



SPECIAL COMMISSION MEETING
Del Norte Local Agency Formation Commission
September 29, 2025 – 4:00 PM
Del Norte County Board of Supervisors Chambers
Flynn Center - 981 H St. Crescent City, CA 95531

MEETING AGENDA

1. Call to Order/Roll Call
 - A. Roll Call
 - B. Pledge of Allegiance
2. Public Comment

Public - the public is invited to comment regarding any item not scheduled for discussion as part of this agenda, and that is within LAFCo subject matter jurisdiction. No action may be taken on any item not appearing on the agenda. *Comments are limited to three minutes in length.*
3. Consent Calendar
 - A. Draft July 28, 2025 Meeting Minutes (ATTACHMENT 3A)
The Commission will consider approval and posting of July 28, 2025 Minutes.
4. Public Hearings

No public hearings.
5. Regular Business
 - A. MSR Updates: Draft Big Rock CSD MSR/SOI Update & Del Norte County Library District MSR/SOI Update (ATTACHMENT 5A)
The Commission will receive a preview of the draft Big Rock CSD MSR/SOI Update and Del Norte County Library District MSR/SOI Update, both scheduled for public hearing at the next Commission meeting, and provide feedback to staff.
 - B. Year End Accounting Summary FY 2024-25 (ATTACHMENT 5B)
The Commission will receive and file a FY 24/25 budgeted/ actual expenses and revenues report.
 - C. Current & Pending Applications (ATTACHMENT 5C)
The Commission will receive and file a report of current and expected applications.
 - D. Policy 2.4.6 Public Participation Revision (ATTACHMENT 5D)
The Commission will consider proposed policy amendments limiting comments to three minutes per speaker during the Public Comment Agenda Item.
6. Inquiries, Correspondence, Application Status, and Referrals
 - A. Staff
The Commission will consider taking action regarding a CALAFCO Board Vote to be cast at the 2025 Conference by Absentee ballot. The Executive Officer will also provide a report on current issues of interest and pending legislation.
 - B. Commission
On their own initiative, members may make brief announcements or reports on their activities. They may ask questions for clarification, make a staff referral, or request a future agenda matter per GC § 54954.2 (a).

SPECIAL COMMISSION MEETING
September 29, 2025

7. Adjournment

The next Regular Commission Meeting is scheduled for November 24, 2025, at 4:00 pm at the Flynn Center, located at 981 H St., Crescent City, CA 95531.

Notice:

This agenda has been posted at least 72 hours prior to the meeting in a location freely accessible to members of the public, in accordance with the Brown Act. The full agenda packet (including staff reports) is also available on the LAFCO website at www.delnortelafo.org.

For agenda items, the public is invited to make comments at the time the item comes up for consideration by the Commission. The Chair will call for public comment as each item is heard by the Commission. For items not appearing on the agenda, the public is invited to make comments during the Public Comment period for non-agenda items. All speakers are invited to state their names but are not required to do so. If you wish to submit written material at or before the meeting, please supply 10 copies.

FPPC - Notice to All Parties and Participants in LAFCO Proceedings:

State law requires that a participant in LAFCO proceedings who has a financial interest in the decision and who has made a campaign contribution to any Commissioner in the past year must disclose the contribution. If you are affected, please notify LAFCO staff at eo@delnortelafo.org before the hearing.

Americans with Disabilities Act:

Commission meetings are held in a wheelchair accessible facility. Individuals requiring special accommodation to participate in this meeting are requested to contact the LAFCO representatives at eo@delnortelafo.org. Notification 48 hours prior to the meeting will enable the Commission to make reasonable arrangements to ensure accessibility to this meeting.

DRAFT MEETING MINUTES



Del Norte Local Agency Formation Commission
JULY 28, 2025 REGULAR MEETING - 4:00 PM
Del Norte County Board of Supervisors Chambers
Flynn Center - 981 H St. Crescent City, CA 95531

Members present: Lyle Armstrong (Public Member & Chair), Dean Wilson (County Member & Vice Chair), Darrin Short (County Member), Jason Greenough (City Member), Isaiah Wright (City Member), and Donna DeWolf (Alternate Public Member)

Members absent: Valerie Starkey (Alternate County Member), J Tinkler (Alternate City Member)

Others present: George Williamson (Executive Officer), Jacqueline Roberts (County & LAFCo Counsel)

1. Call to Order/Roll Call

Commissioner Short called the meeting to order at 4:00 p.m. Roll call was taken. Attendees noted Greenough, Wright Starkey, Short, DeWolf.

- A. Commissioner Short led the Pledge of Allegiance
- B. EO Williamson introduced County Counsel, Jacqueline Roberts, as LAFCo legal counsel for FY2025-26.

2. Public Comment

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.

No Public Comment

3. Consent Calendar

- A. Draft June 2, 2025 Minutes

On a motion by Commissioner Wright, seconded by Commissioner Greenough and carried by a 5 – 0 vote, the Commission approved the Consent Calendar.

4. Public Hearings

- A. Continued Hearing: Del Norte County Fairgrounds Recreation and Park District approval of Resolution No.25-02 amending Resolution No. 14-12 to remove Condition #3 for reserve restriction and MSR/SOI Update, Resolution No.25-04. With amendment that date of action is July 28th rather than June 2nd.

Resolution No.25-02 Presentation/Testimony

Commission received a staff report from Executive Officer. This is a continued public hearing.

Del Norte Local Agency Formation Commission

July 28, 2025 4:00 pm Regular Meeting

Commissioner Greenough: in the last meeting we opened up with this hearing and there were some concerns with the long time viability of the district. Two Commission members were not here to also voice their concerns, but there were several questions about the long term viability and the long term plan for the district. Thank you all for being here to help answer those questions.

Commissioner Short: prior discussions centered around our concerns about these capital improvement projects and operation of the fair going into the future. If funds are released to do capital improvement projects, what does it look like at the end of five years or six years. You know, I have confidence in this group, so we appreciate Board Members being here and I'd like to hear from both the 41st and the Parks and Rec district. It seems like in what I'm reading that you guys are both on the same page.

District Board Members Doug Wakefield, Michelle Camarena, Donna Hopkins, Cory Countess and Sabrina Renner all addressed the Commission

Board President Wakefield: We're, we're already three years past sales tax sunset date and we're still doing pretty well, but the fairgrounds is in dire need of a lot of maintenance and things break. And basically that's where the money is going to go. Operating costs and emergencies. We do have some projects that we feel like will bring in income, but those are hard to find. I heard a lot of your comments and don't think that we haven't discussed each and every one of those

Board Member Cory Countess: The grant writer recently selected is looking at private state and federal grants. And he's been very successful at getting private grants. He understands Del Norte County. He's done a lot of background. he understands the dynamics of being in the rural area and the. And the type of grants that that usually get funded for these type of areas.

Commissioner Starkey: So my question is that you currently have unrestricted available funding. Why don't we spend down that amount and work towards some of these the CIP projects that you have see if they're working Why do you want to have that \$1.6 million?

Board President Wakefield: That amount in reserve isn't really going anywhere. It's going to stay in there earning the same interest that that it's earning right now. It's just if this process takes a while. We just want to have the ability to have that money available to us. We could possibly get a \$20 million grant, but we might need \$3million matching to accept that grant.

Boardmember Donna Hopkins: In the addendum packet there's an updated CIP and we took out those big expenditures and focusing on those for grant, those would have to be done with grant, which we knew that before. But on the paper this way it shows that we have money allotted for grant writing matching funds and then also in our annual expense administration, there's monies in that category for grant writing, so using the funds closely that way and seeing if we can get some grants working for us.

Retired County Fair Manager Randy Hatfield, Current Fair Manager Kim Floyd, Fair Board Member Rich Weir addressed the Commission

Del Norte Local Agency Formation Commission

July 28, 2025 4:00 pm Regular Meeting

Randy Hatfield: the special district really has done their due diligence in protecting this fund and it has made the fair go through challenges not just hand over the money and say OK, you're fine. They've proven themselves, they said, we want to take care of that fair. We want to make sure that they're doing their capital improvements. They're doing their everyday operations. And everybody that group is on the same page, which is really important. And they conduct meetings on where the future is going to be because they know that money's not going to be there forever.

Commissioner Greenough: I don't have any further questions, but thank you so much for being here to answer our questions. We really care about our fair and our community and we want to be partners in this, not adversaries, so thank you so much.

Commissioner Short: I'll open up the public comment.

John Roberts, Public Member: think one of the problems in this Community is we keep chasing the Humboldt tail. This county is not anywhere near as fortunate as Humboldt is business wise. Resources wise, I think the fair board needs to look at other equivalent rural, predominantly rural county fairs. We need to find other small fairs our size that are successful

On a motion by Commissioner Starkey, seconded by Commissioner Greenough and carried by a 5 - 0 vote, the Commission approved Resolution No.25-02 amending Resolution No. 14-12.

MSR/SOI Update Presentation/Testimony

Commission received a staff report from Executive Officer. This is a continued public hearing. The MSR will be updated to include the CIP in the addendum packet. It was acknowledged that most of the comments on this item had been addressed in the prior hearing.

On a motion by Commissioner Starkey, seconded by Commissioner Greenough and carried by a 5 - 0 vote, the Commission approved of the MSR/SOI Update by Resolution No.25-04.

5. Regular Business (All Informational Only)

A. MSR/SOI Updates

For Big Rock CSD, EO reported that general manager and Board President Mr. Akin have been responsive on MSR inquiries.

They've reviewed an administrative draft and we have we have agreement on the MSR, now we're getting into a discussion about should there be a Sphere of Influence (SOI) Amendment. There are topographic areas beyond the district boundary that could be gravity fed with the existing tank structure and so we're reviewing that.

This MSR SOI Update will be scheduled for a future Commission Hearing.

Del Norte Local Agency Formation Commission

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For the Library District, EO reported there is a meeting packet addendum packet with correspondence specifically related to the library district, with correspondence from Library district board member Andrew Murphy. There's correspondence from Alicia Williams, Public Representative, and those are in your packet. What we're hearing from the district board is that they've just gone through a fiscal year 25/26 budget process. They're in the process of amending or approving that, but they have a draft budget outfit really covers documents, revenues, covers expenses and the big tick. The big ticket item for them is this state audit. And they in the fact that in the addendum, you'll see some comments from Mr. Murphy, on where they are with that and their expectations that that will come through and that they'll be acknowledged for the cost documentation that they have maintained and provided and so they are expecting the audit soon and as soon as that comes in we will incorporate that into the municipal service review and bring that to this Commission for hearing. Again, both Andrew Napier and Andrew Murphy have been from the board, and have been responsive to my information requests and concerns.

Board Member Megan McGlasson and Del Norte Reads Coordinator Terren Musback addressed the Commission.

Board member McGlasson stated that the County Auditor reported that the third party independent audit at the county covers both the Library District and Del Norte Reads we do not need to do another audit. That we are engaging in a supplementary audit just in case.

Del Norte Reads Coordinator Terren Musback reported that Del Norte Reads received CLS funds and we had two very strong program managers pre COVID, just like every other COVID story, it was very tumultuous for the following two years. And put us on a funding hiatus while still expecting us to run a program which we did as a library district and then required us to do an audit and we cannot reapply to be part of the program again until they open for new applications, which could be next year. I wrote an 11 page letter, advocating for our community to be able to remain in the cells program to still undergo the audit, you know, to fix whatever's happened. But my reasoning was around the need for literacy and donor, and this idea that we may or may not be able to reapply next year and the following years and they still wouldn't consider any other alternative, so I'm currently seeking other funding for adult work reads and I'll continue to do that. And the library board is continuing to support Del Norte Reads. But the fact of the matter is we might not have a literacy program in September if we can't find more funding.

Public Comments received from Alicia Williams and former board member John Roberts. They commented on accountability and financial issues associated with the Library District.

This MSR SOI Update will be scheduled for a future Commission Hearing.

B. Compliance Work Plan for FY2025-26

The Commission received a staff report on this Informational item.

Del Norte Local Agency Formation Commission

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C. Current & Pending Applications

The Commission received a staff report on this Informational item.

The EO reported that the current application we're most engaged in right now is Del Norte Resource Conservation District has applied to expand their sphere of influence, county wide asked for quite a bit of information from the district to support that application. We're expecting to get that here in the next couple of weeks and if so, that could be a MSR and SOI amendment scheduled for public hearing this year.

D. Form 700 & Commissioner Ethics Training

The Commission received a staff report on this Informational item.

Public Comment received from Alicia Williams regarding ethics training.

6. Inquiries, Correspondence, Application Status and Referrals

A. Staff - The Executive Officer will provide a report of current issues of interest and pending legislation.

Legislative & CALAFCO Update. The EO reported that CALAFCO correspondence is included in the meeting packet. They're going through a state level overhaul, and they're reaching out.

I reached out to Jacqueline about possibly some clerking duties, again for cost controls. New goals there, but just to keep things on a clear basis.

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).

7. Adjournment

Meeting Adjourned at 5:10PM.

Next Meeting: A Special meeting is scheduled for September 29, 2025.



DEL NORTE LOCAL AGENCY FORMATION COMMISSION
670 9th Street, Suite 202
Arcata, California 95521
TEL (707) 825-9301 FAX (707)825-9181
eo@delnortelafco.org

AGENDA ITEM 5A

MEETING DATE: September 29, 2025
TO: Del Norte Local Agency Formation Commission
FROM: George Williamson AICP, Executive Officer
SUBJECT: Commission Draft MSR & SOI Updates

BACKGROUND

The Cortese-Knox-Hertzberg Local Government Reorganization Act directs Local Agency Formation Commissions (LAFCos) to regularly prepare municipal service reviews (MSRs) in conjunction with establishing and updating each local agency's sphere of influence (SOI). The legislative intent of MSRs is to proactively assess the availability, capacity, and efficiency of local governmental services. MSRs may also lead LAFCos to take other actions under their authority, such as forming, consolidating, or dissolving one or more local agencies in addition to any related sphere changes.

DISCUSSION

The following MSR/SOI Updates are presented for review and discussion:

Big Rock CSD MSR/SOI Update

This MSR/SOI Update is scheduled for a public hearing and adoption at the next Commission meeting. A CSD representative has been invited to attend that meeting and answer any questions.

This Update addresses the key issue of amending the District's SOI. The sphere expansion would add approximately 78 acres of land to the east of its current boundary that would be served by the existing water supply and gravity fed water pressure system. This area includes the Douglas Park subarea and other residential areas across the Smith River. There may be additional residential development within the proposed SOI, requiring domestic water and emergency response supplies. Additionally, seasonal visitors to the area may increase in coming years, increasing the demand for drinking water. These areas are generally below the 200-foot contour, where the District has sufficient water pressure from its gravity fed system.

Del Norte County Library District MSR/SOI Update

This MSR/SOI Update is scheduled for public hearing and adoption at the next Commission meeting. District Board Trustees and staff representatives have been invited to the meeting.

