilson, secretary/treas.; Don Jeffrey, System Operators
Website	n/a
Mailing Address	231 Bell Hole Loop Crescent City, CA 95531
Phone	Phone: (707) 951-4059 (cell and home)
Services	
Services Provided	Water
Areas Served	Rural Del Norte County

## Accountability and Governance

HRC CSD is governed by a five-member Board of Directors (Table 2). The Board meets as needed at the golf course clubhouse. Meeting dates are posted in the district office and an agenda is posted outside the district office 72 hours prior to the meeting.

**Table 2: HRC CSD Board of Directors**

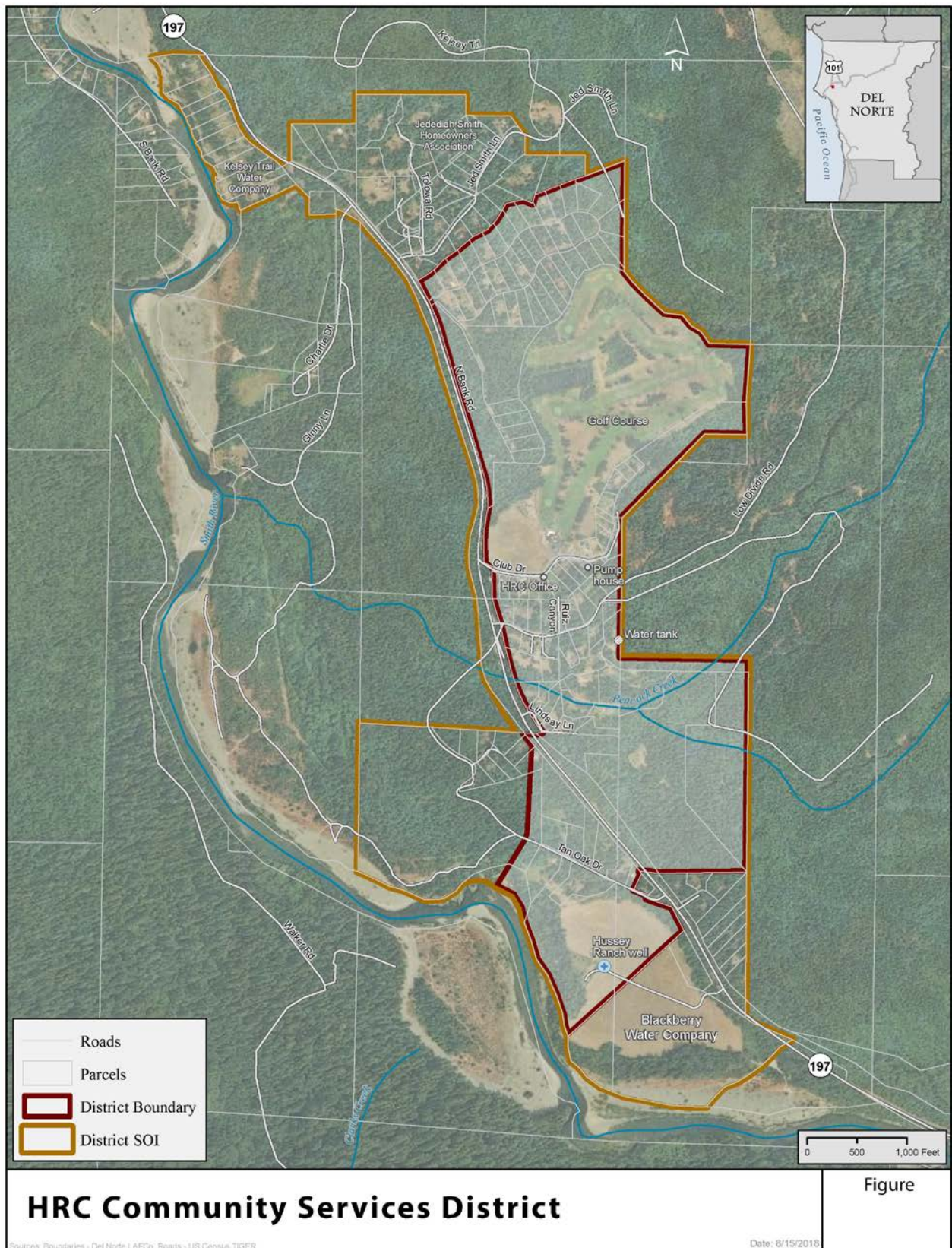
Board Member	Title	Term Expiration
Wes White	President	December 2020
Scott Wilson	Secretary/ Treasurer	December 2018
Mark Ephland	Board Member	December 2018
Alan Cranmore	Board Member	December 2020
Richard Gugliemini	Board Member	December 2020

HRC CSD is run by volunteers and paid contractors that provide certified operation services.

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<sup>1</sup> 2009 MSR

**Figure 1: HRC CSD Boundary and Sphere of Influence**



## Population and Land Use

### County Population and Growth

According to the State of California's Department of Finance, Del Norte County has an estimated 2017 population of 27,124. Del Norte County's annual population growth rate was 0.4 %<sup>i</sup>. Assuming this growth continues, the County's 2025 population will be about 27,992.

The County General Plan guides land use decisions within Del Norte County and the HRC CSD's jurisdiction. Del Norte County covers approximately 1,008 square miles, or 640,000 acres. More than eighty percent of this land is publicly owned. The county consists of 600,000 acres of forestland and 10,000 acres of agricultural land<sup>ii</sup>.

### District Population and Housing Projections

The HRC CSD currently serves a population of 150. At the County's growth rate of 0.4%, this will result in a 2025 population of approximately 155 residents. There is sufficient undeveloped residential land in the district to accommodate this amount of growth and potentially more.

### Disadvantaged Unincorporated Communities

LAFCo is required to evaluate water service, sewer service, and structural fire protection within disadvantaged unincorporated communities as part of this service review, including the location and characteristics of any such communities. A disadvantaged unincorporated community (DUC) is defined as any area with 12 or more registered voters where the annual median household income is less than 80 percent of the statewide annual median household income (pursuant to Government Code Section 56033.5 and Water Code Section 79505.5).

According to the 2012-2016 American Community Survey 5-Year Estimates, the California median household income (MHI) is \$63,783. The Del Norte countywide MHI is \$42,363, which places it at 66% of the California MHI. With only one incorporated city, Crescent City, most of the County's population exists in unincorporated communities that qualify as "disadvantaged".

The California Department of Water Resources has mapped communities that are at or below 80 percent of the annual median household income by using census data for each county. According to this data, the communities of Smith River, Hiouchi, Gasquet, Klamath, and parts of the incorporated City of Crescent City are classified as disadvantaged within Del Norte County.

## Services and Infrastructure

### Services Provided

The HRC CSD provides water service to 51 connections and 150 residents within its boundary (CA Drinking Water Watch, n.d.). The CSP supplies water to the Del Norte Golf Course club house, not water for the course itself. All customers do not have meters. Approximately half of customers on Club House Drive do not have meters. All decisions concerning the provision of water services are made by the Board of Directors. The HRC CSD gets its water from a well on Peacock Ranch, located adjacent to the Smith River, which provides water to residential users and the Del Norte Golf Course. The State Department of Health Services classifies the HRC CSD's

source water as groundwater. The classification of water source type dictates the water system regulations to ensure water quality. The district has a 132,000 gallon storage tank and distribution piping. The system has a maximum capacity of approximately 100 connections. Of this capacity, approximately 85% (112,000 gallons) is currently being utilized. Having 51 customers consuming 85% of the capacity indicates higher than normal per capita use. Efficiency and conservation measures appear to be needed, as a way to maintain supply proportional to use. Water is disinfected prior to distribution to residential users. The entire capacity of the system has been committed to existing or planned development projects. Water customers currently have water meters, but they are not read on a regular basis and customers are charged a flat fee for water use by the CSD monthly. This unregulated water usage offers no incentive to practice water conservation measures which are the subject of state legislation and expected to be required of water purveyors in the future. The HRC CSD should consider pro-actively implementing efficient water use and conservation measures now.

### **Infrastructure Needs and Deficiencies**

The HRC CSD's overall water system is in good condition. The existing system, except as noted below in upgrades, has no major deficiencies for serving the current population. However, based upon their current development trend, HRC CSD could realize an increase in water demand and usage. The exact increase is unknown at this point. The district will need to plan for expansion of its water system infrastructure to serve this additional growth. The District should also conduct a rate study to determine whether appropriate fees are being charged, and implement a rate increase if warranted by system costs.

### **Upgrades**

Due to age and composition the existing poly piping serving homes around the golf course is in need of replacement and should be scheduled.

### **Other Public Service Providers**

In addition to the Peacock Ranch operation, two small privately owned water systems are in use. The Kelsey Trail Water Company, located in the northeast corner of the HRC CSD SOI between North Bank Road and the Smith River, serves residential users. The second privately owned system, Blackberry Water Company, located in the southern portion of the HRC CSD SOI between North Bank Road and Smith River, serves the immediately surrounding residential area.

The Jedediah Smith Homeowners Association (JSHOA) board members and residents have inquired about connecting their water system with the HRC CSD. The JSHOA is located just north of the district boundaries and in the sphere of influence. The HRCCSD responded that if the JSHOA is willing to provide additional infrastructure needed to compensate for the new system demand a connection could be considered. HRCCSD requested that JSHOA get an independent evaluation to address technical issues in each system. The issues are listed in the response letter from the HRC CSD. The JSHOA contact person is Jeff Mitchell, who can be reached at [mitcholi@gmail.com](mailto:mitcholi@gmail.com).

Should HRC CSD and JSHOA reach agreement on annexation, then either the CSD Board would submit an annexation application to Del Norte LAFCo or the JSHOA may petition LAFCo directly. The information needed to determine capacity for extending services would be similar to the

information provided in a Plan for Services, which is part of the application package filed with LAFCo. The Plan for Services contents from the Cortese Knox Herzberg Local Government Reorganization Act of 2000 Section 56653 are:

- (a) If a proposal for a change of organization or reorganization is submitted pursuant to this part, the applicant shall submit a plan for providing services within the affected territory.
- (b) The plan for providing services shall include all of the following information and any additional information required by the commission or the executive officer:
  - (1) An enumeration and description of the services to be extended to the affected territory.
  - (2) The level and range of those services.
  - (3) An indication of when those services can feasibly be extended to the affected territory.
  - (4) An indication of any improvement or upgrading of structures, roads, sewer or water facilities, or other conditions the local agency would impose or require within the affected territory if the change of organization or reorganization is completed.
  - (5) Information with respect to how those services will be financed.

## Budget

The primary source of revenue results from water service charges to district customers. The primary expenditures include depreciation and expense, repairs and maintenance, utilities, and accounting and audit fees.

**Table 3: HR CSD Budget Summary**

Water	FY 2016/17	FY 2017-18 Adopted	FY 2018-19 Proposed
Total Revenue	\$18,100	\$19,100.00	\$19,100.00
Total Operating Expenses	\$17,650	\$18,700	\$18,600
Total Non-Operating Expenses	\$7,550	\$7,600	\$7,500
Total Expenditures	\$25,200	\$26,200.00	\$26,200.00
NET INCOME	-\$7,100	-\$7,100	-\$7,100

## Service Rates

**Table 4: HRC CSD Fees**

Use Type	Service Connection Fees	Monthly Service Rate
Residential	\$3,000	\$30
Commercial	\$3,000	\$39



## MUNICIPAL SERVICE REVIEW DETERMINATIONS

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This chapter addresses the requirements of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (California Government Code Section 56430). As part of the municipal service review process, LAFCo is required to make written statements of determinations in each of the categories listed below.

### **Growth and population projections for the affected area**

The HRC CSD serves 51 residential units and an estimated 2017 population of 150. At the County-wide current growth rate of 0.4% the district's estimated 2025 population would be 155.

The County General Plan Land Use designation for the HRC CSD is Rural Neighborhood. This allows infill of parcels at higher densities than those found in surrounding rural lands including apartments and mobile home parks where full community services are not available. Parcel Infill at designated densities is permitted subject to physical limitations. There are areas within the district that currently permit further development and will likely receive additional housing units in the future. All residential uses and the Golf Course use individual septic disposal systems.

### **The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the Sphere of Influence**

The California Department of Water Resources has mapped communities that are at or below 80 percent of the annual median household income by using census data for each county. According to this data, the communities of Smith River, Hiouchi, Gasquet, Klamath, and parts of the incorporated City of Crescent City are classified as disadvantaged within Del Norte County.

### **Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies**

The district's water system is operating at an estimated 80% of its capacity. The district would need to expand their water system in order to meet growth within the district. The expansion will require the following components:

- Additional water source,
- Additional storage capacity,
- Necessary pump upgrades, and
- Expanded distribution system.

The CSD has no plans to add wastewater or drainage services.

The golf course within the CSD boundaries, currently owned by the Elk Valley Rancheria, has been for sale and the Elk Valley Rancheria has announced plans for course closure due to declining revenues. CSDs may activate park and recreation powers for operation of recreation facilities such as golf courses. This could be an option for sustained course operation, dependent on agreement between the course owner and the CSD.

