

Church Tree Community Services District

Municipal Service Review & Sphere of Influence Update



ADOPTED

SEPTEMBER 24TH, 2018

Del Norte Local Agency Formation Commission

Del Norte Local Agency Formation Commission

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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 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

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:

- 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.

CHURCH TREE COMMUNITY SERVICES DISTRICT

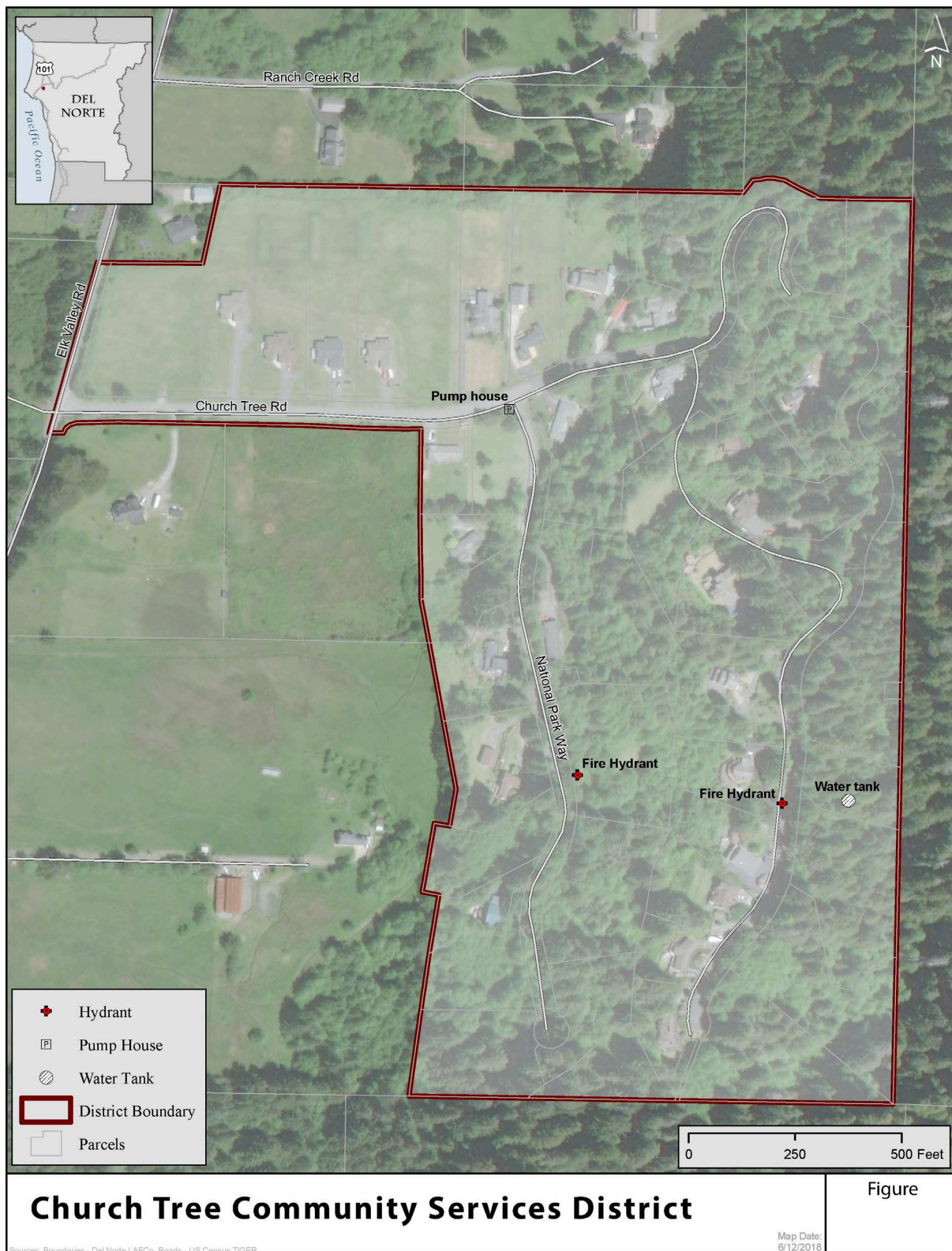
Table 1: Church Tree CSD Agency Profile

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
Church Tree CSD			
Revenues			
Property Tax	\$1,330.00	\$1,188.00	\$1,200.00
Interest	\$753.00	\$483.94	\$500.00
HOPTR-Secured/Unsecured	\$25.00	\$12.32	\$ 25.00
Water Service Receipts	\$6,825.00	\$5,513.00	\$4,375.00
Total Revenue	\$8,993.00	\$7,198.23	\$6,100.00

	Actual 2016-17	2017-18 Adopted	2018-19 Proposed
Expenses			
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
Total Expenses	\$3,273.00	\$3,200.00	\$6,100.00

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

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

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

California Department of Finance:

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

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