This Update addresses the key issues of financial accountability and the District's auditing. Recent correspondence with Board members has indicated the following:

- The vacant Board of Trustees seat has been filled by Helen DuVernay;
- The Smith River branch is managed by a single part-time employee with volunteer assistance. The Smith River library space has been donated to the Library District with no rent charged;
- Interim Director Phyliss Goodeill submitted her resignation from the Library (for any and

all positions) as of September 23, 2025;

- There are four District standing committees; and
 1. Budget Committee: Trustees Napier & Murphy
 2. Partnerships Committee: Trustees Murphy & McGlasson
 3. Government Liaison Committee: Trustees McGlasson & Brooks
 4. Policy and Strategic Planning Committee: Trustees Brooks & Murphy
- The Library Board livestreams public meetings via Zoom

RECOMMENDATION

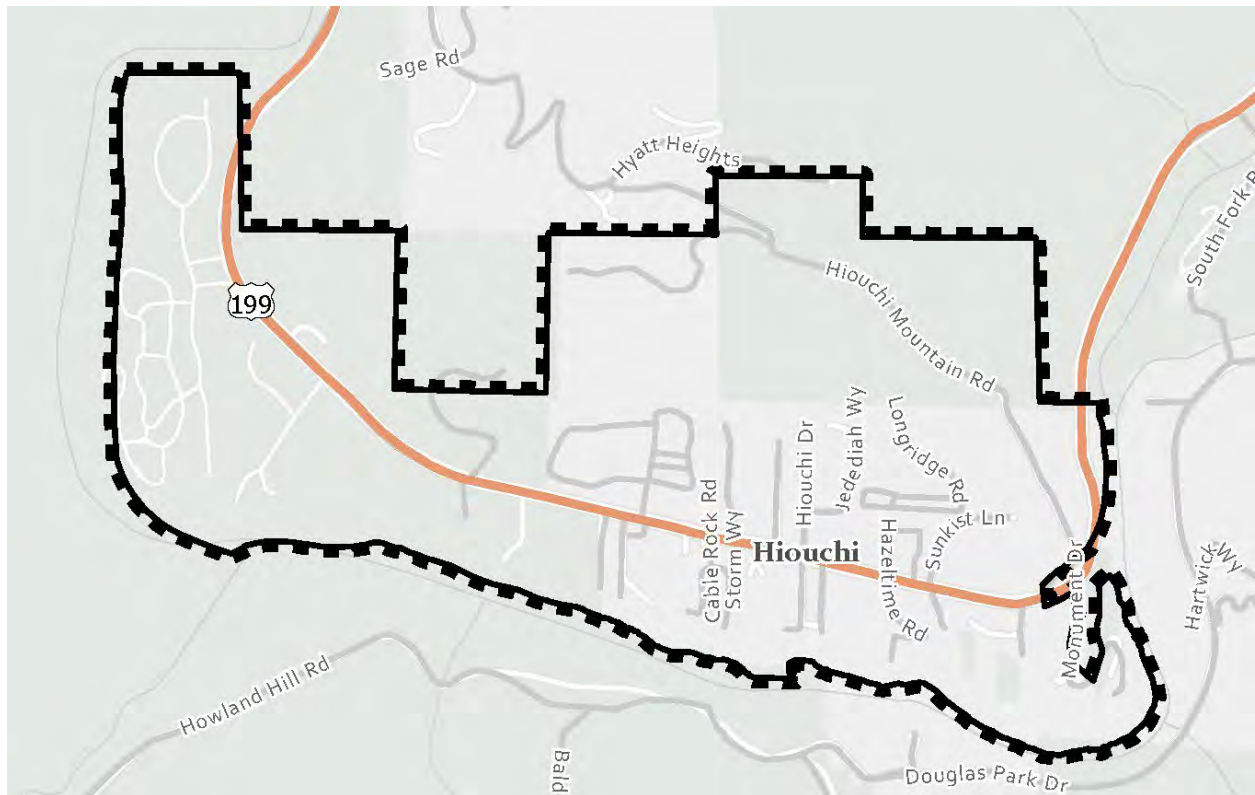
Staff recommend the Commission review the draft MSR/SOI Updates and provide feedback and direction as necessary.

ATTACHMENTS

Attachment A - Big Rock CSD Commission Draft MSR/SOI Update

Attachment B - Del Norte County Library District Commission Draft MSR/SOI Update

Municipal Service Review and Sphere of Influence Update for Big Rock Community Services District



Del Norte
Local Agency Formation Commission

Commission Draft September 2025

Del Norte Local Agency Formation Commission

Commissioners

Lyle Armstrong	Chair, Public Member
Dean Wilson	Vice Chair, County Member
Darrin Short	County Member
Isaiah Wright	City Member
Jason Greenough	City Member
Valerie Starkey	Alternate County Member
Candace Tinkler	Alternate City Member
Donna DeWolf	Alternate Public Member

Staff

George Williamson, AICP, Executive Officer

Amber Chung, Clerk/Services Analyst

Louis Choy, GIS Analyst

Jacqueline Roberts, Legal Counsel

Acknowledgements

LAFCo staff would like to thank the contributors to this Municipal Service Review. Input instrumental in completing this report was provided by the Big Rock CSD General Manager and Board President Joe “Hank” Akin. This report would not have been possible without the District’s assistance.

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INTRODUCTION

This report is prepared pursuant to legislation enacted in 2000 that requires Local Agency Formation Commissions (LAFCo) to conduct a comprehensive review of municipal services and update the spheres of influence (SOI) of all agencies under LAFCo's jurisdiction. This service review focuses on Big Rock Community Services District (CSD).

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:

- Growth and population projections for the affected area;
- The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence (effective July 1, 2012);
- 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);
- Financial ability of the agency to provide services;
- Status of, and opportunities for, shared facilities;
- Accountability for community service needs, including governmental structure and operational efficiencies; and
- 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. Markedly, spheres of influence designate the territory that LAFCo believes represents 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 analysis of issues relating to water services in Del Norte County. 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, State of California Public Drinking Water Watch, and district plans.
- Demographic data: U.S. Census Bureau; Department of Finance.
- Drought data: US Drought Monitor
- Del Norte County Hazard Mitigation Plan

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.

BIG ROCK COMMUNITY SERVICES DISTRICT

Overview

Big Rock Community Services District (herein referred to as “Big Rock CSD” or “District”) was formed in 1966 to provide residential and commercial water service to the unincorporated community of Hiouchi. Hiouchi is approximately ten miles northeast of Crescent City along Highway 199 and is located within the Six Rivers National Forest and the Smith River National Recreation Area. The Hiouchi community is situated upriver from the Hiouchi Flat area of the Jedediah Smith Redwoods State Park and approximately ten minutes away from the nearby community of Gasquet to the northeast.

Table 1: Big Rock CSD Agency Profile

Formation	
Agency Name	Big Rock Community Services District
Date of Formation	September 22, 1966
Enabling Legislation	Community Service District Law, CA Government Code § 61000
Contact	
Contact	Andrew Allen, General Manager
Alternate Contacts	Hank Akin, Board President Renna Nelson, District Board Secretary
E-mail	Manager.brcsd@gmail.com joeakin@charter.net / Rkn.brcsd@gmail.com
Website	www.bigrockcsd.org/
District Office	235 Jedediah Way, Crescent City, CA 95531
Mailing Address	P.O. Box 453 Crescent City, CA 95531
Phone/ Fax	Phone: (707) 954-5509 Phone: (707) 457-3880
Services	
Services Provided	Water
Areas Served	Hiouchi

Formation and Principal Act

Big Rock CSD was formed as a California special district by LAFCo Resolution on September 22, 1966, and is authorized to “supply water for domestic use, irrigation, sanitation, fire protection, and recreation” under the Community Services District Law (Government Code §61000, et seq.). Other 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. Latent powers and services activation require LAFCO authorization as indicated in Government Code §25213.5. Examples of latent powers for Big Rock CSD could include the following services:

- 1) Sewage, waste and storm water collection, treatment;

- 2) Garbage or refuse matter collection or disposal of;
- 3) Fire Protection;
- 4) Public recreation: parks, playgrounds, swimming pools or recreational buildings;
- 5) Street lighting;
- 6) Mosquito abatement; and
- 7) The equipment and maintenance of a police department or other police protection to protect and safeguard life and property.

Boundary and Sphere of Influence

Big Rock CSD currently encompasses approximately 577 acres in the Hiouchi area of the County (Figure 1). This area is largely forested, and is surrounded by the Smith River on three sides. Residences are primarily concentrated within the southeast portion of the District’s boundary. Being an unincorporated and rural community, the Hiouchi area has a smaller, recreation oriented commercial center that includes a motel, Hiouchi Hamlet store and fuel station, other recreation-related businesses, a church, and one restaurant.

In recent years, the District has undergone a few boundary changes. In 2011, the District expanded its boundaries to include approximately 300 acres of Jedediah Smith Redwoods State Park (LAFCo Resolution 11-4). This annexation was prompted by the possibility of the Park developing approximately forty additional campsites and a new visitor’s center. These developments would require water service from the District, which at the time of the annexation, was almost at capacity due to nearing its allocation limit for water diversion. Other annexations that have occurred since the District’s formation are below (Table 2). There are not any current plans to pursue the annexation of additional territory.

Table 2: Big Rock CSD Annexation History

Annexation Name	Applicant Name	Reason for Annexation	Acreage	Land Uses	LAFCo Resolution
Annexation No. 1	County Counsel	To increase tax base to support application for Davis-Grunsky Loan to construct a water supply and distribution system	81	R-1A, R-1	Resolution 69-4-13
Annexation No. 2	Parcel landowners	To provide water services to residents, to expand for future usage purposes	150.34	U	Resolution 72-1
Peoples Annexation	Parcel landowners	To provide water services to residents of the parcels	166.44		Resolution 95-2
Annexation Area A	Parcel landowner, Bill Bowman	To more accurately reflect where the District provided services; Parcel 124-190-31 already receiving water service but not in place-of-use boundary	1	Residential	Resolution 11-4
Annexation Area B	Redwood National and State Parks	To provide water services for future development of Jedediah Smith Redwoods State Park	300	Parkland/ Recreation	Resolution 11-4

The District's SOI is currently coterminous with its boundary, however, an update to its SOI is proposed as part of this MSR/SOI Update. LAFCo staff have been in discussion with District staff to expand its sphere to include approximately 78 acres of land to the east of its current boundary that would be served by the existing water supply and gravity fed water pressure system. This would make the District's total SOI approximately 655 acres.

Seasonal visitors to the area may increase in upcoming years and parklands within the District boundaries will continue to require drinking water. In addition, there may be additional residential development within the proposed SOI, requiring domestic water and emergency response supplies. These areas are generally below the 200-foot contour where the District has sufficient water pressure from its gravity fed system. An overall figure (Figure 1) and zoomed-in figure (Figure 2) to show parcel lines and contour line detail of the land to be included in the proposed sphere are below.

Figure 1: Big Rock CSD Boundary and Proposed SOI

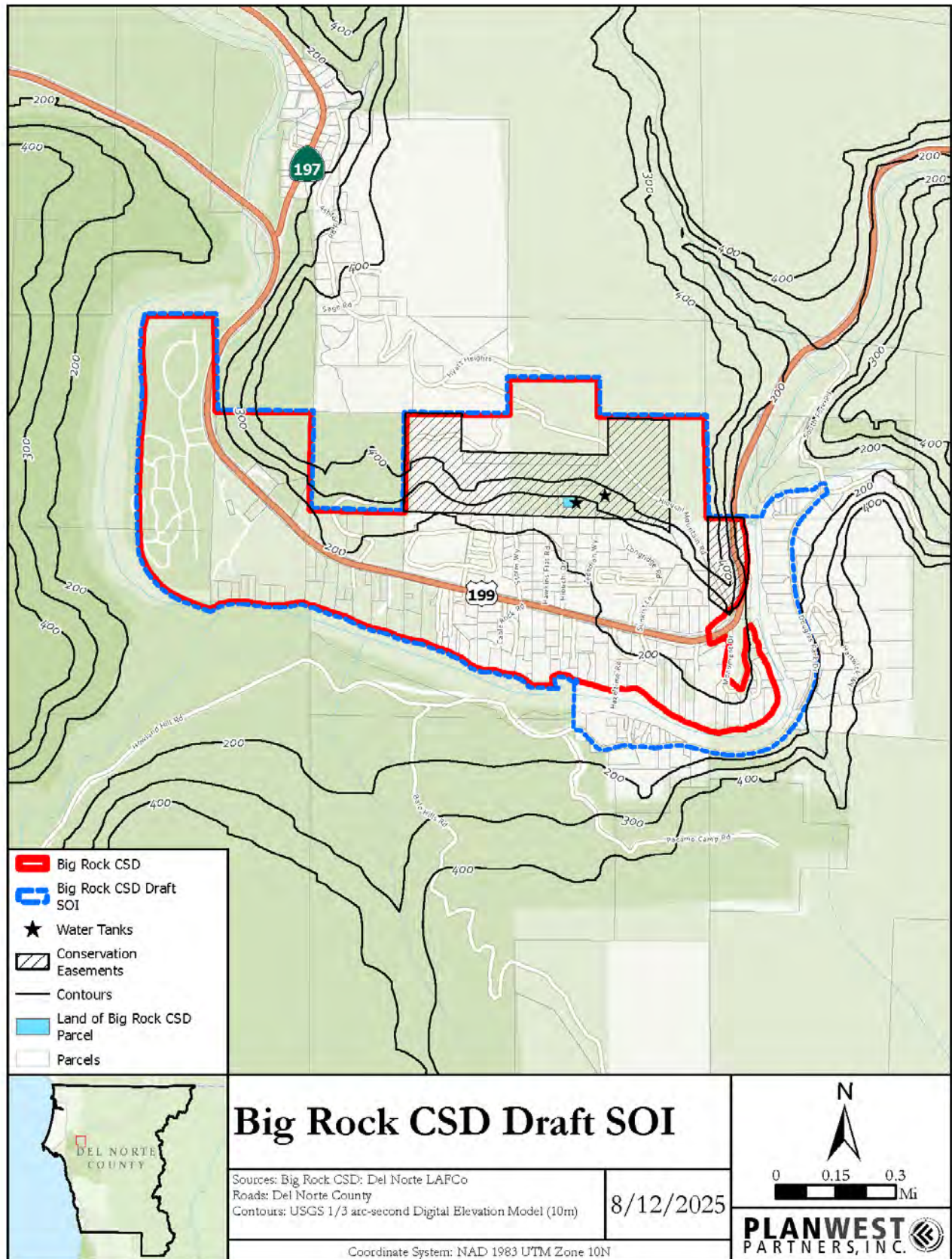
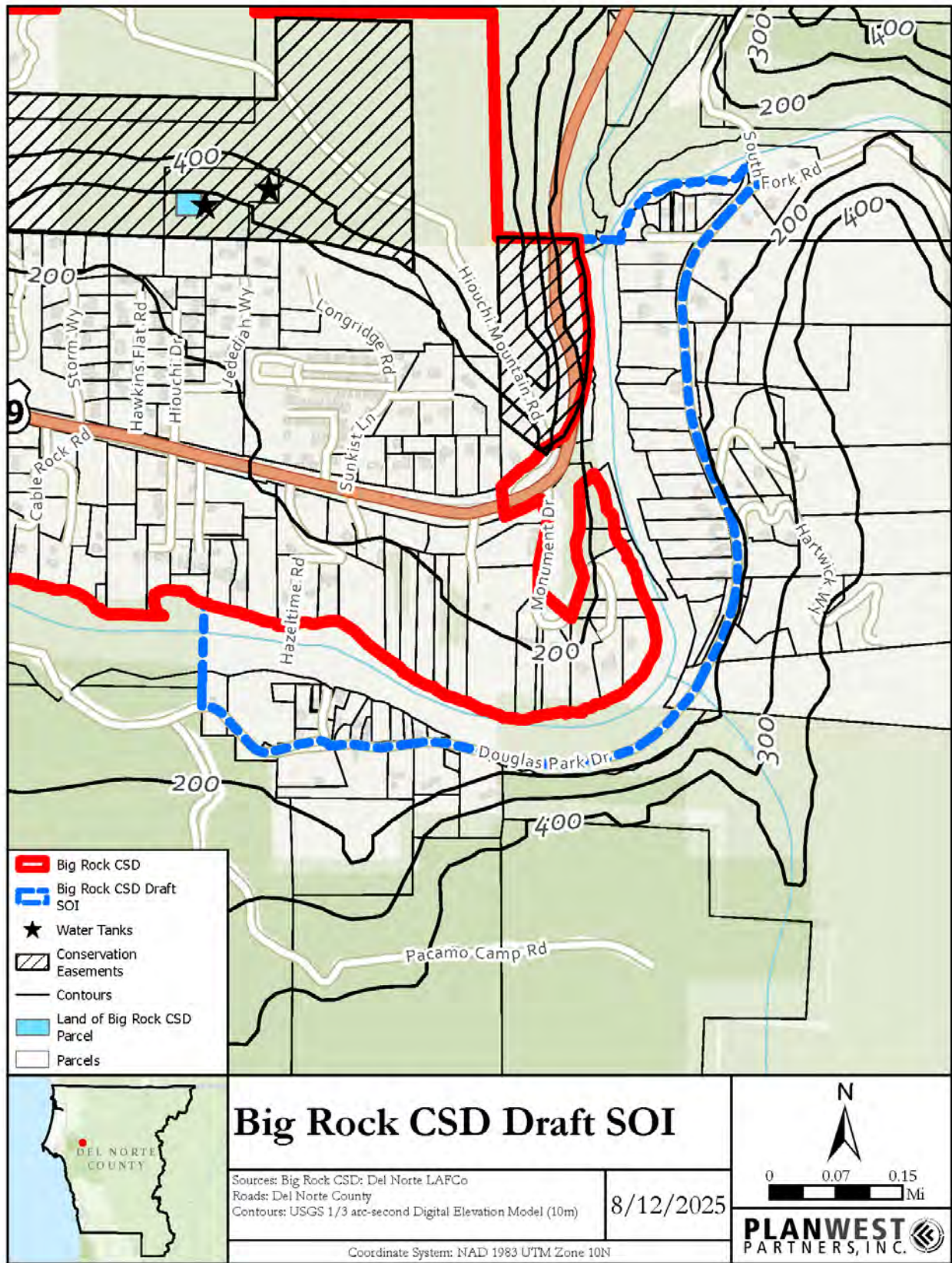