**Financing ability of agencies to provide services**

The district currently provides water service to its existing connections and well capacity appears sufficient to meet future growth within the district. Meeting these growth demands will require a water system expansion project. To finance such a project, the district should consider restructuring and increasing their service rates, which are currently \$30/month (\$360/year) for residential users. Commercial users pay \$39/month (\$468/year).

**Status of and, opportunities for, shared facilities**

The Jedidiah Smith Homeowner's Association (JSHOA) has expressed interest in connecting to the District's water system. The JSHOA is located just north of the District within the District's SOI. The JSHOA has been in contact with the District and Del Norte LAFCo regarding the steps towards consolidation. There are no other adjacent communities that would benefit from sharing facilities.

**Accountability for community service needs, including governmental structure and operational efficiencies**

The HRC CSD Board holds regular public meetings. The Board members are elected by district residents and hold four- year terms of office. The current government structure is operating efficiently and appears to have sufficient governance structure and operational capacity. The HRC CSD does not have an official office. All records are stored at the residence of the HRC CSD's Board Secretary, who also serves as the district accountant. All community services districts are now required to have websites. The HRC CSD does not currently have a website and needs to get one set up.

**Any other matter related to effective or efficient service delivery, as required by commission policy**

The 2009 California Water Plan and the Public Utilities Commission's Water Action Plan both strongly encourage regionalization and consolidation of public water systems. Regionalization of water supply systems can be achieved by physical interconnections between water systems or managerial coordination between utilities.

Regionalization and consolidation are useful in achieving compliance with water quality standards, in providing an adequate economy of scale for operating and maintaining existing facilities, and in planning for future needs. With a larger base to spread costs across, the economies of scale improve for consolidated systems. Managerial consolidation of water districts can provide great savings to consumers by sharing the costs of oversight and management of the systems, thus freeing up funds to be used for system upgrades. Furthermore, consolidation of water systems may help relieve the burden of regulation and policy experienced by smaller providers. The HRC CSD includes the two private water companies and the Jedediah Smith HOA within its SOI and should consider annexing them into the district.

## SPHERE OF INFLUENCE DETERMINATIONS

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### Sphere of Influence Status

The SOI, was reduced to 584 acres from 967 acres as part of the 2009 MSR/SOI Update. The two private water companies should remain in the SOI.

#### **Present and planned land uses in the area, including agricultural and open-space lands.**

The HRC CSD's current SOI covers a large area that is approximately twice the area contained within the district limits. Of this area, much of the land located between North Bank Road and the Smith River is state or federally owned and designated in the County General Plan and is therefore, considered non-developable for residential use.

The western and southern portions of the district's SOI have floodplain constraints. These areas are located adjacent to the Smith River, follow the western border of the district's current SOI and are designated for development (residential and commercial) in the County General Plan.

#### **Present and probable need for public facilities and services in the area.**

The District's 2017-18 annual budget has \$18,700 budgeted for services and supplies. Any further development requiring a water services extension is likely to result in an expenditures increase that must be offset by sufficient revenues.

#### **Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.**

The current capacity of public facilities and the availability of public services provided by the HRC CSD is adequate to address current need. Should the water companies within the SOI be considered for annexation, their capacity could be added to the district.

#### **Existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.**

There are no adjacent communities that impact the HRC CSD's capacity to provide adequate services.

#### **For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere.**

The Jedidiah Smith Homeowner's Association (JSHOA) is moving forward with connecting to the District's water system. The JSHOA is located just north of the District within the District's SOI and this consolidation would not result in a need for any sphere of influence updates. Other than this water service change the District does not anticipate any need to update the SOI.



## REFERENCES

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<sup>i</sup>State of California, Department of Finance, *E-1 Population Estimates for Cities, Counties and the State with Annual Percent Change — January 1, 2016 and 2017*. Sacramento, California, May 2017.

<sup>ii</sup> DNRCD flier. *Del Norte Resource Conservation District: Benefiting Land and People in Del Norte County*. Accessed throughout January 2009.  
[http://ruralhumanservices.org/nortec/July\\_Sept06/DNRCD%20Flyer/DNRCD%20Flyer.pdf](http://ruralhumanservices.org/nortec/July_Sept06/DNRCD%20Flyer/DNRCD%20Flyer.pdf).

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**RESOLUTION 18-02  
APPROVING THE HRC COMMUNITY SERVICE DISTRICT  
MUNICIPAL SERVICE REVIEW & SPHERE OF INFLUENCE UPDATE**

WHEREAS, the Del Norte Local Agency Formation Commission, hereinafter referred to as the "Commission", is authorized to establish, amend, and update spheres of influence for local governmental agencies whose jurisdictions are within Del Norte County; and

WHEREAS, the Commission staff prepared a municipal service review to evaluate the availability and performance of governmental services provided by the HRC Community Services District (CSD), pursuant to California Government Code Section 56430; and

WHEREAS, the Executive Officer gave sufficient notice of a public hearing to be conducted by the Commission in the form and manner prescribed by law; and

WHEREAS, the Executive Officer's report and recommendations on the sphere of influence update were presented to the Commission in the manner provided by law; and

WHEREAS, the Commission heard and fully considered all evidence presented at a public hearing on September 24th, 2018; and

WHEREAS, the Commission considered all the factors required under California Government Code Section 56425.

**NOW, THEREFORE, BE IT RESOLVED** as follows:

1. The Commission hereby accepts the HRC Community Services District Municipal Service Review, incorporated herein by reference.
2. The sphere of influence for the HRC Community Services District included within the Municipal Service Review has been appropriately informed by the Commission's evaluation of the level and range of governmental services provided.
3. Pursuant to Government Code Section 56425(e), the Commission makes written statement of determinations for the HRC CSD Municipal Service Review & Sphere of Influence Update, hereby incorporated by reference.
4. The Commission, as Lead Agency, determines that the sphere of influence update is exempt from further review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3). This finding is based on the Commission determining with certainty the update will have no possibility of significantly affecting the environment given no new land use or municipal service authority is granted.

5. The Executive Officer shall revise the official records of the Commission to reflect the updated spheres of influence for each district.

**PASSED AND ADOPTED** at a meeting of the Del Norte Local Agency Formation Commission, State of California, on the 24<sup>th</sup> day of September 2018, by the following vote:

AYES:	Commissioners:
NOES:	Commissioners:
ABSENT:	Commissioners:
ABSTAIN:	Commissioners:

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Blake Inscore, Chair

Attest:

---

George Williamson, Executive Officer

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eo@delnortelafo.org

**AGENDA ITEM 2B**

**MEETING DATE:** September 24, 2018  
**TO:** Del Norte Local Agency Formation Commission  
**FROM:** George Williamson AICP, Executive Officer  
**SUBJECT:** Smith River CSD Municipal Service Review and Sphere of Influence Update

---

**RECOMMENDATION**

The following procedures are recommended for the Commission's consideration of this item:

- Receive verbal report from staff;
- Open the public hearing and invite testimony; and
- Discuss item and - if appropriate - close the hearing and consider action on recommendation.

Staff recommends the Commission approve Resolution No.18-03 approving the Smith River CSD Municipal Service Review and Sphere of Influence Update.

**DISCUSSION**

The Smith River CSD provides water service for domestic use, community center management and street lighting services to the unincorporated community of Smith River and other neighborhoods along Highway 101 to the Oregon border. The District covers approximately 3.9 square miles (2,500 acres).

The District currently provides adequate water service to its existing connections. The District's total storage capacity is 900,000 gallons and adequate system capacity that can provide 350-500 gpm. The water system capacity is summarized in the MSR. The District did identify infrastructure needs including wooden storage tank replacement, secured tank foundations, and the installation of new fire hydrants.

The District appears to operate with a budget that is ample to meet the District's expenditures. The MSR notes that the District has adequate funds and could pursue service expansions that would include wastewater services and improved internet via telecom towers. The SOI and the District boundary are coterminous (MSR Figure 1). No expansion or reduction to the Smith River CSD's SOI is recommended.

**ATTACHMENTS**

Attachment 1: Smith River CSD MSR & SOI Update

Attachment 2: Resolution 18-03 Approving the Smith River CSD MSR & SOI Update

# Smith River Community Services District

## Municipal Service Review & Sphere of Influence Update



District Draft  
2018

Del Norte  
Local Agency Formation Commission

# DEL NORTE LOCAL AGENCY FORMATION COMMISSION

---

## Commissioners

Blake Inscore	Chair & City Member
Bob Berkowitz	Vice Chair& County Member
Roger Gitlin	County Member
Jason Greenough	City Member
Duane (Sparky) Countess	Public Member
Lori Cowan	Alternate County Member
Darrin Short	Alternate City Member
Judy Dobbs	Alternate Public Member

## Staff

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## Acknowledgements

LAFCo staff would like to thank the contributors to this Municipal Service Review. Input instrumental in completing this report was provided by the Smith River CSD General Manager Chris Von and Office Administrator Kathryn Demry. This report would not have been possible without the District's assistance.

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# INTRODUCTION

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This Municipal Service Review (MSR) and Sphere of Influence (SOI) Update provides information about the services and boundaries of the Smith River Community Services District (herein referred to as Smith River CSD or District). The report is for use by the Del Norte Local Agency Formation Commission (LAFCo) in conducting a statutorily required review and update process. The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act) requires that the Commission conduct periodic reviews and updates of Spheres of Influence of all cities and special districts in Shasta County (Government Code § 56425). State law also requires that, prior to SOI adoption, LAFCo must conduct a review of the municipal services provided by that local agency (Government Code § 56430). This report provides LAFCo with a tool to study current and future public service conditions comprehensively and to evaluate organizational options for accommodating growth, preventing urban sprawl, and ensuring that critical services are provided efficiently.

## Community Service District and Principal Act Overview

Community Service Districts (CSDs) are independent special districts governed under Community Service District law (Government Code § 61000 – 61850). A CSD can be authorized to provide a wide variety of services including domestic water, wastewater treatment, garbage collection, security, fire protection public recreation, street lighting, and many others to unincorporated areas. CSDs are governed by a board of five directors, all of whom are elected at large.

Smith River CSD is authorized to provide water and street lighting services. All other remaining services, facilities, functions or powers enumerated in the District's principal act but not identified in the formation resolution are "latent," meaning that they are authorized by the principal act under which the District is formed, but are not being exercised. Activation of these latent powers and services requires LAFCo authorization.

## Service Review Determinations

Government Code § 56430 requires LAFCo to conduct a review of municipal services provided in the county by region, sub-region or other designated geographic area, as appropriate, for the service or services to be reviewed, and prepare a written statement of determinations with respect to each of the following topics:

1. Growth and population projections for the affected area;
2. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence;
3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies (including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence);
4. Financial ability of agencies to provide services;



5. Status of, and opportunities for, shared facilities;
6. Accountability for community service needs, including governmental structure and operational efficiencies; and
7. Any other matter affecting or related to effective or efficient service delivery, as required by Commission policy.

State Guidelines and Commission policies encourage stakeholder cooperation in the municipal service review process. It also provides a basis to evaluate, and make changes to Spheres of Influence, if appropriate.

## Sphere of Influence Determinations

A SOI is a LAFCo-approved plan that designates an agency's probable physical boundary and service area. Spheres are planning tools used to provide guidance for individual boundary change proposals and are intended to encourage efficient provision of organized community services, discourage urban sprawl and premature conversion of agricultural and open space lands, and prevent overlapping jurisdictions and duplication of services.

LAFCo is required to establish SOIs for all local agencies and enact policies to promote the logical and orderly development of areas within the SOIs. Furthermore, LAFCo must update those SOIs every five years. For a SOI update, LAFCo is required to conduct a MSR and adopt related determinations. It must also make the following SOI determinations:

1. The present and planned land uses in the area, including agricultural and open-space lands;
2. The present and probable need for public facilities and services in the area;
3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide;
4. The existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency; and
5. The present and probable need for public facilities and services related to sewers, municipal or industrial water, or structural fire protection of any disadvantaged unincorporated communities within the existing sphere of influence (effective July 1, 2012).

## Review Methods

The following information was considered in the development of this service review:

- Agency-specific data: responses to LAFCo Requests for Information;
- Demographic data: U.S. Census Bureau; Department of Finance; CA Water Resources Board;
- Finances: budgets, rates and fees; and
- Other Reports: State Water Resources Control Board, Division of Drinking Water.

Information gathered was analyzed and applied to make the required determinations. All information gathered for this report is filed by LAFCo for future reference.

## California Environmental Quality Act

The California Environmental Quality Act (CEQA) is contained in Public Resources Code § 21000 et seq. Public agencies are required to evaluate the potential environmental effects of their actions. MSRs are statutorily exempt from CEQA pursuant to § 15262 (feasibility or planning studies) and categorically exempt pursuant to CEQA Guidelines § 15306 (information collection). CEQA requirements are applicable to SOI Updates. The CEQA lead agency for SOI Updates is most often LAFCo, unless an agency has initiated an SOI expansion or update.