Figure 2: Lands to be Included in Proposed Sphere



The District’s service area is relatively small but does include a 300-acre portion of the Hiouchi Flat and Jedediah Smith Redwoods State Park in the west. This area attracts visitors year-round but is particularly popular in the summer months due to an influx of Redwood National/State Parks and Smith River National Recreation Area (USFS Six Rivers National Forest) visitors interested in the region’s scenic and recreational opportunities. The Redwood National/State Parks include a World Heritage Site and International Biosphere Reserve, designated by UNESCO in 1980.

As part of this MSR, Big Rock CSD conservation easements and dedicated lands in the northerly portion of the CSD were mapped. The locations of District infrastructure such as water tanks were also mapped.

Land Use and Zoning

Del Norte County is responsible for the existing and planned land uses for the areas within Big Rock CSD’s service areas. These were last updated through the Land Use Element of the County’s 2003 General Plan. Land uses within the District’s boundary largely consist of state and federal lands, rural residential, and resource conservation area (Figure 3).

Zoning within the District is guided by the Zoning Code, which is split into Non-Coastal Zoning and Coastal Zoning. Zoning designations within the District’s boundary largely consist of planned community, public ownership, and rural residential. The acreage of the District’s land use and primary zoning designations within its boundary is shown below (Table 3, Table 4).

Table 3: Land Use Designation Summary

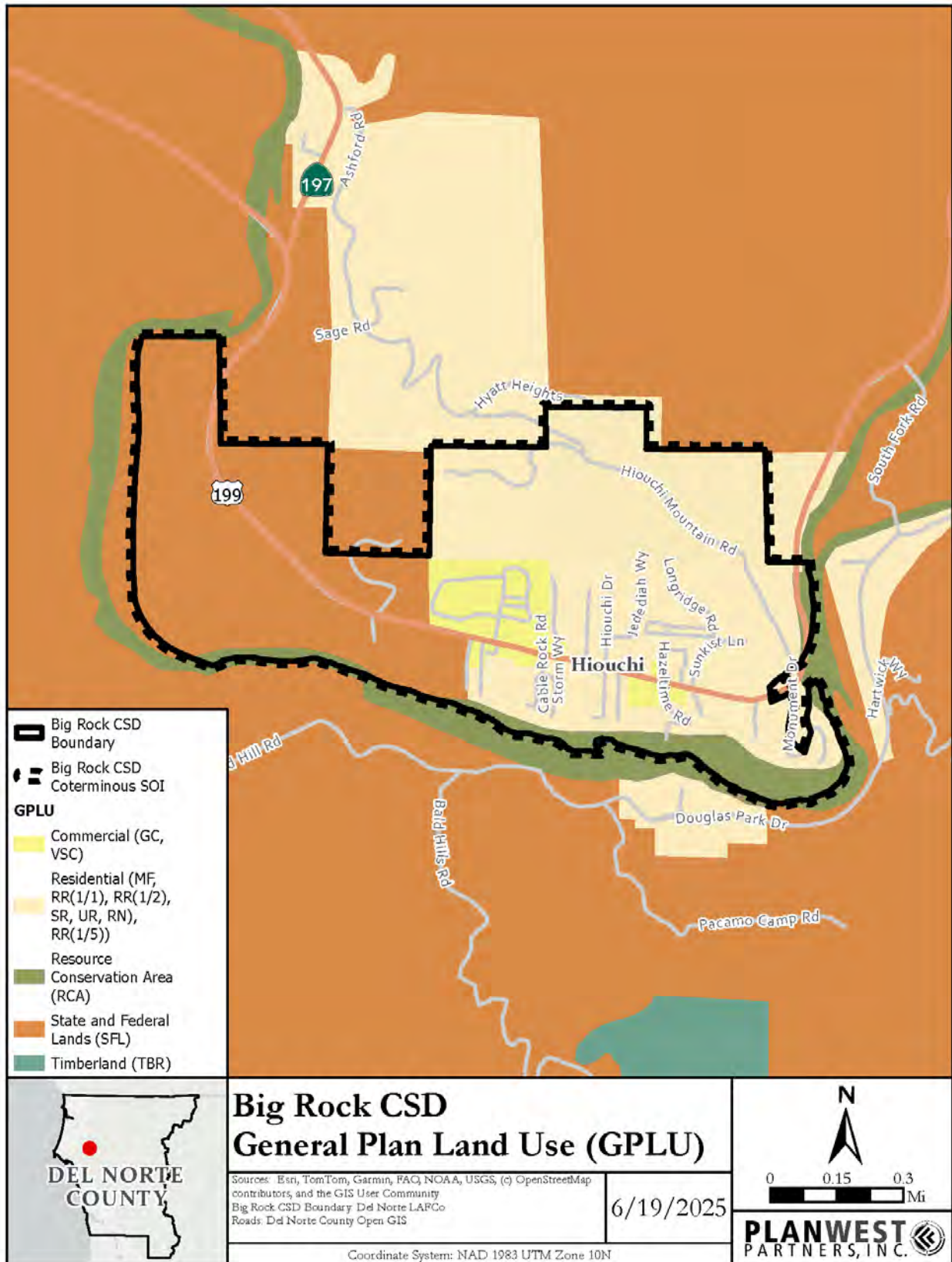
Land Use Designation	Acreage	Percentage
Rural Residential (RR (1 du/1 ac), RR (1 du/5 ac), RR (1 du/2 ac))	249.20	43.30%
State and Federal Lands (SFL)	203.04	35.28%
Visitor-Serving Commercial (VSC)	32.18	5.59%
Resource Conservation Area (RCA)	40.43	7.03%
General Commercial (GC)	10.96	1.90%
Rural Neighborhood (RN)	39.66	6.89%

Table 4: Zoning Summary

Zoning	Acreage	Percentage
PC (Planned Community)	220.56	38.22%
RR-1 (Rural Residential 1)	129.53	22.45%
C-2 (Central Business)	16.84	2.92%
PO (Public Ownership)	210.13	36.41%

There are Rural Residential lands adjacent to the CSD, but across the Smith River. They are being considered as part of the Sphere of Influence Update.

Figure 3: Big Rock CSD Land Use Map



Population

The Hiouchi Census Designated Place (CDP) has a population of 314 according to the 2020 Decennial Census. The boundaries of Hiouchi CDP are smaller than those of the District by 206.18 acres and the population data is five years old. Much of the land in the discrepancy between the size of District boundaries versus the population data available for the area is Jedediah Smith Redwoods State Park land and as such, is sparsely populated. So, despite the District containing more land, and likely more people, than that of Hiouchi CDP, the CDP population estimates should be fairly reliable and accurate to use for the District's full-time population estimate. The population is variable due to seasonal tourism.

The District estimates a population of approximately 550 to 600 year-round residents and anywhere from 350 to 400 additional seasonal visitors, for an approximate seasonal population of 900 to 1,000. This estimate is separate from the US Census Data.

The US Census Bureau data shows a declining population in Hiouchi CDP (approximately a (27) percent growth rate) from 2020 to 2023. The County's projected annual growth rate from 2020 through 2060 is estimated to be (0.37) percent per year. The District does anticipate growth in its service area over the next ten years as the Hiouchi Resort RV park is being converted to a year-round occupancy of a "Tiny Home Village". This development is estimated to increase the year-round population to between 750 and 800. For purposes of this report, the District population estimate of 800, accounting for potential future growth, is used.

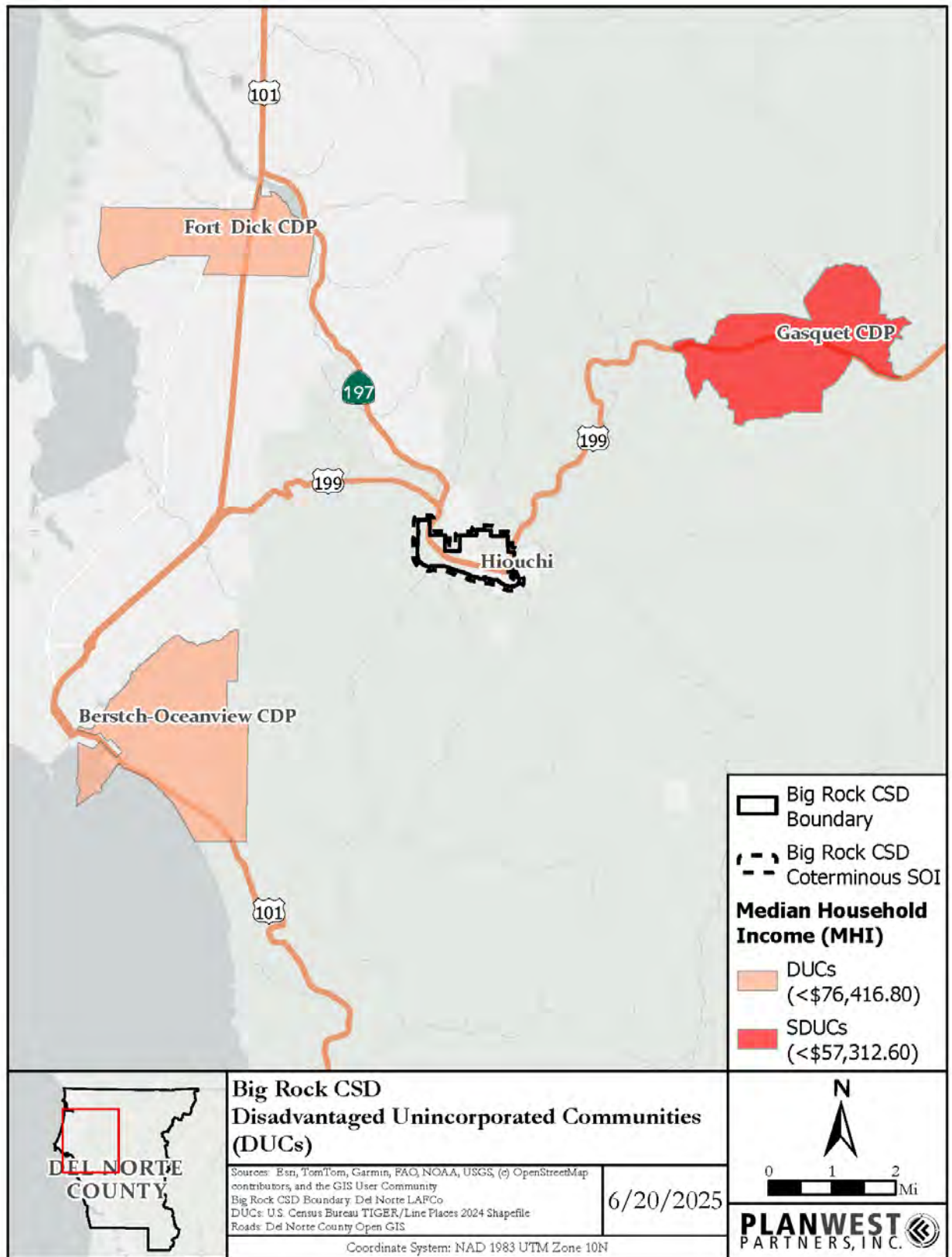
Disadvantaged Unincorporated Communities

Pursuant to Government Code §56033.5, a disadvantaged unincorporated community (DUC) is defined as an area with 12 or more registered voters where the median household income (MHI) is less than 80 percent of the statewide MHI. Within a DUC, three basic services are evaluated: water, sewage, and fire protection. Big Rock CSD provides one of these services, water, and is therefore responsible for assuring that this service is adequately provided to the community.