## SMITH RIVER COMMUNITY SERVICES DISTRICT

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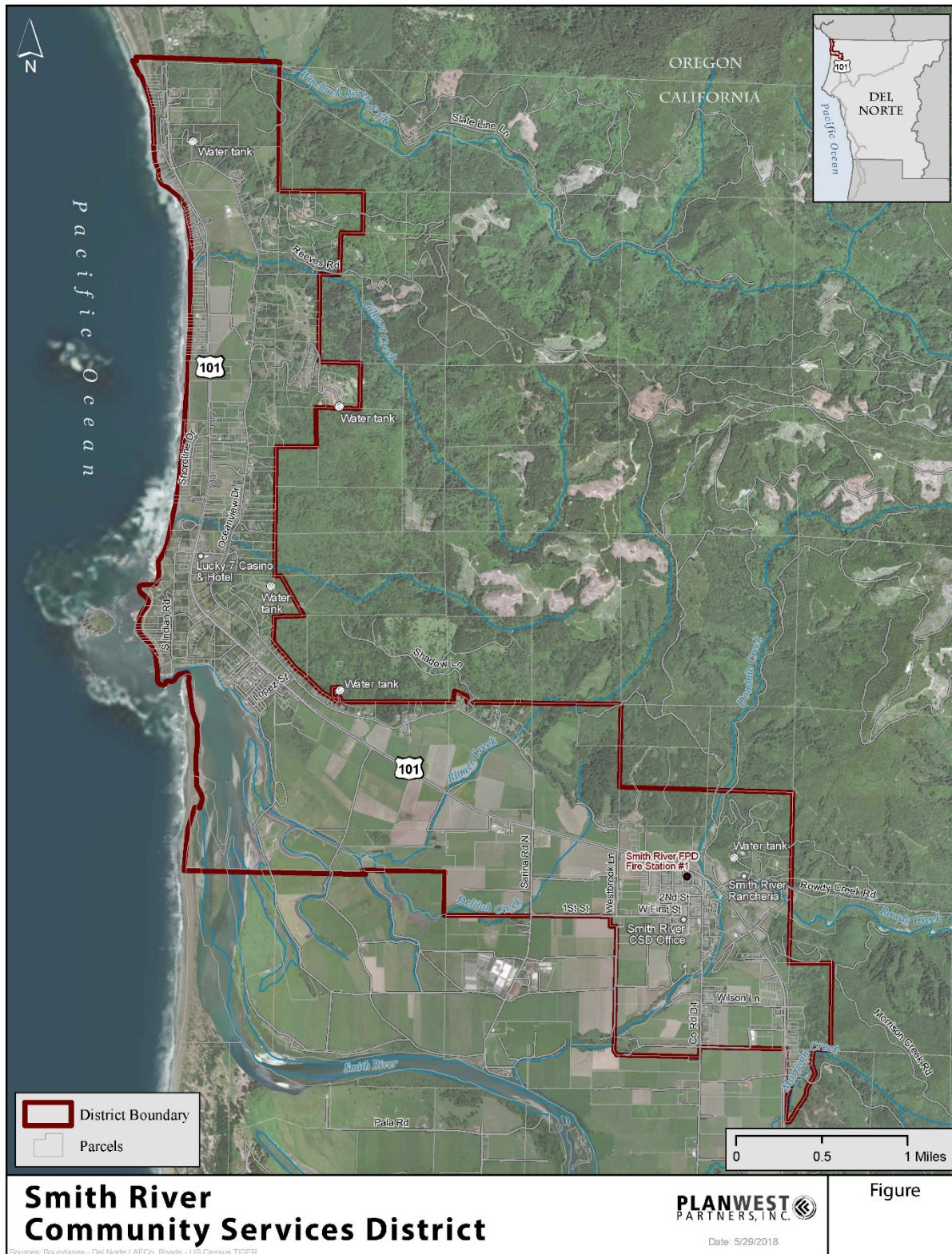
### District Overview

Smith River CSD provides domestic water, community center management and street lighting services. The District is located in northwestern Del Norte County, approximately 13 miles north of Crescent City; it encompasses the mouth of the Smith River and extends along Highway 101 north to the Oregon border (Figure 1). The District serves the unincorporated community of Smith River as well as Ocean View Drive, Wilson Lane, and other neighborhoods adjacent to Highway 101. Tolowa Dee-ni' Nation (a federally recognized Native American Tribe) lands are located within District boundaries. A MSR was previously prepared in 2009; this document updates the previous MSR and builds upon information provided therein.

**Table 1: Smith River CSD Agency Profile**

<b>Formation</b>	
Agency Name	Smith River Community Services District
Formation Date	June 22, 1970
Principal Act	Government Code §61000 - 61850
<b>Contact</b>	
Main Contact	Kathryn Demry, Office Administrator
E-mail	office.admin@srwater.net
District Office Address	241 West First St., Smith River, CA 95567
Alternate Contact	General Manager (when hired): general.manager@srwater.net
Phone/ Fax	(707) 487-5381 / (707) 487-5191
<b>Governance</b>	
Governing Body	Board of Directors
Board Meetings	Second and fourth Monday of every month
Staffing	General Manager, and staff (Kathryn Demry)
<b>Services</b>	
Services Provided	Domestic water, street lighting and community hall management
Areas Served	The unincorporated community of Smith River and adjacent neighborhoods along Highway 101 to the Oregon border.

Figure 1. District Boundary and SOI



## Formation

The Smith River CSD was formed by Del Norte County Board of Supervisors Resolution on June 22, 1970. The special district was formed for the purpose of providing potable water to District residents.

## Boundary and Sphere of Influence

The Smith River CSD covers approximately 2,500 acres (3.9 square miles). The District boundary and SOI are coterminous, as shown on Figure 1. No recent District boundary changes have been initiated.

## Accountability and Governance

Smith River CSD is governed by a five-member Board of Directors, elected at large by District residents to serve four year terms (Table 2). The Board meets on the second and fourth Monday of each month at the district office. Meeting dates and agendas are posted 72 hours prior to the meetings at the district office and are noted on resident's monthly water bills. District Staff can be reached by phoning the District Office, at the phone numbers provided in Table 1.

## Management & Staffing

The District currently employs two full-time and one part-time staff member: A General Manager, a Field Maintenance Operator, and an Office Manager. All agency decisions are overseen by the Board of Directors upon consideration of public input and discussion.

**Table 2: Smith River CSD Board of Directors**

Board Member	Title	Term Expiration
Bruce Kohler	Director	2018
Jo Ann Van Valkenburgh	Board Member	2018
Robert Dytewski	Board Member	2018
Tim Reichlin	Board Member	2020
Ernest Silva	Board Member	2020

## Population and Land Use

### Land Use

The Del Norte County General Plan (2003) and Zoning Code guides land use decisions within the unincorporated portion of Del Norte County including the community of Smith River. The area served by Smith River CSD is largely agricultural, commercial timber production lands, recreation areas, and low density residential. More concentrated residential areas are located in the communities of Smith River and Tolowa Dee-ni' Nation trust lands. The District also contains areas of light industrial and commercial areas, generally along the Highway 101 corridor and includes the federally recognized Wild and Scenic Smith River estuary. Much of the western border of the CSD is located along the coast and in the tsunami inundation zone.

## **County Population and Growth**

According to the US Census, the total population in Del Norte County was 27,507 in 2000 and 28,610 in 2010. The Department of Finance 2016 (DOF) reports a 1.07 percent increase in the unincorporated population of Del Norte County between 2015 and 2016, however, county population predictions from US Census data report a much lower rate of annual growth at only about 0.1 percent.

## **District Population and Growth**

The Smith River CSD estimates a District population of approximately 2,568. The District will likely continue to grow at or less than the current county-wide growth rate of 0.1 percent per year, putting the District population at approximately 2600 in 2030.

Smith River CSD provides domestic water service to approximately 590 active connections as well as street lighting to a population of approximately 3,000 people in the unincorporated community of Smith River. Opportunities for growth exist, but constraints such as flood plains and hillsides are growth barriers. Some tribal related growth is anticipated.

## **Disadvantaged Unincorporated Communities**

LAFCo is required to evaluate water service, sewer service, and structural fire protection within disadvantaged unincorporated communities as part of this service review, including the location and characteristics of any such communities. A disadvantaged unincorporated community (DUC) is defined as any area with 12 or more registered voters where the annual median household income is less than 80 percent of the statewide annual median household income (pursuant to Government Code Section 56033.5 and Water Code Section 79505.5). Within a DUC, three basic services are evaluated: water, sewage, and fire protection. Smith River CSD provides domestic water services only and is therefore responsible for assuring that this service is adequately provided to the community. Community wastewater services are not provided in this area; the community relies upon individual septic tanks for sewage disposal. The Smith River Fire Protection District provides fire protection services within all of Smith River CSD.

According to the 2015 American Community Survey 1-Year Estimates, the California median household income (MHI) is \$63,783. Smith River CSD is in Community Place, 0672380 and has a MHI of \$32,426 which is 51 percent of the state average MHI, thereby qualifying the area as disadvantaged. Should territory in the surrounding area be proposed for annexation in the future, disadvantaged communities in the area should be considered.

## **Services & Infrastructure**

### **Services Provided**

Smith River CSD provides water storage, treatment and distribution and street light services for the Smith River community, with a total of 590 active and 100 stand-by water service connections. The Smith River CSD holds a state water permit (public water system No. 0810002) for drinking water treatment and distribution. The water system and treatment plant originally permitted March 31, 1980 are reviewed annually by Del Norte County Public Health Department.

Based on the Department of Water Resources Groundwater Basin Maps (Bulletin 118), Smith River CSD is located in the Smith River Plain Groundwater Basin in the Smith River Watershed.

### Water Source

The water system is supplied by four 40-foot wells that are approximately 100 feet from Rowdy Creek, upstream from Fred Haight Drive.

**Table 3: Smith River CSD Water Source Data**

Source	Status	Capacity (gpm)
Well 01	Active	290
Well 02	Active	175
Well 03	Active	140
Well 04	Active	200
<b>Total</b>		<b>805</b>

### Water Treatment and Storage

Water is treated with sodium hypochlorite and a sodium silicate additive is used.

The district's total storage capacity is 900,000 gallons. Three main storage tanks have a 600,000-gallon combined storage capacity and five smaller storage tanks, located in proximity to various hill side subdivisions, have a 300,000-gallon combined storage capacity.

### Water Demand

There is currently adequate water system capacity to service at the active and stand-by connections. The system has the capacity to provide 350-500 gpm.

### Infrastructure Overview

The water system includes four 40-foot wells, two 225,000-gallon redwood storage tanks, three 100,000-gallon redwood storage tanks, and three smaller tanks that have a combined capacity of 125,000 gallons. There are four 25-horsepower pumps and 35-miles of eight-inch mainline for water distribution.

### Infrastructure Needs and Deficiencies

Critical infrastructure needs include the replacement of the wooden storage tanks, secured tank foundations, and the installation of new fire hydrants. Additional main storage capacity is currently being added. According to the prior MSR, 25 miles of piping is made of asbestos cement and is in need of replacement.

### System Monitoring

System monitoring is performed annually and is reported to customers via the Annual Water Quality reports. The most recent report available is from 2015 and reports that the City of Crescent City's water met all EPA and State drinking water health standards.

### Street Lighting

The Smith River CSD provides street lights within the community of Smith River. Street lights are funded by direct charges on monthly utility bills and the district's general fund.



### **Hall Management & Maintenance**

Smith River CSD has a community hall that it provides to the community as a rental space for events. The hall rental provides a significant source of income for the District with rental income of nearly \$30,000 for FY 2017-18. The District maintains and manages the hall.

### **Potential Latent Powers Activation –**

Community Service Districts (CSDs) are formed and governed in accordance with the Community Services District Law, Government Code §61000 et seq. CSDs can provide a range of municipal services pursuant to the principal act (CSD Law). Any service or function that is authorized by the principal act of the District but is not listed as one of a CSD's functions when the CSD was formed, or subsequently approved by LAFCO is considered a "latent power." A CSD wishing to exercise a latent power must first receive LAFCO approval before providing the service. The recently revised CSD law now provides that LAFCO approval is the final action for activating a latent power; a vote of the district's residents is no longer needed to activate a power.

### **Telecommunications Services**

The Smith River area community members lack high speed telecommunications infrastructure available to other areas. Special Districts have the authority to provide this service in underserved areas. The Smith River CSD is interested in activating its latent powers to provide internet service to the community. A Telecommunications Feasibility Study would need to be conducted that would include four steps: Technological Infrastructure Analysis, Customer Analysis, a Financial Plan and an Implementation Plan<sup>1</sup>. Within the Feasibility Study, the Technological Infrastructure section would include a review of existing fiber, microwave telecommunications, wireless communications towers, and potential service providers co-located on these facilities, a topographical analysis, and an emergency services telecommunications inventory. Customer Analysis would consist of developing a subscriber database and conducting a community meeting to assess community members' willingness to pay for locally provided high-speed internet access. Financial Planning would develop initial costs and ongoing operations and maintenance costs and identify potential funding sources. Implementation Planning would consist of preparing a business plan to summarize findings and demonstrate a path forward.

### **Wastewater**

The Smith River CSD does not currently provide wastewater services. Like telecommunications services described above, Special Districts have the authority to provide this service as well. Some municipal wastewater collection and treatment is provided by Tolowa-Smith River Rancheria for the casino hotel area. The District is looking into the provision of waste water services in the future and may build a treatment plant that would provide service. There are options for pre-manufactured package plants that are suitable for small communities and rural areas. This service would revitalize the commercial economy and allow for a more vibrant community.

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<sup>1</sup> Telecommunications Feasibility Study

## Other Public Service Providers

The County of Del Norte provides general governmental services including social services, emergency services, planning, county roads and parks, etc. to the unincorporated areas of Del Norte County. Law Enforcement is provided by the Del Norte County Sheriff's Office. The California Department of Transportation (CalTrans) is responsible for the condition of U.S. Highway 101 that bisects the Smith River CSD.

### Other Service Providers

#### *Fire Protection*

Fire protection is currently provided by the Smith River Fire Protection District (Smith River FPD or District). The District purchased the vacant grocery store building at Hwy 101 and N. Fred Haight Drive in Smith River, for use as a fire station. The district has retained an architect and gone through a community outreach effort to solicit input on facility design. The District has also formed an advisory committee for ongoing input. This is part of a multi-year effort to develop the building and site. Planned building improvements include strengthened floors to handle fire apparatus, a new roof and a seismic retrofit. Other potential uses suggested during community outreach include a training facility, emergency services dispatch and sheriff substation. The building and site are larger than the District needs for a fire station and other community uses could be accommodated.

## Shared Facilities & Services

The Tolowa Dee-ni Nation, a federally recognized tribe of the Tolowa Indians, has property holdings within District boundaries. The Tribe maintains its own water and wastewater systems that serve tribal enterprises and residents in the Smith River area in and around the Lucky 7 Casino and Hotel. Additional expansion of the water system onto reservation lands is being planned.



## Budget

The District's primary revenue sources include water fees and service fees (standby and hook-up fees). The District's expenses are primary salaries, utilities, professional fees, and loan repayment. For the 2017-18 fiscal year the District's revenues exceeded its expenditures by \$27,829.

**Table 4: Smith River CSD Budget Summary**

<b>FY 2017-18 Adopted</b>	
<b>Revenues</b>	
Hall Rental Income	\$29,025.00
Street Light Revenue	\$22,900.00
Interest Income	\$0.00
Water Revenue	\$362,420.00
Misc.	\$0.00
<b>Total Revenue</b>	<b>\$414,345.00</b>
<b>Expenditures</b>	
Salaries	\$194,302.00
Operating Expenses	\$6,800.00
Office Supplies	\$60,840.00
Rent	\$9,450.00
Communications	\$6,250.00
Utilities	\$59,546.00
Repairs & Maintenance	\$21,100.00
Professional Services	\$16,652.00
Insurance	\$11,576.00
<b>Total Expenditures</b>	<b>\$386,516.00</b>
<b>Bond Financing Sources</b>	
<b>Bond Financing Uses</b>	

## Service Rates

Smith River CSD held a public hearing to adopt new water rates on February 26, 2018. Water rates will increase over a 5-year period beginning July 1, 2018 through FY 2022-23 when the final rates will be adopted. By the 5th year, SRCSD will have a balanced budget that will cover operational expenses and furnish the required reserves. A cost analysis of hill customers was done to determine the extra cost of delivering water and it was determined that hill customers should be charged 5.63% more on base charges and 13.45% more on the usage rate. Customers are charged a usage fee for every 100 c. f. of usage over 500 c.f.

**Table 5: Smith River CSD Fee Schedule (2018-2023)**

Meter Size	Town Customers Base Rate Year 1	Year 2	Year 3	Year 4	Year 5
0.625	\$30.85	\$32.40	\$34.02	\$35.72	\$37.50
0.750	\$46.28	\$48.59	\$51.02	\$53.58	\$56.25
1.000	\$77.13	\$80.99	\$85.04	\$89.29	\$93.76
1.500	\$77.13	\$80.99	\$85.04	\$89.29	\$93.76
2.00	\$246.83	\$259.17	\$272.13	\$285.74	\$300.02
3.000	\$246.83	\$259.17	\$272.13	\$285.74	300.02
4.000	\$771.35	\$850.41	\$850.41	\$892.93	\$937.58
6.000	\$1542.69	\$1700.82	\$1,700.82	\$1,785.86	\$1875.15
8.000	\$1542.69	\$1700.82	\$1,700.82	\$1,785.86	\$1875.15
Usage	\$1.35	\$1.42	\$1.49	\$1.56	\$1.64
Meter Size	Hill Customer Base Rate Year 1	Year 2	Year 3	Year 4	Year 5
0.625	\$32.59	\$34.22	\$35.93	\$37.73	\$39.62
0.750	\$48.89	\$51.33	\$53.90	\$56.59	\$59.42
1.000	\$81.48	\$85.55	\$89.83	\$94.32	\$99.04
1.500	\$81.48	\$85.55	\$89.83	\$94.32	\$99.04
2.00	\$260.73	\$273.77	\$287.46	\$301.83	\$316.92
3.000	\$260.73	\$273.77	\$287.46	\$301.83	\$316.92
4.000	\$814.79	\$855.53.	\$893.30	\$943.22	\$990.38.
6.000	\$1,629.57	\$1711.05	\$1,796.61	\$1,886.44	\$1980.76
8.000	\$1,629.57	\$1711.05	\$1,796.61	\$1,886.44	\$1980.76
Usage	\$1.53	\$1.61	\$1.69	\$1.77	\$1.86

### Financing Constraints and Opportunities

There is an opportunity to convert from manually read meters to an automated system, although this requires a significant up-front capital investment that would be paid off over time. There is also an opportunity to expand services, to serve the community, as described in this MSR.

### Cost Avoidance Opportunities

No cost avoidance opportunities were identified.

# MUNICIPAL SERVICE REVIEW DETERMINATIONS

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This section addresses the requirements of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (California Government Code Section 56430). As part of the municipal service review process, LAFCo makes the following written determinations.

## **Growth and population projections**

Smith River CSD was created to provide domestic water and street lighting to the community of Smith River. Population growth and population projections for the service area is expected to be limited or none.

## **The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the Sphere of Influence**

Smith River CSD has been identified as being a DUC. There are no other DUCs in the vicinity that could be served by the CSD.

## **Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies**

There is currently excess water system capacity to serve all the active service connections.

## **Financial ability of agencies to provide services**

Smith River CSD has adequate resources to provide services and is considering expansion to included wastewater services and improved internet via adding telecom towers. For the 2017-18 fiscal year the District's revenues exceeded its expenditures by \$27,829.

## **Status of, and opportunities for, shared facilities**

Smith River CSD is located in a rural region where physical separation from other communities limits the area where extension of domestic water services is practical. Due to limitations in distance and terrain, no opportunities for shared facilities have been identified.

## **Accountability for community service needs, including governmental structure and operational efficiencies**

The Smith River CSD is governed by the Smith River CSD Board of Directors. The CSD demonstrated accountability and transparency by disclosing financial and service related information in response to LAFCo requests.

## **Any other matter related to effective or efficient service delivery, as required by commission policy**

None beyond those listed.

## SPHERE OF INFLUENCE DETERMINATIONS

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Del Norte LAFCo makes the following written determinations

**Present and planned land uses in the area, including agricultural and open-space lands.**

The area serviced by the Smith River CSD is primarily agricultural, commercial timber production lands, recreation areas, and residential developments. There are areas of light industrial and commercial areas, most of which are vacant. Opportunities for growth exist, but physical hazards and constraints such as flood plains and hillsides are barriers to growth.

**Present and probable need for public facilities and services in the area.**

Prior to considering expanding services outside the current service area, the Smith River CSD must demonstrate the ability to provide services to those areas.

**Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.**

The current capacity of public facilities provided by the District appear to be adequate to serve current demand. All community services districts are now required to have websites. The Smith River CSD does not currently have a website and needs to set one up.

**Existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.**

Smith River CSD is located north of the City of Crescent City, which provides a major shopping and service industry hub for local residents in Del Norte County. Smith River's commercial and public businesses support daily local needs of the population.

**For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere.**

The Smith River CSD is considered a DUC. There are no DUCs adjacent to the CSD that should be considered for inclusion in the SOI.

## REFERENCES

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CA Dept. of Water Resources: [http://www.water.ca.gov/irwm/grants/resources\\_dac.cfm](http://www.water.ca.gov/irwm/grants/resources_dac.cfm)

CA Dept of Water Resources Groundwater info center:  
<http://www.water.ca.gov/groundwater/gwinfo/index.cfm>

Safe Drinking Water Information System

[https://sdwis.waterboards.ca.gov/PDWW/JSP/WaterSystemDetail.jsp?tinwsys\\_is\\_number=278&tinwsys\\_st\\_code=CA&wsnumber=CA0810002](https://sdwis.waterboards.ca.gov/PDWW/JSP/WaterSystemDetail.jsp?tinwsys_is_number=278&tinwsys_st_code=CA&wsnumber=CA0810002)

US Census Bureau: <https://www.census.gov/quickfacts/table/PST045215/06>

**DEL NORTE  
LOCAL AGENCY FORMATION COMMISSION**  
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Arcata, California 95521  
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eo@delnortelaftco.org

**RESOLUTION 18-03  
APPROVING THE SMITH RIVER COMMUNITY SERVICE DISTRICT  
MUNICIPAL SERVICE REVIEW & SPHERE OF INFLUENCE UPDATE**

WHEREAS, the Del Norte Local Agency Formation Commission, hereinafter referred to as the "Commission", is authorized to establish, amend, and update spheres of influence for local governmental agencies whose jurisdictions are within Del Norte County; and

WHEREAS, the Commission staff prepared a municipal service review to evaluate the availability and performance of governmental services provided by the Smith River Community Services District (CSD), pursuant to California Government Code Section 56430; and

WHEREAS, the Executive Officer gave sufficient notice of a public hearing to be conducted by the Commission in the form and manner prescribed by law; and

WHEREAS, the Executive Officer's report and recommendations on the sphere of influence update were presented to the Commission in the manner provided by law; and

WHEREAS, the Commission heard and fully considered all evidence presented at a public hearing on September 24th, 2018; and

WHEREAS, the Commission considered all the factors required under California Government Code Section 56425.

**NOW, THEREFORE, BE IT RESOLVED** as follows:

1. The Commission hereby accepts the Smith River Community Services District Municipal Service Review, incorporated herein by reference.
2. The sphere of influence for the Smith River Community Services District included within the Municipal Service Review has been appropriately informed by the Commission's evaluation of the level and range of governmental services provided.
3. Pursuant to Government Code Section 56425(e), the Commission makes written statement of determinations for the Smith River CSD Municipal Service Review & Sphere of Influence Update, hereby incorporated by reference.
4. The Commission, as Lead Agency, determines that the sphere of influence update is exempt from further review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3). This finding is based on the Commission determining with certainty the update will have no possibility of

significantly effecting the environment given no new land use or municipal service authority is granted.

5. The Executive Officer shall revise the official records of the Commission to reflect the updated spheres of influence for each district.

**PASSED AND ADOPTED** at a meeting of the Del Norte Local Agency Formation Commission, State of California, on the 24<sup>th</sup> day of September 2018, by the following vote:

AYES:	Commissioners:
NOES:	Commissioners:
ABSENT:	Commissioners:
ABSTAIN:	Commissioners:

---

Blake Inscore, Chair

Attest:

---

George Williamson, Executive Officer

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**AGENDA ITEM 2C**

**MEETING DATE:** September 24, 2018  
**TO:** Del Norte Local Agency Formation Commission  
**FROM:** George Williamson AICP, Executive Officer  
**SUBJECT:** Church Tree CSD Municipal Service Review and Sphere of Influence Update

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**RECOMMENDATION**

The following procedures are recommended for the Commission's consideration of this item:

- Receive verbal report from staff;
- Open the public hearing and invite testimony; and
- Discuss item and - if appropriate - close the hearing and consider action on recommendation.

Staff recommends the Commission approve Resolution No.18-04 approving the Gasquet CSD Municipal Service Review and Sphere of Influence Update.

**DISCUSSION**

The Church Tree CSD provides water service for domestic use to the unincorporated subdivision of Church Tree. The District covers approximately 0.1 square miles (64 acres) and is located along Elk Valley Road adjacent to Jedidiah Smith Redwoods State Park.

The District currently provides adequate water service to its existing connections. The District contracts with Crescent City to receive water while the District owns the water system and is responsible for repairs and maintenance. Crescent City sources high-quality and abundant water from the Smith River aquifer and has plenty of capacity to serve the City and surrounding communities. One infrastructure need was identified: fencing and securing the District's water tank to comply with California code.

The District appears to consistently operate with a balanced budget and has no outstanding debt. There is a reserve fund of approximately \$100,00 that could be used for securing the tank or replacing with hydrostatic pumps.

The SOI is coterminous with the District's boundaries (MSR Figure 1). No expansion or reduction to Church Tree CSD's SOI is recommended.