As of 2023, Del Norte County has a MHI of \$66,780¹ and the State has a MHI of \$95,521¹. The MHI of Hiouchi CDP is unavailable through the US Census Bureau, but District staff estimate the MHI to be between \$40,000 - \$50,000. Nearby areas such as Gasquet CDP to the northeast, Fort Dick CDP to the northwest, and Bertsch-Oceanview CDP to the southwest are all classified as disadvantaged. These areas have MHIs of \$46,620 (48 percent of the State's MHI), \$76,204 (79 percent of the State's MHI), and \$73,229 (76 percent of the State's MHI), respectively. Based on data in previous MSR/SOI Updates, communications with District staff, and characteristics of nearby communities, it is a reasonable assumption that the Hiouchi community is also designated as disadvantaged. Should the District pursue annexation, DUC communities within the District's vicinity (Figure 4) shall be considered further.

¹ US Census Bureau, S1901 Income in the Past 12 Months (in 2023 Inflation-Adjusted Dollars), 2023.

Figure 4: DUCs Within Big Rock CSD's Vicinity



Organizational Structure

Governance

Big Rock CSD is governed by a five-member Board of Directors/Trustees that is elected by District residents to serve four-year terms (Table 5). The Board meets on the third Thursday of each month at 5:00 pm at the Hiouchi Volunteer Fire Department located at 155 Dunklee Lane, Hiouchi, CA or as noticed otherwise. Meetings are open to the public.

Table 5: Big Rock CSD Board of Directors/Trustees

Board Member	Title	Term Expiration
Joe “Hank” Akin	President	Ending December 2026
Craig Strong	Vice President	Ending December 2028
Michelle Anderson	Treasurer, Director/Trustee	Ending December 2026
Art Aten	Director/Trustee	Ending December 2028
Mike Finley	Director/Trustee	Ending December 2028

Staffing

The District employs three part-time staff members. Employed positions include one General Manager who holds a Grade 1 (D1) Water Distribution Operator Certificate, one Secretary to the Board responsible for general bookkeeping, and one Operations/General Manager Assistant that assists with District tasks as needed. The District is accepting ongoing applications for Water manager, Office Manager, and seasonal labor positions.

Accountability and Transparency

The District maintains a website (www.bigrockcsd.org) and has an active presence in a community Facebook page titled Hiouchi Neighbors Helping Neighbors (www.facebook.com/people/Hiouchi-Neighbors-Helping-Neighbors). The District’s digital archive of meeting agendas and minutes allows the community to readily access meeting information dating back to 2023. Recent agendas published in accordance with the Brown Act and financial documents are also accessible on the website.

SB929 was signed into law on September 14, 2018, requiring all independent special districts to have and maintain a website that meets all the special district transparency requirements of State law including the availability of agendas, policies, and financial information by January 1, 2020. The following table provides an overview of the District’s compliance with SB929.

Table 6: SB 929 Website Requirements

Type of Requirement	Description of Requirement	Is the District in compliance?
District Contact Information	The bill does not state the specific contact information required. We recommend posting, at a minimum: Physical and Mailing address Phone number and E-mail address	Yes.

Type of Requirement	Description of Requirement	Is the District in compliance?
Most Recent Agenda	The most recent agenda must be: Posted at least 72 hours in advance of the meeting Linked on the homepage of the website, navigating directly to the current agenda Searchable, indexable, and platform-independent (simply put, post the agenda as a PDF)	Yes.
Financial Transaction Report	The State Controller’s report for the District’s Financial Transaction report must be posted or linked to the corresponding State Controller website.	Yes.
Staff Compensation Report	The State Controller’s report for the District’s Staff Compensation report must be posted or linked to the corresponding State Controller website.	Yes.
Enterprise System Catalog	As required by SB272, the Enterprise System Catalog must be posted. This includes: Current system vendor / product / purpose A description of categories or types of data Department that is the prime data custodian Frequency in which system data is collected and updated	Yes.

Municipal Services

Water Services

Big Rock CSD provides municipal water service to its customers through a permanent license (#013849) with the State Water Resources Control Board (SWRCB). The District applied to the SWRCB in 2007 to change its “domestic” (official water use) categorization to “municipal.” Currently, the District has 288 customer hookups; 113 of these are for individual customers. One of the District’s hookups is Hiouchi RV Resort with approximately 75 hookups, which is being converted to a tiny home village, and another is Madrone Mobile Home Park with approximately 100 hookups. There are 109 active service connections and four inactive service connections as of February 2025.

Water Demand

Hiouchi is a resort community where water demand varies dramatically with the seasons. The District records water demand from October through September. From October 2023 through September 2024, Big Rock CSD diverted approximately 81.54 acre-feet (af) of water and used approximately 55.55 af of the diverted water. District staff estimate that its current draw varies between 24-30 million gallons per year. Previous usage has been 89.33 af, 48.40 af, 52.58 af, and 57.61 af. As expected in an area with seasonal tourism, more water is diverted and used in the summer months (June through August). The District provides drinking water to visitors of State and federal parklands located within its boundaries. With a diversion limit of 124 acre-feet, or 40.4 million gallons, Big Rock CSD typically stays well below its diversion limit. Should population growth occur in the area, the District will have enough capacity to provide water services with its current diversion limit.

The District is diligent on repairing water leaks once they have been identified, which also allows for water to be saved and its lowered diversion amount. Other effective management practices also assist with keeping the District's usage well below its maximum allowed diversion amount.

When needed, the District provides water for fire suppression needs. This greatly increases the water demand and typically occurs in fire season, causing unexpected and significant water loss beyond Big Rock CSD's control. When Big Rock CSD must provide water from its hydrants to federal, state, or county fire suppression agencies fighting wildfires throughout the region, the excess demand can rise to 180,000 gallons or more over a three-month period

Water Supply

The District utilizes a groundwater system and collects water from a single well located along the Smith River. There are not currently any major drought concerns regarding the Smith River and its ability to recharge the groundwater in the area. From 2020 through 2022, there were periods of time where the Smith River was rated at the second highest level of drought (D3) per the U.S. Drought Monitor; since 2022, the drought rating has been classified as either Abnormally Dry (D0), the lowest level of drought (D1), or had no drought concerns at all. The District is authorized to divert 124 acre-feet, or approximately 40.4 million gallons, of water from this source per year and does not currently require an additional water source or increased water supply from its current source.

Distribution System & Infrastructure Overview

The District has not received any violations from the State in recent years; its most recent violation was in 2021² and concerned monitoring requirements for lead and copper. Prior to that violation, Big Rock CSD had not received another since 2004, which is a remarkable achievement. The 2023 Consumer Confidence Report (CCR) did not find any violations regarding contaminants or monitoring and reporting requirements.

Big Rock CSD's distribution system consists of the following:

- Backup booster pump
- 130 water meters and associated concrete service boxes
- Three master meters and one concrete vault
- One 4-wheel-drive vehicle
- SCADA water management system and data-linked, secured website
- Two stationary emergency generators at different locations with propane fields
- Water treatment facility secured within a separate room of the main pump house
- One small water storage tank with a capacity of 50,000 gallons
- One steel, bolted water storage tank with a capacity of 200,000 gallons
- 4.2 miles of main water pipelines (8, 6, and 4-inch)
- Transmission and distribution pipelines (6.9 miles of 2-inch lines)

² State of California, Safe Drinking Water Information System, Public Drinking Water Watch.

https://sdwis.waterboards.ca.gov/PDWW/JSP/Violations.jsp?tinwsys_is_number=216&tinwsys_st_code=CA

- River well hosting 2 submersed river pumps, two independent electricity management systems, three raw-water collection galleries embedded in the bottom of the Smith River, and one heavy overhead pump lift
- Office equipment and parts inventory
- Heavily secured main and hillside pump houses
- 15 wet and dry-cell fire hydrants
- Enhanced security fencing (200 feet)
- Long-distance emergency radio communications system and two FCC-licensed operators

The District’s total storage capacity is 250,000 gallons, including one 50,000-gallon Redwood tank and one 200,000-gallon steel tank that replaced a 100,000-gallon Redwood tank with significant concerns. The replacement of this tank is a significant accomplishment of the District, and the new steel tank will not need to be replaced for many years. The new tank is anchored on an ultramafic granite ledge to weather earthquakes.

Water Rates

Water service policy, rules, and regulations are established in accordance with Big Rock CSD Ordinance 2009-1. The most recent amendment to increase water rates was approved by the Board of Directors/Trustees on July 31, 2018. The monthly water rates were approved to automatically increase 2.5 percent annually to accommodate index growth through August 1, 2022, but the District did not end up exercising this approved increase.

Residential and Commercial Standard Customers

Big Rock CSD customers, both commercial and residential, are subject to the monthly minimum base water rates shown below (Table 7) and a water usage rate of \$2.38 per one hundred (100) cubic feet (ft³) of water, or 7.48 gallons. New customer fees are \$75.00 and the fee to re-establish service after a disconnection is \$50.00. New construction is \$5,000 and includes the water meter; actual tap and lines via a contractor are the property owner’s expense.

Table 7: Big Rock CSD Water Rates

Meter Size	Monthly Minimum Base Rate
¾ -inch meters	\$63.51
1 -inch meters	\$105.86
2 -inch meters	\$338.75
4 -inch meters	\$1,058.58

Mobile Water Buyers

The Big Rock CSD provides potable water to commercial and government agency mobile parties that enter into binding written agreements to draw water from the District’s only non-metered source, meaning a fire hydrant. A mobile party requiring more than a single water draw will pay a lower rate than a mobile party that needs only one draw. A deposit may be required based on individual circumstances. A District official must be present at each draw, or taking water from a community fire hydrant is considered to constitute water theft. More information on water theft can be found in the “Water Theft Policy” section of this MSR/SOI Update. Mobile water consumers

generally will be charged at the 4-inch meter rate but can be charged per a different rate schedule depending on the frequency of water drawing. Big Rock CSD reserves the right to refuse hydrant water to any mobile water consumer without disclosing the reason(s) for rejection.

Water Theft Policy

Historically, the Hiouchi area has experienced abuse from “mobile parties” that took large volumes of water from the District without permission. This taking of water poses serious risks including water hammer damage to the valves and pipelines, the exceedance of the District’s water diversion limit set forth by the State, and the depletion of water storage tanks which can result in costly damage and cross-contamination from negative pressure in the District’s water distribution pipelines. In response to these issues, the District has implemented policies regarding water theft to regulate these mobile parties. Mobile parties now must undertake contractual arrangements with the District, obtain permission to use metered and non-metered water, and use official District hydrant operators for water draws.

Taking water from a District hydrant without proper authorization is considered a punishable crime. Each fire hydrant has posted warnings informing people of this policy. Approved contractors may purchase water from certain designated hydrants on a one-time basis or with a long-term agreement in place, but only District personnel may operate hydrant valves in each and every case. Other than accommodating authorized firefighters under the conditions explained in the “Other Services” section of this MSR/SOI Update, any person(s) who drafts water from a District fire hydrant in the absence of the appropriate District official would violate Big Rock CSD Ordinance 2008-1 or Ordinance 2009-1 and become subject to immediate arrest. District hydrant operators are available around the clock to assist legitimate water consumers with their respective needs.

Infrastructure Needs and Deficiencies

The District has multiple infrastructure needs that are nearing the end of their useful life and will require replacement or maintenance. These include their main distribution, service lines, major valves, fire hydrants, and its 50,000-gallon storage tank. The storage tank needs a new roof and has issues with its bracing. Since the District does not make enough money from service revenues to completely finance its infrastructure improvements, it will need to source grant funding and other funding sources to cover these projects.

Notable Accomplishments, Goals, and Future Needs

In recent years, the District has made many improvements to its distribution system including the purchase and installation of new residential water meters. These meters have a 20 year warranty and will allow for the District to provide more accurate billing. Big Rock CSD has been able to stay on top of many of its needed repairs, including fixing leaks, check valve replacement, and other general maintenance. As part of the Hillside Stabilization Project in recent years, the District replaced one storage tank, updated its SCADA system, installed enhanced security fencing, and stabilized the hillside. More information on this project can be found in the “Disaster/Emergency Response” section of this report. Additionally, the District has updated some of its policies in recent years including its Water Shutoff Policy and Cross Connection Policy.

Future goals of the District are primarily focused on upgrading infrastructure and continuing to provide regular maintenance and upgrades as needed to ensure reliable water service delivery. Foot valve installation will release some unnecessary workload on pumps. Other goals include addressing infrastructure needs and deficiencies identified above.

Other Services

Fire Services

Fire protection is provided in the area by Smith River Fire Protection District (FPD). The FPD has a station located in Hiouchi that Big Rock CSD uses as a place for public meetings and as an emergency operations center for the community. According to the District, the space provided is inadequate for both purposes. The FPD responds to any structural, vehicle, or wildfire within the District's boundaries. More information on the Smith River FPD can be found in its latest MSR/SOI Update, approved by LAFCo in 2022.

The District lies within the State Responsibility Area (SRA) protected by the California Department of Forestry and Fire Protection (CalFire). CalFire is responsible for fire services in these areas.

Big Rock CSD will provide potable water from any of its 15 non-metered fire hydrants, free of charge, to legitimate fire protection agencies that intend to engage with fire emergencies located within a one-mile radius of the Hiouchi Hamlet (Big Rock CSD Ordinance 2008-1). *Permission from a District official is not required in such cases.* The District requires each agency to report the amount of water used on each occasion in order to track its water appropriations accurately for compliance with state reporting requirements. If that condition is not met, certain water purchase arrangements between the fire service provider in question and the District must be established prior to drawing water from a hydrant.

CalTrans, other non-emergency public service agencies, and contractors must coordinate water draws from the District prior to arrival. The District's fire hydrants may not be used as a central water-replenishment source by unauthorized consumers. No one may take District water from any source other than a fire hydrant, unless permitted to do so on or near private property by a metered resident or metered business.

Roads

Del Norte County provides limited County park and road maintenance services for the District; only one street in the Hiouchi community qualifies as a County road - Hiouchi Drive. All other roads, and their associated street signage, are the responsibility of private parties to maintain.

The California Department of Transportation (CalTrans) is responsible for the condition of U.S. Highway 199 that bisects Hiouchi from east to west. Highway 199 serves as one of three official Emergency Evacuation Routes for the County.

Sewer

No agency provides sewer service within District boundaries. Residences and facilities rely on private septic tanks for sewer service.

Solid Waste & Recycling

Solid waste & recycling services are managed by Del Norte Solid Waste Management Authority.