**ATTACHMENTS**

Attachment 1: Church Tree CSD MSR & SOI Update

Attachment 2: Resolution 18-04 Approving the Church Tree CSD MSR & SOI Update

# Church Tree Community Services District

## Municipal Service Review & Sphere of Influence Update



District Review Draft July 2018

Del Norte Local Agency Formation Commission



## Del Norte Local Agency Formation Commission

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### Commissioners

Blake Inscore	Chair & City Member
Bob Berkowitz	Vice Chair& County Member
Roger Gitlin	County Member
Jason Greenough	City Member
Duane (Sparky) Countess	Public Member
Lori Cowan	Alternate County Member
Darrin Short	Alternate City Member
Judy Dobbs	Alternate Public Member

### Staff

George Williamson, AICP, Executive Officer  
Vanessa Blodgett, Services Analyst  
Elizabeth Cable, Legal Counsel  
Nicole Burshem, Clerk

### Acknowledgements

LAFCo staff would like to thank the contributors to this Municipal Service Review. Input instrumental in completing this report was provided by Church Tree CSD Board Members Jim Nelson and Edwin Clark. This report would not have been possible without the District's assistance.

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# INTRODUCTION

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This Municipal Service Review (MSR) and Sphere of Influence (SOI) Update provides information about the services and boundaries of the Church Tree Community Services District (herein referred to as CTCSD, Church Tree CSD, or District). The report is for use by the Del Norte Local Agency Formation Commission (LAFCO) in conducting a statutorily required review and update process. The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act) requires that the Commission conduct periodic reviews and updates of Spheres of Influence of all cities and special districts in Shasta County (Government Code § 56425). State law also requires that, prior to SOI adoption, LAFCO must conduct a review of the municipal services provided by that local agency (Government Code § 56430). This report provides LAFCO with a tool to study current and future public service conditions comprehensively and to evaluate organizational options for accommodating growth, preventing urban sprawl, and ensuring that critical services are provided efficiently.

## CSD Overview

Community Service Districts are independent special districts under Community Service District law (Government Code § 61000 - 61850). A CSD is authorized to provide a wide variety of services including domestic water, wastewater treatment, garbage collection, security, fire protection, public recreation, street lighting, and many others to unincorporated areas. CSDs are governed by a board of five directors, all of whom are elected at large.

## Principal Act

The principal act governing CSDs is the Community Service District law (Government Code § 61000 - 61850) which authorizes CSDs to provide a variety of service within its boundaries. CTCSD is authorized to provide domestic water services. All other remaining services, facilities, functions or powers enumerated in the District's principal act but not identified in the formation resolution are "latent," meaning that they are authorized by the principal act under which the District is formed, but are not being exercised. Activation of these latent powers and services requires LAFCO authorization.

## Service Review Determinations

Government Code § 56430 requires LAFCO to conduct a review of municipal services provided in the county by region, sub-region or other designated geographic area, as appropriate, for the service or services to be reviewed, and prepare a written statement of determinations with respect to each of the following topics:

1. Growth and population projections for the affected area;
2. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence;
3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies (including needs or deficiencies related to sewers,

municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence);

4. Financial ability of agencies to provide services;
5. Status of, and opportunities for, shared facilities;
6. Accountability for community service needs, including governmental structure and operational efficiencies; and
7. Any other matter affecting or related to effective or efficient service delivery, as required by Commission policy.

State Guidelines and Commission policies encourage stakeholder cooperation in the municipal service review process. It also provides a basis to evaluate, and make changes to Spheres of Influence, if appropriate.

## Sphere of Influence Determinations

A SOI is a LAFCO-approved plan that designates an agency's probable physical boundary and service area. Spheres are planning tools used to provide guidance for individual boundary change proposals and are intended to encourage efficient provision of organized community services, discourage urban sprawl and premature conversion of agricultural and open space lands, and prevent overlapping jurisdictions and duplication of services.

LAFCO is required to establish SOIs for all local agencies and enact policies to promote the logical and orderly development of areas within the SOIs. Furthermore, LAFCO must update those SOIs every five years. For a SOI update, LAFCO is required to conduct a MSR and adopt related determinations. It must also make the following SOI determinations:

1. The present and planned land uses in the area, including agricultural and open-space lands;
2. The present and probable need for public facilities and services in the area;
3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide;
4. The existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency; and
5. The present and probable need for public facilities and services related to sewers, municipal or industrial water, or structural fire protection of any disadvantaged unincorporated communities within the existing sphere of influence (effective July 1, 2012).

## Review Methods

The following information was considered in the development of this service review:

- o Agency-specific data: responses to LAFCo Requests for Information;
- o Demographic data: U.S. Census Bureau; Department of Finance; CA Water Resources Board;
- o Finances: budgets, rates and fees; and
- o Other Reports: State Water Resources Control Board, Division of Drinking Water.

Information gathered was analyzed and applied to make the required determinations. All information gathered for this report is filed by LAFCO for future reference.

## California Environmental Quality Act

The California Environmental Quality Act (CEQA) is contained in Public Resources Code § 21000 et seq. Public agencies are required to evaluate the potential environmental effects of their actions. MSRs are statutorily exempt from CEQA pursuant to § 15262 (feasibility or planning studies) and categorically exempt pursuant to CEQA Guidelines § 15306 (information collection). CEQA requirements are applicable to SOI Updates. The CEQA lead agency for SOI Updates is most often LAFCO, unless an agency has initiated an SOI expansion or update.

## CHURCH TREE COMMUNITY SERVICES DISTRICT

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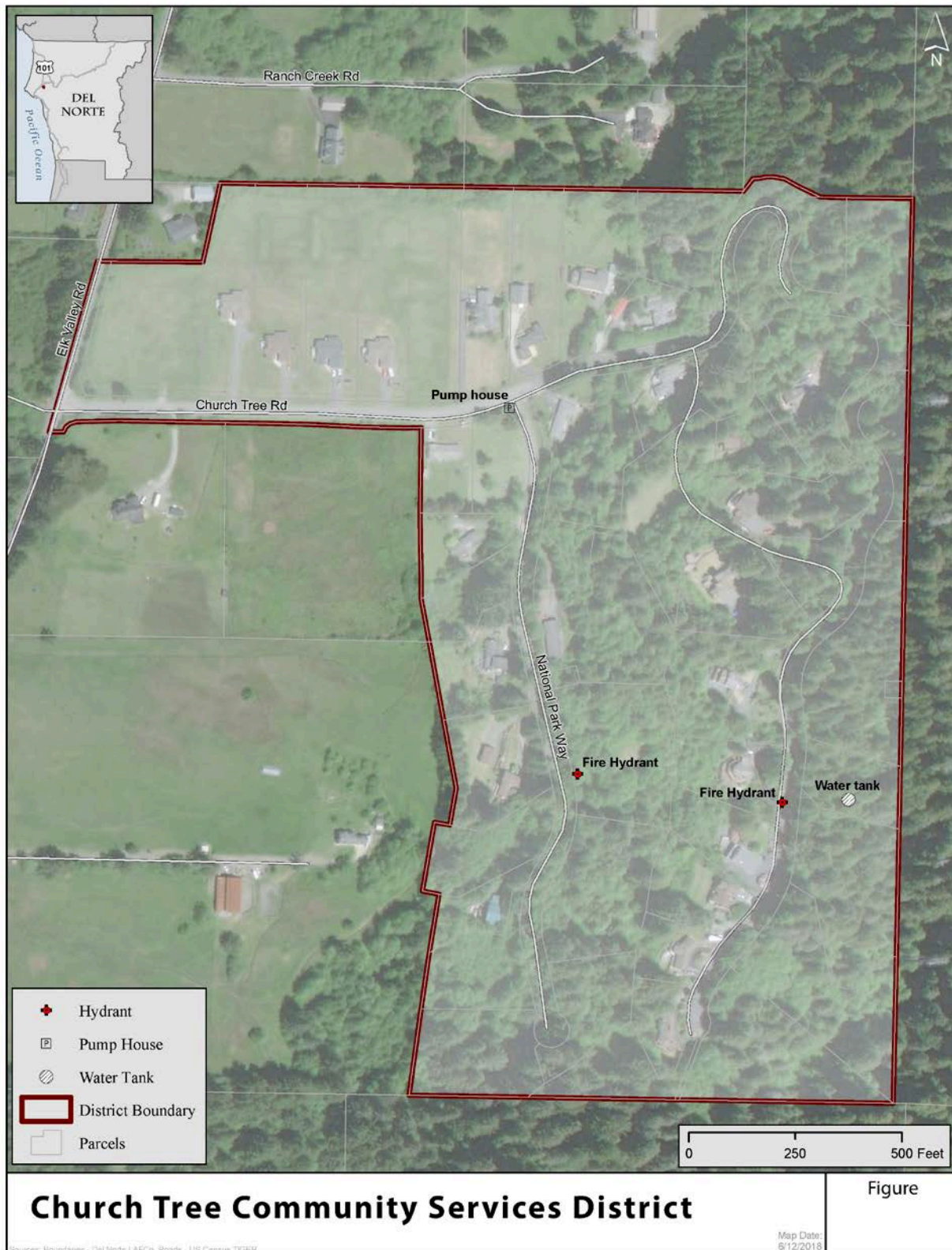
Table 1: Church Tree CSD Agency Profile

Formation	
Agency Name	Church Tree Community Services District
Formation Date	March 11, 1970
Principal Act	Government Code §61000 - 61850
Contact	
Main Contact	Jim Nelson
E-mail	Thebaldheadedrealtor@charter.net
District Office	251 Church Tree Road, Crescent City, CA 95531
Mailing Address	251 Church Tree Road, Crescent City, CA 95531
Phone	(707) 465-1753
Governance	
Governing Body	Board of Directors
Board Meetings	Second and Fourth Monday of every month
Staffing	N/A
Services	
Services Provided	Domestic Water
Areas Served	The unincorporated subdivision of Church Tree in Del Norte County

## District Overview

The Church Tree Community Services District (CTCSD) is organized as an independent special district under Community Service District law (Government Code Section 61000 et seq). Located east of Crescent City along Elk Valley Road and adjacent to the Jedidiah Smith Redwood State Park, the CTCSD provides domestic water service to a population of approximately 40 people through 26 connections. A municipal service review was conducted in 2009. This document will update the previous MSR and build upon information provided therein.

Figure 1. District Boundary and SOI



## Formation

The Church Tree CSD was formed by Resolution of the Del Norte County Board of Supervisors on May 11, 1970. The special district was formed for the purpose of providing potable water to the Church Tree subdivision.

## Boundary and Sphere of Influence

The Church Tree CSD covers approximately 64 acres (0.1 square miles). Figure 1 shows the District Boundary and SOL. It also shows the water service infrastructure. CTCSD is within the City of Crescent City SOL.

## Accountability and Governance

Church Tree CSD is governed by a five-member Board of Directors, elected at large by District residents to serve four-year terms (Table 2). The Board has scheduled meetings on the second and fourth Monday of each month at the district office. Meeting dates and agendas are posted 72 hours prior to the meetings at the district office.

## Management & Staffing

The District does not have any paid staff. All agency decisions are overseen by the Board of Directors upon consideration of public input and discussion. There are two vacant board member seats that need to be filled.

**Table 2: Church Tree CSD Board of Directors**

Board Member	Title	Term Expiration
Clark, Edwin	Board Member	2018
Nelson, Jim	Board Member	2018
Buzzini, Linda	Board Member	2018
Vacant	Board Member	
Vacant	Board Member	

## Other Service Providers

### *Wastewater*

Wastewater is not provided by the District. All residents of the CSD have private septic systems.

### *Law Enforcement and Fire Protection*

Law Enforcement is provided by the Del Norte County Sheriff's Office and fire protection is provided by Crescent Fire Protection District (Crescent City Fire and Rescue). There are two Fire Hydrants and three Stand Pipes within the district.

### *Other Services*

The County of Del Norte provides general governmental services including social services, emergency services, planning, county roads and parks, etc. to the unincorporated areas of Del Norte County.

## **Present and Planned Land Use**

### **Existing Land Uses**

The Del Norte County General Plan (2003) and Zoning Code guides land use decisions within the unincorporated portion of Del Norte County including the community of Church Tree.

The Church Tree Community Service District primarily consists of rural residential properties. The District's most prominent feature is the shared boundary with the Jedediah Smith Redwoods State Park, east of the District.

### **Future Development Potential**

The Church Tree subdivision is essentially built-out. Steep slopes and on-site sewage limitations, are constraints to development of the remaining lots.

## **Population and Growth**

According to the US Census and CA Department of Finance, the Del Norte County population in was 27,507 in 2000 and 28,610 in 2010. The County population grew by approximately 4.0 percent between 2000 and 2010, or at an annual growth rate of approximately 0.4 percent. Church Tree is not a census-designated place so actual population statistics for the District are not available. The estimated population is 40. The Department of Finance 2016 (DOF) reports a 1.07 percent increase in the unincorporated population of Del Norte County between 2015 and 2016, however, county population predictions report a much lower rate of annual growth at only about 0.1 percent. Using the 0.1 percent annual growth estimate, and the current population, the Church Tree CSD population could increase to 51 by the year 2035. Based on this analysis, it is unlikely that the district will have a significant increase in demand for water service during the MSR timeframe.