Recreation and Parks Maintenance

National Park Service Rangers assigned to the Redwoods National Park within the Big Rock CSD's place of use and surrounding national recreation areas act as stewards of the resources in their care through resource protection and proactive law enforcement. Likewise, California State Park Rangers are fully sworn California State Police Officers who perform a wide variety of general law enforcement activities, search and rescue operations, and emergency medical response.

Law Enforcement

Provided by the Del Norte County Sheriff's Office and California Highway Patrol (CHP).

Disaster/Emergency Response

Big Rock CSD maintains strong partnerships with the Del Norte County Office of Emergency Services and the Hiouchi Neighbors Helping Neighbors community group to provide disaster response in the area. The District also collaborates with local law enforcement and fire service providers as needed when providing pre and post disaster response. The District is planning on pursuing inclusion in the next Del Norte County Multi-Jurisdictional Hazard Mitigation Plan update.

The Hiouchi Local Hazard Mitigation Plan (LHMP) was prepared by GHD in 2017 for the District and aims to provide long-term hazard planning to reduce devastation when disasters occur and to increase Hiouchi's preparedness. Additionally, many state and federal agencies require a jurisdiction to have a recent hazard mitigation plan as a condition to receive grant funding; the completion of Hiouchi's LHMP allowed the District to receive funding for the Hillside Stabilization Project which has been completed. The Project stabilized a portion of Hiouchi Mountain to ensure that one of the District's storage tanks would not fall down the steep mountainside as failure of the hillside was imminent at the time. The District annually assesses the LHMP's effectiveness based on how well it is achieving the five goals set forth in the LHMP:

1. Lower the risk and vulnerability of the District and surrounding area to the impacts of natural hazards, protect lives, and reduce damages/losses to property, the economy, public health and safety, and the environment;
2. Protect critical facilities, infrastructure, utilities, and services from hazard impacts;
3. Improve public awareness, education, and preparedness for any potential hazards;
4. Improve the Planning Areas ability to mitigate losses and be prepared for responses to, and recovery from, disaster events;
5. Maintain FEMA eligibility and help the District receive grant funding.

The Hiouchi area is primarily susceptible to the hazards of earthquakes, floods, and wildfires. Secondary hazards were identified to be landslide and extreme weather impacts. Since 1964, most of the disasters experienced in Del Norte County have been flooding (11 out of 17 identified hazards) but the most common disasters within Hiouchi have been violent cyclonic winds, diesel

and gasoline spills, and wildfire. The LHMP identifies mitigation actions the District would like to pursue to increase its disaster preparedness, some completed and others that are ongoing.

Financial Overview

Budget

The primary sources of revenue for the District are water sales and interest income. The largest expenditure categories typically include payroll, repair and maintenance, and depreciation. An overview of the District's budgets for recent fiscal years is below (Table 8).

Table 8: Big Rock CSD Budget Summary

	FY21-22	FY22-23	FY23-24
Total Operating Revenue	\$161,885.00	\$154,250.00	\$159,050.00
Total Operating Expenses	\$108,336.00	\$121,616.00	\$149,348.00
Total Operating Balance	\$ 53,549.00	\$32,634.00	\$9,702.00
Total Non-Operating Revenue	\$720.00	\$960.00	\$11,400.00
Total Non-Operating Expenses	\$33,155.00	\$140,890.00	\$140,890.00
Total Non-Operating Balance	(\$32,435.00)	(\$139,930.00)	(\$129,490.00)
NET INCOME	\$21,114.00	(\$107,296.00)	(\$119,788.00)

Capital Improvement Plan

In the past three years, the District has not had capital expenditures towards capital improvement projects but does engage in capital improvement planning. There are future, multiple capital improvement projects the District would like to complete outlined in the "Water Services" section of this document. The capital improvement plan is updated periodically.

Audit

In previous years, Big Rock CSD discovered that it had been five years delinquent on annual auditing processes. The District has remedied this and has been continuing with regular annual auditing processes since this matter had been identified. A FY2023-2024 audit summary will be provided below once the District provides audit information.

MUNICIPAL SERVICE REVIEW DETERMINATIONS

As set forth in §56430(a) of the CKH Act, in order to prepare and to update the SOI in accordance with §56425, the commission shall conduct a service review of the municipal services provided in the county or other appropriate area designated by the commission. The commission shall include in the area designated for a service review the county, the region, the sub-region, or any other geographic area as is appropriate for an analysis of the service or services to be reviewed, and shall prepare a written statement of its determinations with respect to each of the following:

1) Growth and population projections

- a. The Hiouchi Census Designated Place (CDP), with similar boundaries to the District, has a population of 314 according to the 2020 Decennial Census. The District estimates a current year-round population of approximately 600 and a seasonal population of 1,000.
- b. There is growth anticipated within District boundaries due to the recent conversion of an RV park to year-round occupancy; this development is anticipated to increase the year-round population to 800.

2) The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence

- a. The MHI of Hiouchi CDP is unavailable through the US Census Bureau, but District staff estimate the MHI to be between \$40,000 - \$50,000.
- b. Nearby areas such as Gasquet CDP to the northeast, Fort Dick CDP to the northwest, and Bertsch-Oceanview CDP to the southwest are all classified as disadvantaged.

3) Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies

- a. District staff estimate that its current draw varies between 24-30 million gallons per year. With a diversion limit of 124 acre-feet, or 40.4 million gallons, Big Rock CSD typically stays well below its diversion limit.
- b. Big Rock CSD recently replaced one of its storage tanks from a redwood tank to a steel tank, which is a significant accomplishment. This was financed through grant funding.
- c. The District needs to update or replace its main distribution, service lines, major valves, fire hydrants, and its 50,000-gallon storage tank.

4) Financial ability of agencies to provide services

- a. The District's current water rates finance the continued regular maintenance of the infrastructure and distribution system. Any large-scale projects require outside funding sources, such as grant funding.
- b. For previous infrastructure replacement projects, the District has been successful in obtaining grant funds and retains the capability to pursue grant funds in the future.

5) Status of, and opportunities for, shared facilities

- a. Big Rock CSD uses the Smith River FPD Fire Station located in Hiouchi as a meeting space. It is considered to be inadequate for this purpose but another, better option is not viable at this time.
- b. The District provides water for fire suppression needs for any fire service provider operating in the area.

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

- a. The District maintains a website (www.bigrockcsd.org) and has an active presence in a community Facebook page titled Hiouchi Neighbors Helping Neighbors (www.facebook.com/people/Hiouchi-Neighbors-Helping-Neighbors).
- b. The District publishes agendas and minutes on its website; the archive goes back to 2023.
- c. Big Rock CSD is in compliance with SB929.

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

- a. None noted.

SPHERE OF INFLUENCE DETERMINATIONS

In order to carry out its purposes and responsibilities for planning and shaping the logical and orderly development of local governmental agencies to advantageously provide for the present and future needs of the county and its communities, the commission shall develop and determine the sphere of influence of each district, as defined by Government Code §56036, and enact policies designed to promote the logical and orderly development of areas within the sphere. In determining the sphere of influence of each local agency, the commission shall consider and prepare a written statement of its determinations with respect to the following:

1) The present and planned land uses in the area, including agricultural and open-space lands.

- a. Land uses within the District's boundary largely consist of state and federal lands, rural residential, and resource conservation area. Zoning designations within the District's boundary largely consist of planned community, public ownership, and rural residential. There are also rural residential designated lands to the south and east of the CSD.

2) The present and probable need for public facilities and services in the area.

- a. The Hiouchi community is small and retains a residential population continuing to require water service. Additionally, the conversion of the RV park to year-round occupancy is anticipated to increase the District's population by 200, highlighting the future need for services in the area.
- b. Seasonal visitors to the area may increase in upcoming years and parklands within the District boundaries will continue to require drinking water. In addition, there maybe additional residential development within the proposed SOI, requiring domestic water and emergency response supplies. These areas are generally below the 200 foot contour where the District has sufficient water pressure from its gravity fed system.

3) The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

- a. District staff estimate that its current draw varies between 24-30 million gallons per year. With a diversion limit of 124 acre-feet, or 40.4 million gallons, Big Rock CSD typically stays well below its diversion limit.
- b. Big Rock CSD replaced one of its storage tanks from a redwood tank to a steel tank, which is a significant accomplishment. This was financed through grant funding.
- c. The District needs to update or replace its main distribution, service lines, major valves, fire hydrants, and its 50,000-gallon storage tank.

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.

- a. The Gasquet community is the closest neighboring community to Hiouchi and is another small, residential community with a large seasonal presence. Gasquet is approximately 8.5 miles east of Hiouchi.

5) 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.

- a. *A SOI Amendment is being considered in this MSR/SOI Update; see figures in "Boundary and Sphere of Influence" section beginning on page 4 of this document.* Big Rock CSD provides water service to the area; no sewer service is available; Smith River FPD provides fire services.
- b. Should the District be interested in pursuing annexation in the future, any disadvantaged communities in the area will be considered further.

Municipal Service Review
and Sphere of Influence Update for
Del Norte County Library District



Del Norte
Local Agency Formation Commission

Commission Draft September 2025

Del Norte Local Agency Formation Commission

Commissioners

Lyle Armstrong, Chair & Public Member
Dean Wilson, Vice Chair & County Member
Jason Greenough, City Member
Isaiah Wright, City Member
Darrin Short, County Member
Donna DeWolf, Alternate Public Member
Valerie Starkey, Alternate County Member
Candace Tinkler, Alternate City Member

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Acknowledgements

LAFCo staff would like to thank the contributors to this Municipal Service Review. Input on this report was provided by the Del Norte County Library District staff and Board of Directors.

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INTRODUCTION

This Municipal Service Review for the Del Norte County Library District (hereafter referred to as DNCLD or the District) and its sphere of influence has been prepared by the Del Norte Local Agency Formation Commission (LAFCo) to assess existing and future public service conditions and to evaluate organizational options for accommodating growth and ensuring critical services are provided efficiently. This Municipal Service Review will be available for use by LAFCo, the Del Norte Library District, special districts, and the public to better understand how public services are provided within the district.

Review Methods

This Municipal Service Review was prepared by Del Norte LAFCo staff Sarah Wickman. The current Library Director was contacted to obtain information concerning the current status of district operations. LAFCo staff reviewed pertinent resource documents such as the District website and Financial Statements to obtain detailed descriptions of existing infrastructure and services provided by the district. The draft Municipal Service Review was provided to the Del Norte Library District staff for review and clarification. All information gathered for this report is stored in Del Norte LAFCo files for future reference.

Statutory Authority

The fundamental role of the Local Agency Formation Commission (LAFCo) is to implement the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 consistent with local conditions and circumstances. The major goals of LAFCo as established by the Cortese-Knox-Hertzberg Act are to:

- Encourage orderly growth and development;
- Discourage urban sprawl;
- Preserve open-space and prime agricultural lands by guiding minimizing resource loss;
- Exercise its authority to ensure that affected populations receive efficient services;
- Promote logical formation and boundary modifications that direct the burdens and benefits of additional growth to those local agencies that are best suited to provide services;
- Make studies and obtain and furnish information which will contribute to the logical and reasonable development of local agencies to provide for present and future needs;
- Establish priorities by assessing and balancing community service needs with financial resources available to secure and provide community services and to encourage government structures that reflect local circumstances, conditions and financial resources; and
- Determine whether new or existing agencies can feasibly provide needed services in a more efficient or accountable manner and, where deemed necessary.

Special Districts in Del Norte County

A special district is a local governmental agency that delivers public services to a specific area. They are most often established by residents to supply local services in areas not being served by another service provider. In California, there are 58 counties, 483 cities and approximately 3,400 special districts, exclusive of school districts. Special districts provide critical services such as fire protection and emergency response and are governed by a board of directors and have defined boundaries in which they provide services and facilities. Special districts must have a statutory authority in order to be established. This authority can take the form of a generic statute which applies to all special districts of that type or may be formed by a special act tailored to the unique needs of a specific area. In Del Norte County, there are 20 special districts providing water, wastewater, fire protection, recreation and other services.

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:

- Growth and population projections for the affected area;
- The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence (effective July 1, 2012);
- 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);
- Financial ability of the agency to provide services;
- Status of, and opportunities for, shared facilities;
- Accountability for community service needs, including governmental structure and operational efficiencies; and
- Any other matter affecting or related to effective or efficient service delivery, as required by Commission policy.

Sphere of Influence Determinations

A sphere of influence is a plan, adopted by LAFCo, for the probable future boundaries and service area of an agency, such as the DNCLD. State law requires LAFCo to periodically review each agency's sphere of influence and make any amendments LAFCo determines to be advantages. All subsequent boundary change decisions must be consistent with the adopted sphere (i.e., territory cannot be annexed by an agency unless it is within that agency's sphere). When adopting or amending a sphere of influence, the law requires LAFCo to make determinations on a series of topics:

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. 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 of influence.

The Municipal Service Review and Sphere of Influence determinations are included at the end of the report.

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.

AGENCY PROFILE

The Del Norte County Library District (DNCLD or District) serves all of Del Norte County, California, which is just south of the Oregon border along the Pacific coast. It serves a sparsely populated rural county with many low-income residents. The District lies entirely within the unincorporated area of Del Norte County and includes the incorporated City of Crescent City.

The DNCLD is composed of the main library in Crescent City, a branch library in Smith River, and the library literacy program, Del Norte Reads. The main library was established as the Ladies Library by volunteers in 1906. The main library moved to its current location in February 1983 which was remodeled in 2020. The Smith River branch opened in April 2002 and is staffed entirely by one part-time employee. The library space in Smith River has been donated to the Library District so the District does not pay rent for that space. The DNCLD provides free library services to all residents living within the boundaries of Del Norte County with services available to all others for an annual fee. The library system holds over 82,000 materials: books, magazines, DVDs, videocassettes, compact discs, audio books, and more.

Vision Statement

The Del Norte County Library provides collections, programs, and leadership to promote the development of literate and informed citizens through open and equal access to cultural, intellectual, recreational, and informational resources.

Mission Statement

The existence of the Del Norte County Library District assures public ownership of print collections, digital resources, and gathering space for the citizens of the library district. The library is committed to sustaining the value of public library services for the greater Del Norte County community through the use of traditional and innovative technologies.

Del Norte County Library Values

- Excellence in customer service
- Providing, supporting and advocating access for all
- Acting with flexibility, creativity and initiative
- Working together with enthusiasm and optimism to reach goals
- Responsible stewardship of resources

Table 1: Del Norte County Library District Contact Information

Del Norte County Library District	Contact:	Andrew Napier, Board President
	Physical Address	190 Price Mall Crescent City, CA 95531
	Mailing Address:	Same as above
	Phone Number:	(707) 464-9793
	E-mail:	andrewn@delnortecountylibrary.org
	Website:	http://www.delnortecountylibrary.org

Governance

The District was formed to maintain and operate library services within the Del Norte County boundaries. In 1978, the Del Norte County Board of Supervisors granted formation for the Del Norte County Library District and its commission under California Education Code §§ 19400-19532. This chapter empowers the District to “establish, equip, and maintain” public libraries and sets out the election, powers, and reporting duties of trustees.

The District’s governing body is an elected Board of Trustees consisting of five members who must be residents of the District/County. Although Board members are elected at-large, geographic representation within the county-wide service area is welcomed. During general elections, candidacy may be declared with the Del Norte County Registrar of Voters. Board members are elected to four-year terms under the terms of the California Election Code.

Table 2: Del Norte Library District Board of Trustees

Board Member	Title	Standing Committee	Term Expiration
Andrew Napier	Board President	Budget Committee	12/26
Meaghan McGlasson	Board Member	Partnerships Committee and Government Liaison Committee	12/26
Andrew Murphy	Secretary	Partnerships Committee and Policy and Strategic Planning Committee	12/28
Tamara Brooks	Board Member	Government Liaison Committee and Policy and Strategic Planning Committee	12/28
Helen DuVernay	Board Member		12/28

There was one seat on the Board that had been vacant since February 2025 after the resignation of Jamie Daugherty but is now filled by Helen DuVernay. There was a delay in filling the position as the Board had received applications from three candidates but had to postpone an appointment after none attended the meeting to confirm their appointment (DNCLD Board of Trustees, 2025; Napier, 2025). There are four standing committees for the District: Budget Committee, Partnerships Committee, Government Liaison Committee, and Policy and Strategic Planning Committee.

The DNCLD Board of Trustees set policy, adopt budgets, and hire and evaluate the Library Director who acts as the chief administrative officer for the District. The Library Board follows the rules of the Brown Act, California Statement of Economic Interests Disclosure, and the State of California Special Districts Financial Reports including an annual audit. Meetings are held the second Monday of each month at 5:15 p.m. and are noticed at least 72 hours in advance online and at the main library. Draft agendas, packets, minutes, and bylaws are publicly available on the District website. Meetings are held in-person at the library with Zoom access. Board meetings are recorded and can be requested on the District website.

The District employs 12 staff: one full-time Library Director, six regular-part-time (RPT) library technicians, two relief technicians, one RPT bookkeeper, one Del Norte Reads literacy coordinator, one assistant, and one Smith River branch technician (Andrews J. C., 2025; Goodeill, 2025). The Library Director is the only full-time employee while the remaining staff members have 19 or less hours a week. The District is currently recruiting a new Library Director following the resignation of former Director Phyllis Goodeill, who stepped down on May 31, 2025. Goodeill has been serving in an interim capacity and will remain with the District until her final day employed in any capacity with DNCLD on September 23, 2025. Volunteer support fluctuates between five and ten individuals. One current Library Board of Trustees member is active with the California State Library Association and the Association for Rural & Small Libraries and has stated she can help the Board with recruitment.

Transparency and Accountability

DNCLD demonstrates a basic commitment to transparency and public accountability through its governance practices, public meeting protocols, and financial reporting. The District is governed by a five-member elected Board of Trustees, which complies with the Brown Act (California Government Code § 54950 et seq.), ensuring that all meetings are open to the public, properly noticed, and conducted in a manner that allows for community participation. Regular meetings are held on the second Monday of each month at 5:15 p.m. at the Crescent City main library, with agendas posted at least 72 hours in advance at the facility and on the District's website.

The Board is responsible for approving budgets, setting library policy, hiring and evaluating the Library Director, and overseeing high-level administrative decisions. The District does not currently operate any standing committees, but Board members actively participate in recruitment, policy updates, and fiscal oversight.

Financial transparency is maintained through compliance with the California State Controller's Office Special Districts Financial Transactions Report and an independent annual audit. The District prepares and submits audited financial statements, budget reports, and state-mandated financial disclosures. Trustees and designated staff are required to complete Form 700 Statements of Economic Interest, as mandated by the Fair Political Practices Commission (FPPC). Additionally, the District reports program metrics to the California State Library as part of its participation in state-funded literacy and resource initiatives.

The District maintains a website (www.delnortecountylibrary.org) where the public can access board meeting agendas, service descriptions, policies, contact information, and links to financial documents. While the District does not currently livestream or record meetings, in-person attendance is welcomed, and information about vacant Board seats, policies, and staff contacts is readily available online. Contact information such as branch addresses, phone numbers, and hours are located on the first page of the District website.

Recent developments have highlighted the importance of enhancing internal accountability. In 2024 and 2025, the California State Library raised concerns over inconsistencies in financial reporting related to the District's management of California Library Literacy Services (CLLS) funds.

In response, the Board has committed to strengthening financial controls, pursuing an independent audit, and improving documentation and reporting standards. The District has also taken steps to clarify staff roles and program oversight, particularly within its Del Norte Reads literacy program, which now reports directly to the Board through regular updates from the Literacy Coordinator.

DNCLD files annual State Controller's Special Districts Financial Reports, completes independent audits, and requires trustees and designated employees to file Form 700 Statements of Economic Interests. Board actions follow Brown Act open-meeting requirements, and the District advertises vacancies and recruitment processes to ensure public engagement.

The District Board was contacted about financial assertions made by the public and responded:

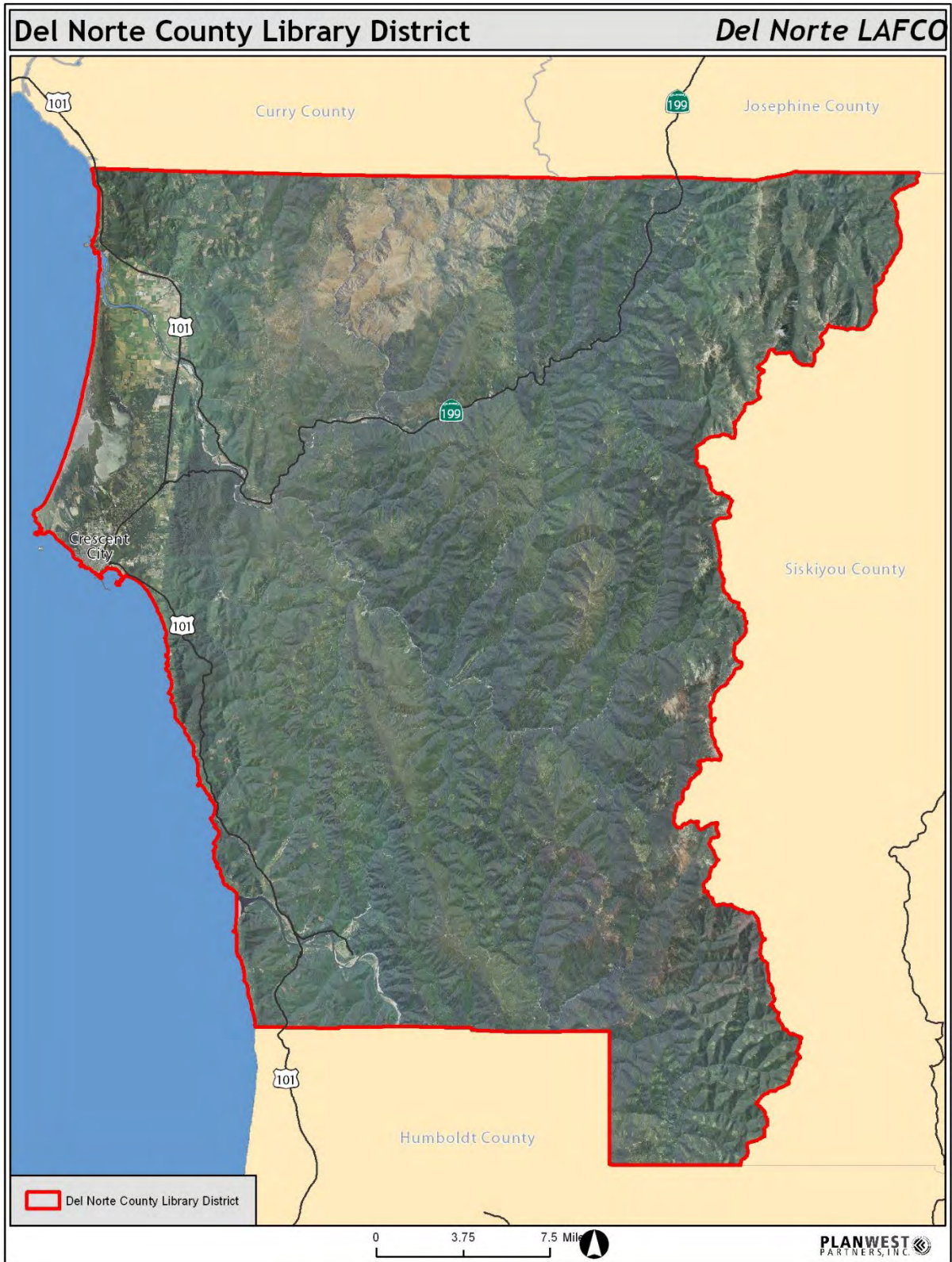
The funds discrepancy is due to DNCL not spending the full grant amount. The County Auditor verified that at a 2025 Board meeting. The grant funds budget line in question had unused funds. The current Board inherited this situation and it is being resolved by the current staff. It is also important to note reporting discrepancy is because funds were not spent. There is no State assertion of funds misuse, or going over budget from the grant. In years past, the funds from the full grant were not spent and funds remain in the budget line.

There have been no other assertions regarding the Library's budget from the General Fund or any other grant the Library has received. The Library is operating on an incredibly small budget. The recently adopted budget reduced multiple line expenses.

District Boundary

The DNCLD's service area and sphere of influence are coterminous with the Del Norte County boundary as shown in Figure 1 on the next page.

Figure 1: Del Norte County Library District



Growth and Population

Del Norte County has experienced fluctuating population trends over the past two decades. Historically, the population for Del Norte County has increased from 27,507 in 2000 to 28,610 in 2010 for a 4.0% percent growth rate over 10 years (2000 and 2010 U.S. Census). However, the most recent 2020 Census reported the population dropped to 27,743 which is a -3.1% growth rate over 10 years (U.S. Census Bureau, 2025). The only incorporated city in the county is Crescent City, which actually grew in population by 14.5% between 2010 to 2020, growing from 4,673 to 5,886 (US Census Bureau, 2025). The most recent population estimate for Crescent City was 6,209 which is a -7.5% drop in population from 6,675 in 2020 (US Census Bureau, 2025). The main library branch is located at 190 Price Mall in Crescent City.

Projections for Del Norte County show a county-wide rate of -0.3% average annual loss in population from 2025-2070 (California Department of Finance, 2025). As a Countywide District, the overall service population is expected to decline with County projections at -0.3%.

As of March 2025, the Del Norte County Library District reported 14,272 registered library cardholders (Goodeill, 2025). With 14,272 cardholders and 27,743 residents in its service area, about 53% of county residents hold active library cards. The main facility receives approximately 1800-2300 visits per month, and around 3,000 checkouts. Special event attendance is estimated to bring 800 patrons a month with overall visits estimated at more than 1,000 (Murphy, 2025).

Existing and Planned Uses

The District covers the entire unincorporated area of Del Norte County and the incorporated area of City of Crescent City. Land uses within the District boundaries are subject to the Del Norte County General Plan and Crescent City General Plan. A majority of the District is identified as resource and rural residential land. Del Norte County is comprised of approximately 683,500 acres, of which approximately 192,357 acres (28%) are privately owned and 489,697 acres (72%) are publicly owned.

SERVICES PROVIDED

Current Services

The District was formed to maintain and operate library services within the County boundaries. DNCLD provides a wide range of public services that go well beyond traditional book lending, positioning the library as a cornerstone of education, digital access, workforce development, and community engagement in one of California's most rural counties. At the heart of DNCLD's services is its lending program. With a library card, patrons can freely borrow books, DVDs, audiobooks, music CDs, and magazines. Digital materials (including eBooks, audiobooks, and streaming content) are available through OverDrive and Libby and can be downloaded at home any time.

The District further provides computer and internet access, printing, and community meeting space at two physical public library locations. The Main Library in Crescent City is open Monday through Saturday from 10:00 a.m. to 6:00 p.m. The Smith River Branch, located at 241 First Street in Smith River, is operational Wednesday through Saturday from 11am to 3pm. The Crescent City branch houses the bulk of the District's collection and staff, while the Smith River location expands access for North County residents and is run by a single part-time employee. Patrons can use library computers for internet access, printing, and catalog searches. These computers are available on a first-come, first-served basis and are essential for residents without reliable internet access at home.

In addition to DCLCD's lending program, the library plays a central role in local workforce readiness and professional development through its participation in the California State Library's CAREer Pathways initiative. Whether a resident is seeking to upskill, reskill, or prepare for new employment, CAREer Pathways equips patrons with a robust suite of workforce readiness tools. Services include access to Coursera, LinkedIn Learning, Learning Express Library, and Northstar Digital Literacy. These tools, many of which would otherwise cost individuals \$1,000 or more annually, are completely free to library cardholders. In addition to digital access, patrons can receive in-person support at the main library, where staff assist with account setup, career navigation, resume development, and job interview preparation.

The District also oversees Del Norte Reads, a dedicated adult literacy program for individuals 16 and over funded by the California State Library (CSL). Del Norte Reads provides free one-on-one services including English as a Second Language (ESL) classes, GED preparation classes, basic computer classes, and literacy tutoring. The Del Norte Reads Learning Center is located at 1080 Mason Mall #9, Crescent City and office hours are available by appointment.

However, the CSL raised serious concerns in April 2025 about Del Norte Reads' fiscal reporting and use of CLLS funds (California State Library, 2025; Andrews J. C., 2025). Discussion of the report is further detailed in the Financing Section of this MSR. As part of the CSL review and report on DNCLD's expenditures, CSL recommended a temporary suspension of CLLS participation and requested the return of unspent funds and the commissioning of an independent audit. The State Library affirmed its commitment to supporting literacy in Del Norte County and encouraged the

district to reapply for CLLS funding once it demonstrates improved fiscal capacity and documentation standards.

In response, the DNCLD Board of Trustees has committed to supporting the audit and partnered with Del Norte Reads Coordinator Terrin Musbach to petition for reentry into the CLLS program. Musbach has outlined new accountability procedures, regular Board reporting, and community outreach to Native American and low-income families. As of May 2025, the program has 27 enrolled learners and 11 active tutors, with 56 tutoring sessions logged between April 14 and May 19 (Andrews J. C., 2025).

The District also participates in the California State Library's CAREer Pathways initiative, offering free access to premium online job training and professional development tools. These resources are available in person at the library or remotely with a DNCLD library card. Whether a resident is seeking to upskill, reskill, or prepare for new employment, CAREer Pathways equips patrons with a robust suite of workforce readiness tools. Services include access to Coursera, LinkedIn Learning, Learning Express Library, and Northstar Digital Literacy. These tools, many of which would otherwise cost individuals \$1,000 or more annually, are completely free to library cardholders. In addition to digital access, patrons can receive in-person support at the main library, where staff assist with account setup, career navigation, resume development, and job interview preparation.