## **Disadvantaged Unincorporated Communities**

LAFCo is required to evaluate water service, sewer service, and structural fire protection within disadvantaged unincorporated communities (DUCs) as part of this service review, including the location and characteristics of any such communities. A DUC is defined as any area with 12 or more registered voters where the annual median household income is less than 80 percent of the statewide annual median household income (pursuant to Government Code Section 56033.5 and Water Code Section 79505.5). Church Tree CSD provides domestic water services only and is therefore responsible for assuring that this service is adequately provided to the community. Community wastewater services are not provided by the district; the community relies upon individual septic tanks for sewage disposal. Crescent Fire Protection District (Crescent City Fire and Rescue) provides fire protection for the district.

According to the 2012-2018 American Community Survey 5-year estimate, the California median household income (MHI) is \$63,783. The Church Tree CSD is within the Bertsch Ocean View Census Designated Place (CDP), Place ID # 0606150, which has an MHI of \$ 35,678.00 (CA Department of Water Resources Disadvantaged Communities Mapping Tool). This is 56 percent of the state average MHI and because it is less than 80 percent of the state MHI, making the Bertsch Ocean View CDP a DUC.



## **Services & Infrastructure**

### **Water Service Overview**

The Crescent City water system provides water collection, treatment and distribution to the incorporated city of Crescent City, certain unincorporated areas near the city, and the Pelican Bay State Prison through a system comprised of one well, 60 miles of water mains to a population of approximately 14,000 residential customers and 1,600 wholesale customers with a total of 4,500 service connections.

As per Resolution 1971-51, Church Tree CSD contracts with the City of Crescent City to provide water services on behalf of the district. CTCSD owns the system, while the City maintains and manages it through its water department. The District is responsible for major repairs and system integrity. Main line repairs in excess of 10% of that years' water revenues shall be paid by the District and the District is responsible for all power and maintenance costs for the booster pump and storage reservoir. The City maintains water meters, service lines and appurtenances and is responsible for hook-up deposits and monthly billing pursuant to the City Water Ordinance. CTCSD is one of three Districts that contracts with Crescent City for water service. The Church Tree CSD owns the water storage and distribution system within its boundaries.

Water customers currently have water meters, and they are read on a regular basis by the City of Crescent City and billed accordingly. Church Tree CSD is responsible for passing and implementing water conservation measures and incentives to regulate and decrease water usage. There are currently no regulations in place and this unregulated water usage offers no incentive to practice water conservation measures which are the subject of state legislation and expected to be required of water purveyors in the future. CTCSD should consider pro-actively implementing efficient water use and conservation measures now.

### **Water Source**

The Church Tree CSD receives water from the City of Crescent City. Crescent City obtains its water supply from the Smith River groundwater basin, which is located 8.5 miles north of the City. The basin produces approximately 2.9 million acre-feet of high quality water per year. Water is pumped out of the Smith River groundwater basin via a Ranney well, which has a capacity of 6,700 acre-feet per year. According to Water Resources Control Board water right permits, the Smith River appropriation is specified as an average of 12.8 cubic feet per second (8.3 million gallons per day) with a maximum annual diversion of 3,666 acre-feet per year.

### **Water Treatment**

Water from the Smith River is naturally filtered through the sand and gravel bed of the river and collected by intake lines 30 feet below the river. From there, water is pumped southward to the treatment facility off Kings Valley Road, where chlorine is added to meet State compliance standards. The City ceased adding fluoride on November 8, 2012 per ballot measure A.

### **Water Demand**

The Church Tree CSD provides water to approximately 40 people. The CTCSD purchases water from the City of Crescent City who then distributes the water to the district's customers. Crescent City's water source is groundwater from the Smith River aquifer. The Smith River drainage basin covers 700 square miles and produces approximately 2.9 million acre feet of

water per year (AFY), providing an abundant supply of high quality fresh water to the City of Crescent City and the surrounding communities.

### Infrastructure Overview

The District currently utilizes the following infrastructure:

- One pump,
- One 35,000 gallon water tank,
- Approximately 10,00 lineal feet of water line, and
- Two fire hydrants.

The CTCSD's water system is capable of serving 40 connections and is therefore operating at 65% of its total service capacity. The water infrastructure can be seen in Figure 1.

### Infrastructure Needs and Deficiencies

The District water tank is currently not fenced and should be secured to comply with California code. The district should also plan on replacing the tank with hydrostatic pumps to maintain pressure and eliminate tank maintenance.

### System Monitoring

System monitoring is performed annually and is reported to customers via the Annual Water Quality reports. The most recent report available is from 2015 and reports that the City of Crescent City's water met all EPA and State drinking water health standards.

## Shared Facilities & Services

CTCSD purchases water from the City of Crescent City and the District has an agreement with Crescent City that the City will provide system maintenance and upkeep.

## Budget

The CTCSD is a small district that operates on a modest budget. Crescent City distributes water to the district and bills the district's customers directly at the county rate, which is slightly higher than the city rate. The district receives a small amount of tax revenue which covers the water system's maintenance and operation costs. The CTCSD has no outstanding debt. Exact revenue numbers for FY 2018-19 are estimated to be similar to expenses.

**Table 3: Church Tree CSD Budget Summary**

	Actual 2016-17	2017-18 Adopted	2018-19 Proposed
<b>Church Tree CSD</b>			
<b>Revenues</b>			
Property Tax	\$1,330.00	\$1,188.00	\$1,200.00
Interest	\$753.00	\$483.94	\$ 500.000
HOPTR-Secured/Unsecured	\$25.00	\$12.32	\$ 25.00
Water Service Receipts	\$6,825.00	\$5,513.00	\$4,375.00
<b>Total Revenue</b>	<b>\$8,993.00</b>	<b>\$7,198.23</b>	<b>\$6,100.00</b>

	Actual 2016-17	2017-18 Adopted	2018-19 Proposed
<b>Expenses</b>			
Insurance	\$1,972.00	\$1,000.00	\$1,100.00
Professional Services	\$200.00	\$1,500.00	\$2,000.00
Special Departmental Expenses	\$1.00	\$0.00	\$0.00
Utilities	\$1,100.00	\$700.00	\$1,000.00
Maintenance-Structure	\$0.00	\$0.00	\$2,000.00
<b>Total Expenses</b>	<b>\$3,273.00</b>	<b>\$3,200.00</b>	<b>\$6,100.00</b>

### Service Rates

As noted above, Crescent City distributes water to the district and bills the district's customers directly at a set rate effective July 1, 2017 (Table 4). These rates include 500 cubic feet of monthly usage, excluding fire services fixed rates. The City Water Department is authorized to keep \$0.10 for every \$7.00 billed for administrative costs.

**Table 4: Church Tree Water Service Rates**

Meter Size	Monthly Fixed Water Rate
5/8 by 3/4 inch (most homes have these)	\$ 22.49
3/4 inch	\$22.49
1 inch	\$ 31.66
1 1/2 inch	\$ 50.35
2 inch	\$ 76.85
3 inch	\$ 113.24
4 inch	\$ 147.93
6 inch	\$210.95
4 inch Fire Service	\$ 13.33
6 inch Fire Service	\$ 17.60
8 inch Fire Service	\$ 26.28
10 inch Fire Service	\$ 44.12

**Table 5: Church Tree CSD Water Fee Schedule**

Water (0-500 c.f.)	Special District Fee	Minimum Bill Amount	Deposit
\$ 22.49*	\$ 15.00	\$ 37.49	\$ 100.00

\*Church Tree Subdivision Accounts are charged \$2.62 for every 100 c.f. above the 500 c.f. minimum charge.

Source: Water Service Areas and Fees As of July 1, 2017 (<http://www.crescentcity.org/csa.html>)

# MUNICIPAL SERVICE REVIEW DETERMINATIONS

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This chapter addresses the requirements of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (California Government Code Section 56430). As part of the municipal service review process, LAFCo is required to make written statements of determinations in each of the categories listed below.

## **Growth and population projections**

Church Tree CSD was established to provide water to the Church Tree subdivision. Population growth and population projections for the area served is expected to be limited or none. The current population is estimated to be 40. The 2035 projected population is 51.

## **The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the Sphere of Influence**

The MHI of the Bertsch Ocean-View Census Designated Place, which includes Church Tree CSD, is \$35,678.00, which is 56 percent of the state average MHI, thereby qualifying it as a DUC.

## **Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies.**

The District water tank is currently not fenced and should be surrounded to comply with California code. A water system expansion would be necessary for the district to reach full build out within its boundary.

## **Financial ability of agencies to provide services**

CTCSD has no outstanding debt and is a small district that operates on a modest budget. Crescent City distributes water to the district and bills the district's customers directly at the county rate, which is slightly higher than the city rate. The district receives a small amount of tax revenue which covers the water system's maintenance and operation costs. The District has an adequate financial ability to provide services.

## **Status of, and opportunities for, shared facilities**

The CTCSD receives its water from the City of Crescent City.

## **Accountability for community service needs, including governmental structure and operational efficiencies**

The Church Tree CSD is governed by a Board of Directors. Currently the Board has two vacancies that need to be filled. Meetings are held on the second and fourth Monday of every month and are open to the public. CTCSD demonstrated accountability and transparency by disclosing financial and service related information in response to LAFCo requests. All community services districts are now required to have websites. The Church Tree CSD does not currently have a website and needs to set one up.

## **Any other matter related to effective or efficient service delivery, as required by commission policy**

None beyond those listed above.

## SPHERE OF INFLUENCE DETERMINATIONS

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Del Norte LAFCo makes the following written determinations:

**Present and planned land uses in the area, including agricultural and open-space lands.**

Land use in the District is primarily residential and is adjacent to the Jedediah Smith Redwood State Park.

**Present and probable need for public facilities and services in the area.**

Prior to considering expanding services outside the current service area, CTCSD must demonstrate the ability to provide services to those areas. Steep slopes and on-site sewage provision limit are constraints to development of the remaining lots in the subdivision.

**Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.**

The current capacity of public facilities provided by the City appear to be adequate to serve current demand.

**Existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.**

CTCSD is located to the northeast of the City of Crescent City, which provides a major shopping and service industry hub for local residents in Del Norte County.

**For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere.**

The CTCSD is considered a DUC. There are no DUCs adjacent to the CSD that should be considered for inclusion in the SOI.

## REFERENCES

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California Department of Finance:

[http://www.dof.ca.gov/Reports/Demographic\\_Reports/American\\_Community\\_Survey/#ACS2016x1](http://www.dof.ca.gov/Reports/Demographic_Reports/American_Community_Survey/#ACS2016x1)

California Department of Transportation:

[http://www.dot.ca.gov/hq/tpp/offices/eab/index\\_files/2016/DelNorte2016.pdf](http://www.dot.ca.gov/hq/tpp/offices/eab/index_files/2016/DelNorte2016.pdf)

California Department of Water Resources: <https://gis.water.ca.gov/app/dacs/>

US Census Bureau:

<https://www.census.gov/quickfacts/table/PST045215/06>

[https://factfinder.census.gov/faces/nav/jsf/pages/community\\_facts.xhtml](https://factfinder.census.gov/faces/nav/jsf/pages/community_facts.xhtml)

**DEL NORTE  
LOCAL AGENCY FORMATION COMMISSION**  
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Arcata, California 95521  
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**RESOLUTION 18-04  
APPROVING THE CHURCH TREE COMMUNITY SERVICE DISTRICT  
MUNICIPAL SERVICE REVIEW & SPHERE OF INFLUENCE UPDATE**

WHEREAS, the Del Norte Local Agency Formation Commission, hereinafter referred to as the "Commission", is authorized to establish, amend, and update spheres of influence for local governmental agencies whose jurisdictions are within Del Norte County; and

WHEREAS, the Commission staff prepared a municipal service review to evaluate the availability and performance of governmental services provided by the Church Tree Community Services District (CSD), pursuant to California Government Code Section 56430; and

WHEREAS, the Executive Officer gave sufficient notice of a public hearing to be conducted by the Commission in the form and manner prescribed by law; and

WHEREAS, the Executive Officer's report and recommendations on the sphere of influence update were presented to the Commission in the manner provided by law; and

WHEREAS, the Commission heard and fully considered all evidence presented at a public hearing on September 24th, 2018; and

WHEREAS, the Commission considered all the factors required under California Government Code Section 56425.

**NOW, THEREFORE, BE IT RESOLVED** as follows:

1. The Commission hereby accepts the Church Tree Community Services District Municipal Service Review, incorporated herein by reference.
2. The sphere of influence for the Church Tree Community Services District included within the Municipal Service Review has been appropriately informed by the Commission's evaluation of the level and range of governmental services provided.
3. Pursuant to Government Code Section 56425(e), the Commission makes written statement of determinations for the Church Tree CSD Municipal Service Review & Sphere of Influence Update, hereby incorporated by reference.
4. The Commission, as Lead Agency, determines that the sphere of influence update is exempt from further review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3). This finding is based on the Commission determining with certainty the update will have no possibility of significantly affecting the environment given no new land use or municipal service authority is granted.

5. The Executive Officer shall revise the official records of the Commission to reflect the updated spheres of influence for each district.