In the meantime, the library continues to provide value through its robust non-CLLS offerings and partnerships. Recent partnerships include 3Reads23 (a local literacy collaborative), Resilient Del Norte & Tribal Lands DNATL (a community resilience initiative), and the Gardening Group which helped launch a seed library. The library also provides access to educational tools such as Gale Interactive Science and National Geographic Kids, as well as environmental studies databases that support academic research and youth engagement. The District further offers access to the Career Online High School, an 18-month program that helps adults earn an accredited high school diploma alongside a career certificate, with the support of an assigned academic coach.

Their Zip Books program (when available) allows users to request titles not held in the collection and have them delivered directly to their home, free of charge. Returned books are considered for addition to the collection. The library supports local authors by adding qualifying manuscripts to its shelves and hosting book readings and signings. Patrons can also subscribe to the District's email newsletter to stay informed about programs, events, and new materials.

For those who prefer not to enter the building, the library even provides curbside pickup services. Patrons may request items ahead of time and have them delivered to their vehicle upon arrival, offering a safe and accessible option for families, seniors, and individuals with mobility challenges.

Infrastructure Needs

The District has recognized pressing infrastructure needs to support current and future community services. According to a 2019 article from the Lost Coast Outpost, District leadership and the Board of Trustees reported they had begun exploring options for a new library location outside the Crescent City tsunami zone while also planning upgrades to the existing 190 Price Mall building at its June 27, 2019 meeting (Andrews J. C., 2019). The goals included expanding young adult and children's spaces, consolidating literacy and nonprofit program areas (like Del Norte Reads and the Friends of the Library), enhancing cultural programming, and improving curb appeal and structural resilience. Trustees established a five-year strategy, initiated engineering assessments (examining foundation integrity and the feasibility of adding a second story), and earmarked over \$300,000 in a building improvement fund. The Board in 2019 reported it had already collected the building fund for several years but trustees had been unable to decide how to use it. They had committed to begin fundraising and looking for possible alternative facilities, particularly a building between 10,000 and 12,000 square feet.

In March 2020, the District was faced with the immediate and unprecedented challenge of closing all three library branches in response to California's COVID-19 stay-at-home order (David Hayes, 2020). Although all staff were initially furloughed, the Library Manager at the time successfully rehired the entire team within a month and began transforming library operations to continue serving the public under pandemic restrictions.

The pandemic closure also provided time for facility improvements and operational projects (David Hayes, 2020). The renovation modernized interior finishes, expanded Wi-Fi capability, and refreshed public spaces to better support community programs and user comfort. During this period, the District received a generous donation to replace the library's non-functioning security gate, which allowed the District to track patron usage more accurately and strengthen the District's grant reporting.

While this remodel brought the facility up-to-date in key areas, the main library is still in need of repair and expansion and the District lacks a formal Capital Improvement Plan (CIP), which hampers its ability to systematically prioritize necessary building repairs and upgrades (Goodeill, 2025). Building needs identified include more accessible and flexible programming spaces, modernization of aging infrastructure, and relocation to a safer, more functional site. Seismic and tsunami safety concerns are of particular concern for relocation. In addition to possible building upgrades, the District also hopes to obtain a book mobile, lower the cost of the 10GB fiber optic network, and upgrade all computers staff and patron.

Supporting Nonprofits

Del Norte Library Foundation

Established in 1983, the Del Norte Library Foundation is a community-driven nonprofit organization formed on the belief that a strong public library is crucial to enriching the lives of Del Norte County residents (Del Norte County Library District, 2025). Operating alongside the District, the Foundation provides a vital funding stream to enhance public collections, upgrade facilities, and support ongoing library operations.

The Foundation’s mission centers on maintaining and growing a sustainable endowment fund. Earnings from this fund are used to purchase books, equipment, and contribute to facility maintenance thus ensuring long-term stability for the DNCLD. While economic fluctuations have occasionally limited contributions, leaders have emphasized the ongoing need to build the endowment and welcome community gifts of any size.

Donations are tax-deductible, and the Foundation provides convenient giving options through mailed forms or in-person drop-off at the library. These contributions directly support improvements in library services and physical infrastructure, aligning with the Foundation’s vision to enhance intellectual and cultural access across the county

Friends of the Del Norte Library

The Friends of the Del Norte County Library is a dedicated nonprofit organization that plays a vital role in supporting the Library District’s mission through fundraising, advocacy, and community outreach (Del Norte County Library District, 2025; Goodeill, 2025). In recognition of its impact, the organization was named 2024 Nonprofit of the Year by the Del Norte County Chamber of Commerce. They are the only civic group the District works with.

The Friends have significantly advanced literacy in Del Norte County by distributing over 6,000 free books to children and families, helping to build home libraries and support early literacy development. As part of its commitment to increasing access to reading materials in underserved areas, the Friends have also donated seven Little Free Library boxes across the region. These donations include:

- Two boxes to Elk Valley Rancheria Head Start and the Head Start office in Crescent City
- Two boxes to the Hoopa Valley Tribe—one for the elementary school and one for the high school
- Three boxes to the Tolowa Dee-ni’ Nation, distributed as part of a broader Indigenous literacy outreach effort

These initiatives reflect the Friends’ strong emphasis on equity, inclusion, and community partnership, particularly in collaboration with local tribes and early childhood education programs. Through their work, the Friends of the Library help extend the reach of the Library District far beyond its physical branches, ensuring books and resources are available to all members of the community.

Other Service Providers

General Governmental Services

The County of Del Norte provides general governmental services which includes social services, emergency services, planning, public works, county roads and parks, etc. to the unincorporated areas of Del Norte County. The City of Crescent City provides similar general governmental services within city limits.

FINANCING

Revenues and Expenditures

Over the past several years, the Del Norte County Library District has operated with a modest and fluctuating budget. The most recent proposed budget for FY 2025-26 had a positive net balance of \$21,494. Overall, the budgets show repeated budgeting for surpluses followed by actual deficits in recent years, with increasingly large swings in both directions. Revenues have steadily increased, rising from approximately \$283,000 in FY 2021–22 with a high of \$404,000 in FY 2024–25, representing a 43% increase. Much of this growth can be attributed to rising property tax revenues, the District’s most stable funding source, as well as expanded grant opportunities from the California State Library and increased community contributions from organizations such as the Friends of the Del Norte Library and the Del Norte Library Foundation. Additional funding from programs like Zip Books and the CAreer Pathways initiative have further supported the expansion of library services. Overdue fines and fees are a minor revenue source, totaling between \$300–\$705 annually for late returns, with additional lost item reimbursements ranging from \$57–\$350. These contributions make up less than 0.3% of the total annual budget. The DNCLD statement of revenues and expenditures is on the next page (Table 3).

At the same time, the District’s expenditures have grown at an even faster pace, climbing from \$270,812 in FY 2021–22 to a revised \$462,612 in FY 2024–25, a 71% increase. This rise is largely driven by higher personnel costs, including expanded staffing, payroll, and retirement contributions. For example, full and part-time payroll grew from \$151,380 in FY 2021–22 to nearly \$199,000 by FY 2024–25. Program and outreach costs have also grown substantially as the District continues to expand services, particularly in literacy, workforce development, and community engagement. New investments include the Summer Reading Program, the Lunch with Library Books initiative, and increased support for digital and physical infrastructure.

Overall, the Del Norte County Library District has updated fiscal management practices, using strategic investments and community partnerships to expand services and increase access. However, continued growth in expenditures without corresponding increases in stable revenue suggests a need for long-term financial planning, including capital improvement strategies and diversified funding sources, to support the District’s evolving role as a hub of education, digital equity, and community resilience. While the District managed to maintain a balanced budget or modest surplus in several recent years (such as in FY 2022–23 and FY 2023–24) the revised budget for FY 2024–25 projects a deficit of approximately \$58,000. This signals emerging financial pressures that may require either additional revenue sources or careful cost containment to ensure continued fiscal health.

Table 3: Statement of Adopted and Actual Budget Revenues & Expenditures for the Del Norte County Library District

Del Norte County Library District Multi-Year Budgets										
Line	Intra/Inter Transfers	Fund	FY 2021-22 Actual	FY 2022-23 Adopted	FY 2022-23 Actual	FY 2023-24 Adopted	FY 2023-24 Actual	FY 2024-25 Adopted	FY 2024-25 Revised	FY 2025-26 Proposed
70901	Intrafund Trans In Library District (Reads)			\$18,000	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000
70902	Intrafund Trans Out Library District (371)		(\$16,133)							
	Total Fund Transfers		(\$16,133)	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000
Revenues										
90010	Property Tx-Current Sec		\$214,538	\$214,000	\$237,283	\$214,500	\$256,614	\$226,867	\$226,867	\$226,867
90011	Prop Tax-Sec Supplemental		\$8,544	\$3,225	\$11,595	\$7,000	\$7,658	\$7,000	\$7,000	\$7,000
90020	Property tx-Current Unse		\$4,542	\$4,300	\$5,615	\$6,000	\$5,470	\$6,000	\$6,000	\$6,000
90091	Yield Tax		\$6,434	\$6,400	\$5,652	\$5,035	\$7,516	\$5,035	\$5,035	\$5,035
90300	Interest - DN Library		\$2,946	\$2,000	\$7,664	\$5,592	\$11,723	\$5,592	\$5,592	\$5,592
90601	Hoptr-Secured/Unsecured		\$3,280	\$3,200	\$3,187	\$3,300	\$3,119	\$3,300	\$3,300	\$3,300
90620	Pub Lib Fund/St Aid Gran		\$1,000						\$25,000	
90622	Library Outreach Grant						\$17,282	\$12,782	\$12,782	
90623	State Grants			\$20,000	\$20,000	\$25,000	\$3,400		\$10,221	\$10,221
90624	Northnet Library Grant		\$8,429	\$8,429	\$6,740	\$6,740	\$9,277	\$9,277	\$9,277	\$9,277
90741	Redevelopment Pass Thru		\$18,279	\$18,000	\$18,884		\$21,248	\$21,247	\$21,247	\$21,247
90909	Spec Dist Augmentation								\$1,000	\$1,000
91040	Book Fines		\$391	\$300	\$705	\$500	\$537	\$300	\$300	\$300
91042	Lost Book Reimbursement		\$57	\$50	\$60	\$70	\$350	\$200	\$200	\$200
91043	Postal Reserve		\$1		\$2					
91060	Photo Copies		\$1,060	\$500	\$1,613	\$1,500	\$1,326	\$900	\$900	\$900

91124	Gifts - Unspecified	\$507	\$1,000	\$16,017	\$5,000	\$1,899	\$1,500	\$1,500	\$1,500
91124	002 Gifts - Specified	\$625		\$536		\$16,718		\$50,000	\$50,000
91124	003 Zip Book Program	\$10,800		\$12,510		\$10,995		\$9,000	\$9,000
91125	Travel Reimbursements			\$2,288	\$1,500	\$3,943	\$1,000	\$4,030	\$4,000
91127	Friends of DNL	\$776	\$6,000	\$6,323	\$6,000	\$972	\$500	\$3,031	\$10,000
91128	DNC Library Foundation			\$2,800	\$500	\$2,351	\$1,000	\$1,000	\$1,000
91129	Misc Revenue	\$741	\$300	\$544	\$500	\$8,281	\$1,000	\$1,000	\$1,000
91132	Donation/New Building	\$67	\$100	\$35	\$40	\$135	\$100	\$100	\$100
91133	Wild Rivers Foundation-SR Branch			\$3,525	\$100				
91134	Cancelled Prior Year Expenses					\$52	\$52	\$52	
	Total Revenue	\$283,015	\$287,804	\$363,578	\$288,877	\$390,866	\$303,652	\$404,434	\$373,539
Expenditures									
Salaries & Benefits									
10010	Payroll	\$48,320	\$54,000	\$57,984	\$67,000	\$70,434	\$108,309	\$108,309	\$108,309
10015	Part-time/Temporary	\$103,060	\$115,000	\$119,682	\$120,185	\$108,848	\$90,783	\$90,783	\$90,783
10020	Retirement	\$15,917	\$19,439	\$18,008	\$15,356	\$20,311	\$22,972	\$21,620	\$21,620
10022	Retirement - CalPERS Unfunded				\$3,400	\$3,400	\$3,400	\$4,752	\$4,752
10030	Employee Benefits	\$2,400	\$2,500	\$1,932	\$2,100	\$1,542	\$2,288	\$2,288	\$2,288
10040	Workers Comp	\$788	\$1,200		\$1,000		\$1,000	\$1,000	\$1,000
Services & Supplies									
20121	Communications	\$3,099	\$2,580	\$3,379	\$3,343	\$30,138	\$10,000	\$19,297	\$19,297
20140	Household Expense	\$1,841	\$1,500	\$3,338	\$2,000	\$4,133	\$3,000	\$4,500	\$3,500
20141	COVID 19 PPE	\$549	\$100	\$89					
20150	Insurance	\$9,877	\$10,000	\$10,580	\$10,600	\$12,203	\$13,360	\$13,360	\$13,360
20170	Maintenance Equipment			\$195					
20180	Building Maintenance		\$5,000	\$11,782	\$5,000	\$11,053	\$5,000	\$3,203	\$3,203
20181	Building Maintenance - SR Library	\$58							

20200	Membership	\$2,685	\$1,700	\$3,262	\$3,000	\$3,123	\$3,000	\$3,900	\$3,900
20223	Postage	\$45	\$50	\$26	\$35	\$31	\$35	\$85	\$85
20224	Office Supplies	\$2,256	\$2,500	\$2,797	\$2,930	\$2,504	\$3,000	\$2,980	\$2,000
20227	Craft Supplies			\$116		\$1,425	\$1,500	\$305	\$405
20228	Promotional items			\$7,318		\$11,071	\$2,000	\$21,684	\$5,000
20230	Professional Services	\$16,480	\$20,000	\$17,023	\$18,000	\$21,167	\$18,000	\$16,150	\$3,000
20231	Prof Serv-Election		\$700	\$225	-\$275		\$500	\$500	
20232	Data Processing - Software	\$3,046	\$3,000	\$3,183	\$3,850	\$3,394	\$3,200	\$3,200	\$3,200
20233	Prof Services - County	\$16,182	\$25,000	\$15,063	\$15,100	\$13,466	\$13,500	\$15,643	\$15,643
20234	Audit Services	\$4,500	\$4,500	\$9,845	\$10,000	\$8,904	\$9,500	\$3,053	\$3,053
20236	Office Supplies-SR Branch			\$304	\$300	\$328	\$250	\$220	\$200
20240	Publications- Advertising	\$520	\$500	\$120	\$250	\$107	\$150	\$221	\$221
20250	Rents & Leases- Equipment	\$3,854	\$4,000	\$4,133	\$4,000	\$3,433	\$3,000	\$2,790	\$2,790
20260	Rent/Lease							\$366	\$366
20270	Minor Equipment	\$108	\$500						
20278	Team Building	\$1,106	\$1,200	\$367	\$500	\$477	\$500	\$200	\$200
20279	Summer Reading Prg	\$3,157	\$8,000	\$8,000	\$20,000	\$2,374	\$2,500	\$2,930	
20280	Spec Dept Expense	\$2,903	\$3,000	\$9,519	\$5,500	\$323	\$200	\$200	
20281	Volunteer Program	\$77	\$200						
20282	Magazines/Newspapers	\$239	\$500	\$175	\$250	\$145	\$100	\$130	
20284	Books 18yrs-up	\$38		-\$357		\$106			
20284-003	Zip Book Payments	\$10,157		\$10,977		\$10,729		\$17,112	\$17,112
20284-004	Munson Books	\$4,238		\$3,740		\$6,374		\$57,000	\$5,700
20286	Spec Dept Exp - Employee	\$554	\$600	\$550					
20288	Cataloging	\$2,650	\$2,000	\$1,499	\$1,500	\$462	\$1,050	\$3,624	\$3,600
20290	Travel & Training	\$541	\$700	\$2,419	\$2,734	\$5,588	\$2,500	\$5,902	\$2,000
20292	Training/Education	\$1,513	\$1,000	\$2,932	\$2,000	\$1,998	\$2,000	\$3,847	\$2,000