**PASSED AND ADOPTED** at a meeting of the Del Norte Local Agency Formation Commission, State of California, on the 24<sup>th</sup> day of September 2018, by the following vote:

AYES:	Commissioners:
NOES:	Commissioners:
ABSENT:	Commissioners:
ABSTAIN:	Commissioners:

---

Blake Inscore, Chair

Attest:

---

George Williamson, Executive Officer

**DEL NORTE  
LOCAL AGENCY FORMATION COMMISSION**  
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Arcata, California 95521  
TEL (707) 825-9301 FAX (707)825-9181  
eo@delnortelaifco.org

**AGENDA ITEM 2D**

**MEETING DATE:** September 24, 2018  
**TO:** Del Norte Local Agency Formation Commission  
**FROM:** George Williamson AICP, Executive Officer  
**SUBJECT:** City of Crescent City Municipal Service Review and Sphere of Influence Update (Continued)

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**RECOMMENDATION**

The following procedures are recommended for the Commission's consideration of this item:

- Receive verbal report from staff;
- Open the public hearing and invite testimony; and
- Discuss item and - if appropriate - close the hearing and consider action on recommendation.

Staff recommends the Commission consider the progress made on the City of Crescent City Municipal Service Review and Sphere of Influence Update and delay approval until the next meeting on November 26<sup>th</sup>, 2018. This will give City staff the opportunity to review edits and make further recommendations if necessary and to schedule review at a City Council meeting.

**DISCUSSION**

The City of Crescent City provides a full range of municipal services including water service for domestic use, fire protection within city limits and to unincorporated residential communities within the County and wastewater collection and treatment. The City limits are approximately 2.415 square miles (1,545.6 acres) including Pelican Bay Prison, and the City has a sphere of influence (SOI) that covers an additional 1,241.6 acres

City staff were given a draft to review and suggested appropriate additions and changes. Based on information received from City staff, additions were made that discussed the Crescent City Housing Authority, the urban water management plan, current organizational chart for staffing, fire protection services, updated recreational facilities and other changes.

The City MSR & SOI update will be considered for review at a City Council meeting tentatively scheduled for October 1, 2018.



## REGULAR MEETING MINUTES

### Del Norte Local Agency Formation Commission Board of Supervisors Chambers June 4, 2018 4:00 pm

**Members present:** Blake Inscore (Chairman), Bob Berkowitz (Vice-Chair), Roger Gitlin, Jason Greenough,

**Members absent:** Public Member Sparky Countess

**Others present:** Executive Officer George Williamson, Nicole Burshem, PS Business Services, and Elizabeth Cable, legal counsel

#### 1. Call to Order/Roll Call

Chairman Inscore called the meeting to order at 4:00 p.m. Nicole Burshem took roll call. Commissioner Greenough led the Pledge of Allegiance

Commissioner Gitlin arrived at 4:05 p.m.

#### 2. Public Hearings

##### A. FY 2018-2019 Final Budget

The Commission received a verbal report from staff; Chairman Inscore opened the public hearing, there was no public testimony; and the Commission discuss the item. Chairman Inscore closed the hearing:

On a motion by Commissioner Gitlin, seconded by Commissioner Berkowitz, and carried by a 4-0 vote, Resolution 18-01 for the final Fiscal Year 2018-19 budget, as provided in agenda item Attachment A was approved. The Commission directed the Executive Officer to distribute the request for funds to the City of Crescent City and Del Norte County.

#### 3. Regular Business

##### A. Approval of June 4, 2018 Draft Minutes

On a motion by Commissioner Greenough, seconded by Commissioner Berkowitz, and carried by a 4-0 vote the June 4, 2018 Minutes were approved.

##### B. FY 2017-18 Budget Review

Staff presented a budget spreadsheet with Adopted and Quarter 1, Quarter 2, Quarter 3, and Quarter 4 budget amounts, a year to date amount and year end projection. Expenditures to date have come in at or under budget for each of the line item expenses. Overall budget expenses projected to be below budgeted amounts. For revenues, interest expected to exceed projections. This was an informational item for the Commission with no action needed. Commissioners expressed appreciation for fiscal management.

### **C. . FY 2017-18 Budget Amendment**

Chairman Blake Inscore serves on the CALAFCO Ad Hoc Finance committee. The committee has requested that Chairman Inscore attend an "in person" meeting in Sacramento on Friday, August 3rd 2018. Travel and Lodging costs are estimated to be:

Air Fare + Rental Car. CEC to OAK	\$ 408.25
Lodging: one night at up to \$ 250 per night:	\$ 250.00
Meals: Per diem for two days at: \$ 40.00 per day	<u>\$ 80.00</u>
Total (higher amount -air travel + car rental)	\$ 738.25

As noted in the prior agenda item there are sufficient FY 2017-18 budget funds available to cover this cost. The Commission approved travel expenditures, up to \$ 738.25 for Commissioner Inscore to attend the CALAFCO Ad Hoc Finance committee in August.

### **D. Del Norte LAFCo Agreement for Executive Officer Services**

On a motion by Commissioner Berkowitz, seconded by Commissioner Greenough, and carried by a 4-0 vote the Commission authorized Planwest Partners Inc. to continue providing professional staffing services to the Del Norte Local Agency Formation Commission (LAFCo), for Fiscal Year 2018-2019. Planwest to perform the tasks and activities for Del Norte LAFCo identified in Exhibit A, Scope of Services. This includes the "Agreement for the Provision of Executive Officer Services for the Del Norte Local Agency Formation Commission", between the Commission and Planwest Partners, for guiding staffing services. The term and budget provisions were extended based on favorable Commission action.

### **E. Fire Services Update**

The Commission received a report from staff on activities for the following fire districts: Crescent City Fire & Rescue; Fort Dick; Gasquet; Klamath; and Smith River Fire Protection Districts. This was an informational item for the Commission with no action needed.

### **F. Legislative Update – CALAFCO Support Letters**

Staff had prepared legislative support letters for Legislative support for three bills CALAFCO has taken a support position on and requested commission support: AB 2238 (Aguiar-Curry); AB 2268 (Reyes); and SB 929 (McGuire). The Commission approved the letters as submitted and directed staff to distribute.

## **4. Inquiries, Correspondence, Application Status and Referrals**

**Staff** - The Executive Officer provided a report of current projects, issues of interest, and pending legislation.

Municipal Services Review Update. Staff reported that the following MSR and SOI updates are actively in progress: Crescent City; Bertsch-Ocean

View Community Services District (CSD); Church Tree CSD; HRC CSD; Smith River CSD; Del Norte County Health Care District; and Del Norte County Library District. This was an informational item for the Commission with no action needed.

**Commission** - On their own initiative, Commission members may make brief announcements or reports on their own activities. They may ask questions for clarification, make a referral to staff or request a business matter for a future agenda per Government Code Section 54954.2 (a).  
Commissioner comment:

Commissioner Gitlin inquired as to progress between Yurok Tribe and Klamath FPD on mutual services.

**Public** - Public comment on items of interest within LAFCo subject matter jurisdiction, and not otherwise appearing on the agenda. No action may be taken on any item not appearing on the agenda. Public comment:  
None.

5. **Adjournment**

Chairman Inscore Adjourned the meeting at 4:45PM.

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Respectfully Submitted

**DEL NORTE  
LOCAL AGENCY FORMATION COMMISSION**  
1125 16<sup>th</sup> Street, Suite 202  
Arcata, California 95521  
TEL (707) 825-9301 FAX (707)825-9181  
eo@delnortelafo.org

**ATTACHMENT 3B**

**MEETING DATE:** September 24, 2018  
**TO:** Del Norte Local Agency Formation Commission  
**FROM:** George Williamson AICP, Executive Officer  
**SUBJECT:** FY 2017-18 Budget Review

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**BACKGROUND**

Each year Del Norte LAFCo adopts a budget to cover operating expenses. The attached FY 2017-18 budget shows actual revenues and expenditures in addition to the adopted budget.

**DISCUSSION**

Del Norte LAFCo stayed within its budget for all expenses and was under budget for Professional Services including MSR/SOI preparation, Executive Officer/Administrative functions and legal counsel.

Unrestricted funds from the FY 2017-18 Budget Transfer have been brought forward into the current fiscal year and used to cover travel expenses in FY 2018-19 authorized by the Commission.

**RECOMMENDATION**

Receive & File

Attachment: 3B FY 2017-18 Budget Review

# Del Norte LAFCo FY 2017-18 Budget

		FY 2017-18	FY 2017-18
		Adopted	Actual
Account	EXPENDITURES		
Line #	SERVICES & SUPPLIES		
20150	Insurance	\$2,100.00	\$1,874.91
20200	CALAFCO Membership	\$898.00	\$899.00
20221	Printing	\$50.00	\$0.00
20223	Postage	\$50.00	\$0.00
20230	Professional Services		
	MSR/SOI Preparation	\$24,500.00	\$24,182.00
	Application Processing	\$10,000.00	\$0.00
20231	Prof. Serv. Executive Officer/ Admin.	\$47,500.00	\$47,482.54
20232	Prof. Serv. Legal Counsel	\$2,000.00	\$429.74
20240	Advertising/Publications	\$400.00	\$132.50
20290	Conferences (CALAFCO when funds available)	\$0.00	\$0.00
70530	Interfund-Cost Plan	\$1,918.00	\$1,918.00
20233	Public Member Stipend (up to 8 mtgs @ \$40/mtg)	\$320.00	\$0.00
	<b>TOTAL EXPENDITURES</b>	<b>\$89,736.00</b>	<b>\$76,918.69</b>
	<b>REVENUES</b>		
91125	Project Revenue (Application Deposit)*	\$10,000.00	\$0.00
90300	Interest	\$11.00	\$601.34
90780	Del Norte County	\$39,862.50	\$39,862.50
90781	City of Crescent City	\$39,862.50	\$39,862.50
07100	Funds from Account #42801007100	\$0.00	\$3,407.65
	<b>TOTAL REVENUES</b>	<b>\$89,736.00</b>	<b>\$76,918.69</b>

\*Deposit paid by applicants to cover application processing. Projected amount for auditor use in issuing payment for expense claims.

18 September, 2018

**TO** Regional Representatives and Member LAFCos

**FROM** Anita Paque, Committee Chair  
CALAFCO Election Committee

**RE Election Committee Report for 2018 CALAFCO Board Elections**

In accordance with the CALAFCO Bylaws and Nomination and Election Procedures, the CALAFCO Election Committee has solicited nominations for the regional election of the eight open director positions on the CALAFCO Board of Directors. The elections will be conducted in regional caucuses to be held at the annual conference on Thursday, October 4, 2018 from 8:00 to 8:45 a.m. Any seat not filled through the regional caucus election process in accordance with CALAFCO Bylaws will be filled through an at-large election for one term at the Annual Meeting on Thursday, October 4, 2018, beginning at 9:00 a.m.

Attached is a list of the candidates nominated within each of the four regions (Northern, Central, Coastal and Southern) for their respective city, county, special district and public member seats. Nominations from the floor will also be solicited during the caucus election process. All terms are two years.

Those member LAFCos not in attendance at the annual meeting may vote by electronic ballot in advance of the meeting. They may only vote for those candidates nominated by the Election Committee and listed on the ballot. CALAFCO did not receive any requests for electronic ballots prior to the deadline.

Pursuant to Section 4.2.2 of the CALAFCO Bylaws, the Board has determined that a quorum of a region's LAFCos must be present during the caucus election. In the event that less than 50% of a region's LAFCos are present in the regional caucus (including electronic ballots) to vote for the purpose of filling an open director position, it becomes at-large for one term and shall be elected at the Annual Meeting.

The CALAFCO Election Committee has confirmed that all nominations were complete and received by the final filing date of September 4, 2018 at 5:00 p.m. We received nominations for all but one vacant seat, the county member in the Coastal Region. Nominations from the floor will be solicited at the Coastal Region Caucus to fill that vacancy. If none are received, nominations from the floor of the general meeting will be solicited.

Copies of the nomination forms and resumes of all candidates within your region are attached and are posted on the CALAFCO website in the Members section at: [www.calafco.org](http://www.calafco.org). All nominations and resumes will also be posted at the annual conference near the registration desk.

cc: CALAFCO Board of Directors

## NOMINATIONS FOR THE 2018 BOARD OF DIRECTORS ELECTIONS

Seat	Nominee	County	Region
<b>NORTHERN REGION</b>			
City	Stanley Cleveland	Sutter	Northern
Public	Josh Susman*	Nevada	Northern
	Kuldip Atwal	Yuba	Northern
<b>CENTRAL REGION</b>			
County	Shiva Frentzen*	El Dorado	Central
District	Gay Jones*	Sacramento	Central
<b>COASTAL REGION</b>			
County			
District	Michael McGill*	Contra Costa	Coastal
<b>SOUTHERN REGION</b>			
City	Cheryl Brothers*	Orange	Southern
	Bill Wells	San Diego	Southern
Public	Derek McGregor	Orange	Southern
	David West	Imperial	Southern

\* *incumbent*

**Board of Directors  
2018/2019 Nominations Form**

RECEIVED  
AUG 31 2018

***Nomination to the CALAFCO Board of Directors***

In accordance with the Nominations and Election Procedures of CALAFCO,

SUTTER LAFCo of the NORTHERN Region

Nominates STANLEY CLEVELAND

for the (check one) ☒ City ☐ County ☐ Special District ☐ Public

Position on the CALAFCO Board of Directors to be filled by election at the next Annual Membership Meeting of the Association.

  
LAFCo Chair

JULY 12, 2018  
Date

**NOTICE OF DEADLINE**

Nominations must be received by **September 4, 2018** to be considered by the Election Committee. Send completed nominations to:  
CALAFCO Election Committee  
CALAFCO  
1215 K Street, Suite 1650  
Sacramento, CA 95814



## Board of Directors 2018/2019 Candidate Resume Form

Nominated By: Sutter LAFCo LAFCo

Date: July 12, 2018

Region (please check one): ☒ Northern ☐ Coastal ☐ Central ☐ Southern

Category (please check one): ☒ City ☐ County ☐ Special District ☐ Public

Candidate Name Stanley Cleveland

Address 1201 Civic Center Blvd. Yuba City, CA 95933

Phone Office 530.674.2528

Mobile \_\_\_\_\_

e-mail stanleycleveland@yubacity.net

### Personal and Professional Background:

Stan is active in the community and a member of Noon Time Kiwanis, Royal Rangers (youth scouting), and attends church.

Stan enjoys cooking, camping, fishing, as well as helping youth develop into good, strong adults.

Stanley Cleveland, Jr was elected to the City Council in November 2014 and has served as the City's Mayor. He previously served as the Sutter County Supervisor for District 2 since January 2007.

Stan graduated from Campbell High School in 1975 and has certifications in boiler plant operation and electro-mechanical technology. He is a Certified Floodplain Manager (CFM), ASFPM and Graduate of CSAC Institute for Excellence in County Government. Stan is currently a union Journeyman Commercial Carpenter. Stan and his wife own a small sewing and manufacturing business.

### LAFCo Experience:

Stan has served on Sutter LAFCo as both a County and City member for 4 years during his time in public office.

CALAFCO or State-level Experience:

As a County Supervisor and City Council Member and Mayor, Stan has been a participant in several statewide organizations

Availability:

Stan is available to serve as a Calafco Board Member

Other Related Activities and Comments:

Feather River Air Quality Management District  
Regional Waste Management Authority  
Regional Water Authority  
Sutter Butte Flood Control District  
South Yuba Vector Control District  
Yuba Sutter Transit

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CALAFCO Election Committee  
CALAFCO  
1215 K Street, Suite 1650  
Sacramento, CA 95814

RECEIVED

AUG 10 2018

## Board of Directors 2018/2019 Nominations Form

### *Nomination to the CALAFCO Board of Directors*

In accordance with the Nominations and Election Procedures of CALAFCO,

\_\_\_\_\_ NEVADA LAFCo of the NORTHERN \_\_\_\_\_ Region

Nominates JOSH SUSMAN

for the (check one)    ☐ City    ☐ County    ☐ Special District    ☒ Public

Position on the CALAFCO Board of Directors to be filled by election at the next Annual

Membership Meeting of the Association.

Hank Weston  
LAFCo Chair

7/19/18  
Date

#### NOTICE OF DEADLINE

Nominations must be received by **September 4, 2018**  
to be considered by the Election Committee. Send  
completed nominations to:  
CALAFCO Election Committee  
CALAFCO  
1215 K Street, Suite 1650  
Sacramento, CA 95814

## Board of Directors 2018/2019 Candidate Resume Form

Recommended By: Nevada LAFCo

Date: 08/13/18

Category (please check one): ☐ City ☐ County ☐ Special District ☒ Public

Candidate Name Joshua J. Susman

Address P.O. Box 3346, Truckee, CA 96160

Phone Voice (530) 559-1725 Fax (530) 587-1223

E-mail Jsusman10@gmail.com

### **Personal Information:**

I am a Native Californian - born in Los Angeles. I have been a resident of the Town of Truckee for nearly 40 years. I am the past-president of a non-profit citizens group formed to comment on growth and development issues in the Truckee/Tahoe Region, and served in that capacity for 14 years. I was actively involved with Truckee's successful incorporation efforts in 1993.

It has been my honor to serve three terms on Town of Truckee's Town Council; first elected in 1996; and I was honored to serve as Mayor of Truckee in 2000 and 2004. I completed my third term as a council member in November 2008.

My lovely wife Jan and I have been married for 37 years. We have two adult children, David (30) and Jonathan (26).

### **LAFCo Experience:**

I was appointed to Nevada LAFCo as a City Member in 2005. After leaving elected office (in Truckee), I was reappointed to Nevada LAFCo as an Alternate Public Member in May 2009; and in 2016 appointed by my colleagues on the Commission to serve as the Voting Public Member on Nevada LAFCo. I am an active Commission member, participating in Commission discussions and for the past 15 years I have served on several committees charged with the duty of recommending action to the Full Commission. It has been my honor to consistently report to Nevada LAFCo regarding CALAFCO Board activities; especially specific legislation and its potential impact on residents locally, regionally and statewide.

### **CALAFCO or State-level Experience:**

At numerous Sacramento hearings and meetings over the past nineteen years (including many years of activity associated with the California League of Cities), I represented the Town of Truckee on a variety of issues impacting the Town and the surrounding region. I continue to serve on other stakeholder committees in the Truckee region.

In 2013, I served as Conference Chairperson for the CALAFCO Annual Conference which was held in Squaw Valley; a conference which was well-attended and according to feedback, the members thoroughly enjoyed the venue. I have extensive experience on the CALAFCO Board; serving as a member since 2006. I have served as the Vice Chair for the past two years, and I would be honored to serve as the Board Chair if I am elected this year.

While serving as a committee member on both the Legislative and Conference Committees, I am firmly committed to taking the needs of all California LAFCos into account. Therefore, I request the honor of continuing my commitment to the CALAFCO organization.

**Availability:**

As I have flexible hours at my place of employment, I am readily available for this commitment.

**Other Activities or Comments:**

In addition to being involved in local government issues, I am involved in many other community activities. I am active on several boards. From planned giving to benefit the community, to our local Horsemen's Association, my interests are varied. I actively demonstrate commitment to my family, career and community.

I would very much like to return to service as a Director on the Executive Board of CALAFCo. Thank you for your consideration.

Joshua J. Susman

**Notice of Deadline**

Nominations must be received by **September 4, 2018**  
to be considered by the Election Committee.

Send completed nominations to:

CALAFCO Recruitment Committee  
CALAFCO  
1215 K Street, Suite 1650  
Sacramento, CA 95814

Recvd via  
email 9-3-18

## Board of Directors 2018/2019 Nominations Form

### Nomination to the CALAFCO Board of Directors

In accordance with the Nominations and Election Procedures of CALAFCO,

Yuba

LAFCo of the

Northern

Region

Nominates

Kuldip Atwal

for the (check one)

☐ City

☐ County

☐ Special District

☒ Public

Position on the CALAFCO Board of Directors to be filled by election at the next Annual Membership Meeting of the Association.



Rick West

LAFCo Chair

8/31/18

Date

#### NOTICE OF DEADLINE

Nominations must be received by **September 4, 2018** to be considered by the Election Committee. Send completed nominations to:  
CALAFCO Election Committee  
CALAFCO  
1215 K Street, Suite 1650  
Sacramento, CA 95814

**Board of Directors  
2018/2019 Candidate Resume Form**

Nominated By: Yuba LAFCo Date: August 29, 2018

Region (please check one): ☒ Northern ☐ Coastal ☐ Central ☐ Southern

Category (please check one): ☐ City ☐ County ☐ Special District ☒ Public

Candidate Name Kuldip Atwal

Address 915 8th Street, Suite 130

Phone Office 530-749-5467

Mobile \_\_\_\_\_

e-mail phensley@co.yuba.ca.us

Personal and Professional Background:

Personal: Yuba County resident for 42 years. Married with 3 children.

Education: BS in Mechanical Engineering, Registered Mechanical Engineer, Certified General Appraisers License

Employment: Worked for State Dept of Water Resources as a Mechanical Engineer. Supported State Water project by designing and supervising design of mechanical equipment for pumping stations.

Currently: Diversified farmer; Farming over 1200 acres of cling peaches, dried plums, walnuts, almonds and pecans in Yuba and Sutter Counties.

LAFCo Experience:

Currently serving as Yuba LAFCO Public Member Commissioner since May, 2017.

Served as Yuba LAFCO Public Member Alternate Commissioner for 2 years, beginning May, 2015.

CALAFCO or State-level Experience:

Currently seeking to be elected to the CALAFCO Board as the Public Member Representative for the Northern Area Region.

Currently serving as a Director for the California Cling Peach Association

Availability:

I am available for meetings as needed.

Other Related Activities and Comments:

Currently serving as a Board Member on the Yuba County Assessment Appeals Board.

I hold an active real estate broker license.

**NOTICE OF DEADLINE**

Nominations must be received by **September 4, 2018** to be considered by the Election Committee. Send completed nominations to:  
CALAFCO Election Committee  
CALAFCO  
1215 K Street, Suite 1650  
Sacramento, CA 95814



**DEL NORTE  
LOCAL AGENCY FORMATION COMMISSION**  
1125 16<sup>th</sup> Street, Suite 202  
Arcata, California 95521  
TEL (707) 825-9301 FAX (707)825-9181  
eo@delnortelafo.org

**AGENDA ITEM 3D**

**MEETING DATE:** September 24, 2018  
**TO:** Del Norte Local Agency Formation Commission  
**FROM:** George Williamson AICP, Executive Officer  
**SUBJECT:** Fiscal Year 2018-19 Remaining Meeting Dates

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**DISCUSSION**

The Commission meets every other month instead of monthly, on the fourth Monday.  
The remaining Fiscal Year 2018-19 meeting dates are listed below.

September 24 2018

November 26 2018

January 28 2019

March 25 2019

May 27 2019

**DEL NORTE  
LOCAL AGENCY  
FORMATION COMMISSION**  
1125 16<sup>th</sup> Street, Suite 202  
Arcata, California 95521  
TEL (707) 825-9301 FAX (707)825-9181  
execofficer@delnorte.lafco.ca.gov

September 10, 2018

The Honorable Edmund G. Brown, Jr.  
Governor, State of California  
State Capitol  
Sacramento, CA 95814

Re: **AB 2258** (Caballero): Local agency formation commissions: grant program  
Request for Signature

Dear Governor Brown:

The Del Norte local agency formation commission (LAFCo) joins the California Association for Local Agency Formation Commissions (CALAFCO) in respectfully requesting your signature on *Assembly Bill 2258* by Assembly Member Anna Caballero. Sponsored by CALAFCO, **AB 2258** establishes a grant program administered by the Strategic Growth Council for California's 58 LAFCos to provide grants to LAFCos to address known service and governance concerns in disadvantaged communities.

The five-year grant funding program provides financial assistance to conduct studies and analyses of local government agencies and services serving disadvantaged communities for the purposes of creating improved efficiencies in the delivery of services and to complete the process to terminate inactive special districts. The bill authorizes the grant program for a limited time period, upon appropriation in the annual Budget Act and sunsets July 31, 2024.

As you know, LAFCos are responsible for meeting important statutory directives to maintain orderly boundaries and seek greater efficiencies in delivering local services, and yet these directives often cannot be consistently met under current funding mechanisms. As a result, much-needed LAFCo activities are sometimes delayed or rejected due to lack of funds. In fact, an August 2017 Little Hoover Commission report on special districts outlined these concerns about LAFCos and recommended the Legislature consider one-time grant funding to pay for specified activities, suggesting a small amount of funding could save taxpayers money in the long-term if local government services are streamlined and efficiency is improved.

**AB 2258** establishes a grant program – contingent upon an appropriation in a future budget – administered by the Strategic Growth Council, to provide LAFCos with funding to initiate and complete dissolution of inactive districts as identified by the State Controller's Office, prepare special studies, and potentially initiate actions based on determinations contained in the study. The program includes specific eligible activities, limited to services provided in disadvantaged communities, and a requirement to report to the Strategic Growth Council as to the use of grant funds.

Through **AB 2258**, LAFCos and service providers can work together to create greater efficiencies in the provision of sustainable municipal services, focusing on disadvantaged communities throughout California, by directing much needed resources to these areas.

DEL NORTE  
LOCAL AGENCY  
FORMATION COMMISSION

1125 16<sup>th</sup> Street, Suite 202  
Arcata, California 95521  
TEL (707) 825-9301 FAX (707)825-9181  
execofficer@delnorte.lafco.ca.gov

We respectfully request your signature on **AB 2258** when it comes before you for action. Please don't hesitate to reach out with questions or concerns.

Sincerely,



George Williamson  
Executive Officer, Del Norte LAFco  
1125 16<sup>th</sup> Street, Suite 202  
Arcata, CA 95521  
(707)825-9301



cc: The Honorable Anna Caballero, California State Assembly  
The Honorable Tim Grayson, co-author, California State Assembly  
The Honorable Robert Hertzberg, co-author, California State Senate  
Mr. Tom Dyer, Chief Deputy Legislative Secretary to the Governor  
Ms. Pamela Miller, CALAFCO Executive Director