20294	Lunch with Library Books					\$20,725	\$12,621	\$23,958	\$23,958
20300	Utilities	\$8,051	\$23,822	\$9,790	\$10,500	\$7,056	\$7,500	\$7,500	\$7,500
	Total Expenditures	\$270,812	\$314,791	\$339,994	\$330,158	\$387,374	\$346,718	\$462,612	\$370,045
	Net Cost (formula)	\$(3,929.37)	\$(8,987.00)	\$41,583.88	\$(23,281.00)	\$21,491.73	\$(25,066.00)	\$(40,178.00)	\$21,494

Audits

For this MSR, audits of the District by Harshwal & Company LLP CPAs were provided for FY 2022-23 and FY 2023-24. The auditors found no material misstatements, no disagreements with management, and no significant difficulties during the audit. Existing accounting policies were applied consistently, financial disclosures were clear, and key estimates such as depreciation and pension liabilities were reviewed and found reasonable. Minor routine adjustments were made to update balances for depreciation, pension liabilities, and fund balances, but these were not material. Overall, the audit confirms that the District’s financial statements for FY 2022-23 and FY 2023-24 present a fair and accurate picture of its finances.

These audits confirm that DNCLD is experiencing continuing operating deficits, declining net position, and significant pension liabilities (Table 4). While cash reserves remain, unrestricted resources are negative and the pension obligation dwarfs net assets. Unless revenues increase or expenses are reduced, the District’s ability to sustain operations without drawing down reserves will continue to erode.

Table 4: Recent Audits for the Del Norte County Library District

Budget Category		2022-23	2023-24
Unrestricted Fund Balance		\$32,797	\$97,512
Assets	Cash and investments	\$415,761	\$380,468
	Receivables	\$2,113	\$1,368
	Assets Total	\$417,874	\$381,836
Deferred Outflow (Pension)		\$159,517	\$147,459
Liabilities	Accounts payable	\$28,471	\$27,162
	Salaries and benefits payable	\$22,892	\$22,495
	Liabilities Total	\$51,363	\$49,657
Deferred Inflow (Pension)		\$84,173	\$77,538
Revenue	Tax revenue and assessments	\$260,145	\$277,258
	Intergovernmental revenues	\$116,366	\$154,373
	Charges for services	\$2,318	\$1,864
	Interest and investment earnings	\$7,664	\$11,723
	Misc revenues	\$32,327	\$40,740
	Revenue Total	\$418,820	\$485,958
Expendit	Salaries and benefits	\$275,130	\$287,426
	Services, supplies, and other	\$167,958	\$232,864
	Capital Outlay	\$4,881	
	Expenditures Total	\$447,969	\$520,290
Net change in fund balance		\$(29,149)	\$(34,332)

Grants and Grant Concerns

The Del Norte County Library District is actively seeking new funding sources and pursuing multiple grant opportunities. However, it currently faces uncertainty in sustaining and managing its existing grants. The District is the recipient of three active grants funded through the Institute of Museum and Library Services (IMLS), which are administered by the State of California as part of the Library Services and Technology Act (LSTA) program. These grants support a variety of library services but require timely and accurate reporting to maintain eligibility.

To expand services and improve infrastructure, the District has reached out to the Klamath Promise Neighborhood, which has expressed willingness to support the purchase of a bookmobile, new library computers, and possibly to continue funding book distribution at community events. The District is also part of the NorthNet Library System, a regional consortium that provides shared resources and support for public libraries across Northern California.

Despite these efforts, DNCLD has faced challenges in managing certain grant funds. Specifically, concerns have arisen regarding its participation in the CLLS program as mentioned previously. In 2022, the CSL worked with the District to develop a plan to spend \$7,567 in remaining FY 2021–22 CLLS funds by April 2023. CSL also helped the District create a plan to expend its FY 2022–23 funds and reduced its eligible award for FY 2023–24 to allow time to use up previous allocations.

The Library's Mid-Year Report for FY 2023–24 stated there were no remaining CLLS funds from FY 2021–22 or 2022–23 and that the District was projected to spend its current allocations for adult literacy, family literacy and ESL services. The Library Director subsequently contacted CSL in May 2024, with concerns the District would not fully expend its FY 2023–24 ESL funding.

Further conversations between July and August 2024 revealed inconsistencies between the District's verbal updates and its written financial reports. CSL staff discovered that not all literacy funds from previous years had been spent and that unreported balances remained. These findings raised concerns about the District's financial tracking and reporting practices.

CSL staff reviewed the District's internal reports, budget modifications, and documents from the County Auditor-Controller's Office. The discrepancies suggested that the DNCLD may have difficulty accurately tracking and reporting fund usage, and that earlier reports may not have reflected actual expenditures. As a result, the State Library questioned the District's fiscal accountability and the reliability of its grant administration.

These discrepancies emerged despite prior efforts by the State Library to assist with budget modifications and expenditure plans. CSL has since recommended temporary suspension from the CLLS program and requested repayment of unspent funds. The District is now working to implement corrective measures, including an independent audit.

The program's new coordinator who was hired in August 2024, Terrin Musbach, has led efforts to rebuild integrity and programming (Andrews J. C., 2025). Under her leadership, Del Norte Reads has expanded from 3 tutors and 9 learners to 10 tutors and 28 learners, and aims to restart family literacy programs. The Library Board is scheduled to review a proposal in mid-2025 to reapply for

CLLS participation in FY 2025–26. In the meantime, the program is being sustained by local grants and contributions (Andrews J. C., 2025).

Del Norte Reads

Del Norte Reads is the Library District’s adult and family literacy program funded through CLLS. This program provides free tutoring in reading, writing, basic math, and English as a Second Language. Services include one-on-one tutoring, ESL conversation groups, and family literacy activities, with instruction delivered by trained volunteers under the coordination of the Literacy Coordinator.

A February 7, 2025 letter from the California State Library placed the program on a funding hiatus for the 2024–2025 period because of difficulties in timely spending and expense tracking (CLLS, 2025). Although no new CLLS Adult Literacy Services funding will be issued for that year, Del Norte Reads remains an active CLLS participant and must continue services using local funds and unspent prior-year CLLS funds while completing required reports and regular check-ins with state library staff.

The Del Norte Reads multi-year budgets show a significant contraction in both revenues and expenditures as the program transitions from full CLLS funding to a reduced funding environment (see Table 5 on the next page). In FY 2024-25, the adopted and revised budgets each included \$18,000 in intrafund transfers and \$71,620 in CLLS grant revenue, supporting total expenditures of about \$124,556 (revised to \$121,398). Most costs were for part-time staffing and benefits, rent, books and educational materials, and program supplies. By FY 2025-26, projected revenues drop sharply to \$10,000 from the Del Norte County Library Foundation with no CLLS grant, while expenditures are expected to fall to \$34,136, reflecting reductions in salaries, benefits, and program supplies. The net cost decreases from roughly \$31,800 to about \$6,100 as the program scales back operations to match the loss of state grant funding.

Table 5: Adopted/Revised Budget Revenues & Expenditures for Del Norte Reads

Del Norte Reads Multi-Year Budgets			
Intra/Inter Fund Transfers	FY 2024-25 Adopted	2024-25 FY 2024-25 Revised	FY 2025-26 Adopted
Intrafund Trans In Library District	\$18,000	\$18,000	\$18,000
Total Fund Transfers	\$18,000	\$18,000	\$18,000
Revenues			
CLLS Grant	\$71,620	\$71,620	
DNC Library Foundation			\$10,000
Total Revenue	\$71,620	\$71,620	\$10,000
Expenditures			
Salaries & Benefits			
Part-time/Temporary	\$60,000	\$60,000	\$22,200
Retirement	\$3,000	\$3,000	\$1,682
Employee Benefits	\$500	\$500	\$352
Services & Supplies			
Communications	\$1,500	\$1,500	\$894
Membership	\$500	\$500	
Office Supplies	\$1,000	\$2,261	
Craft Supplies	\$1,817	\$1,680	
Prof Serv- Special Events		\$263	
Publications-Advertising	\$3,000	\$3,000	
Rent	\$11,824	\$11,824	\$9,008
Minor Equipment	\$3,177	\$3,176	
Special Department Expense		\$57	
Spec Dept Expense	\$200	\$239	
Books-ESL	\$14,443	\$14,443	
Books	\$9,356	\$6,179	
Manipulatives & Software	\$984	\$984	
Books- Familt Literacy	\$5,755	\$4,292	
Promotional Items	\$4,500	\$4,500	
Educational Workbooks	\$1,000	\$1,000	
Travel & Training	\$2,000	\$2,000	
Total Expenditures	\$124,556	\$121,398	\$34,136
Net Cost (formula)	\$ (34,936.00)	\$ (31,778.35)	\$ (6,136.00)

MUNICIPAL SERVICE REVIEW DETERMINATIONS

As set forth in §56430(a) of the CKH Act, in order to prepare and to update the SOI in accordance with §56425, the commission shall conduct a service review of the municipal services provided in the county or other appropriate area designated by the commission. The commission shall include in the area designated for a service review the county, the region, the sub-region, or any other geographic area as is appropriate for an analysis of the service or services to be reviewed, and shall prepare a written statement of its determinations with respect to each of the following:

1) Growth and population projections for the affected area.

According to the US Census, the total population in Del Norte County was 28,610 in 2010. The US Census Population Estimates Program in 2020 gave the population as 27,743 indicating a loss of 867 in population since the last Census estimate (U.S. Census Bureau, 2025). The District largely contains resource and rural residential land and will likely continue to decrease at the projected county-wide rate of -0.31% average annual loss in population (California Department of Finance, 2025). Del Norte County's projected population is 26,488 in 2025 and 26,074 in 2030 (California Department of Finance, 2025). Del Norte is one of the counties with the least growth in comparison with the state and other counties. The DNCLD serves the entire County and has the capacity to accommodate its current population and the projected population loss, however, continued population loss may affect service demand, staffing pools, and revenue bases. Long-range MSR planning should account for possible declining tax revenue and excess facility capacity unless offset by economic-development initiatives.

2) The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere.

Eighty percent of the statewide annual median household income is \$77,067 (U.S. Census Bureau, 2025). The Del Norte County median household income is \$66,780, which is below the 80% threshold referenced above. This prompts the Commission to prepare a written determination on infrastructure needs or deficiencies within or contiguous to the DNCLD's sphere of influence.

The District serves the entire unincorporated area of Del Norte County and the incorporated City of Crescent City. There are a number of small unincorporated communities in the County including Klamath to the south of Crescent City, Bertsch–Oceanview to the north of Crescent City, Hiouchi and Gasquet to the east, Fort Dick and Smith River to the north. These areas are rural, have low household incomes (44–79% of California's MHI), and lack urban services, marking them as priority zones for public infrastructure and environmental justice investments (North Coast Water Board, 2023). Del Norte County is largely rural in character comprised of approximately 683,500 acres, of which approximately 192,357 acres (28%) are privately owned and 489,697 acres (72%) are publicly owned.

The District offers free services to County residents who can check out books, audio, digital resources, and use computers with internet access and printing capabilities. Meeting space is also available for use by library patrons. The District operates the main library in Crescent City and a

branch in Smith River; however, there are no library services in Klamath, Hiouchi, or Gasquet. However, there have been seven Little Free Library boxes across the region by the Friends of the Del Norte Library to extend the reach of Library services. The Del Norte Reads program also provides free services including English as a second language classes, GED preparation classes, basic computer classes, and literacy tutoring.

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.

The District provides library services to County residents from branches in Crescent City and Smith River and operates the Del Norte Reads program. These locations adequately serve County residents and fulfill the District's mission to assure public ownership of print collections, digital resources, and gathering space for the citizens of the library district. Therefore, the District meets current and projected future demand for services.

4) Financial ability of agencies to provide services.

The District has limited funding to finance desired programs. The District receives most of its funding through property taxes, grant funding contributions, and fines. The Board of Trustees make budget decisions for the District. The District notes that as a special district they are not as dependent on state and federal funding as many other rural libraries, which has been an asset during the recent budget crisis.

5) Status of, and opportunities for, shared facilities.

The main library in Crescent City offers a community group meeting space. The Smith River branch library is provided space to operate rent free in the Smith River Community Hall and is staffed by a single part-time employee. Del Norte Reads is a library Literacy Program in partnership with the Del Norte County Library District. It is a grant/donation funded program through the California Library Services and it receives donations and funding through various community partnerships.

6) Accountability for community service needs, including governmental structure and operational efficiencies.

The District is staffed by a combination of 12 paid staff and 5-10 volunteer staff. The District has shown the ability to operate efficiently with minimal staff and budget. The interim Library Director is currently only working 30 hours and it is hoped the replacement will be a full-time 40 hours position, however this could be affected by budget and candidate availability. In addition, there are six regular-part-time (RPT) library technicians, two relief technicians, one RPT bookkeeper, one Del Norte Reads Literacy Coordinator, one assistant, and one branch technician at the Smith River branch. The Literacy Coordinator is a part-time hourly position which is entirely grant funded and will need alternate funding if CLLS funds are not renewed. No other potential options were identified with regard to DNCLD's government structure that would allow for more effective or efficient service provision.

The DNCLD has a Board of Trustees that are elected by registered voters within the district. The Board approves the Library Director who acts as the chief administrative officer for the District. The Board meets regularly, and district board meetings comply with the provisions of the Brown Act. The District has a website where information is made available to the public, such as board meeting agendas and minutes, and the activities of the District. The District demonstrated full accountability in its disclosure of information and cooperation with LAFCo. The agency responded to LAFCo's written questionnaires and cooperated with LAFCo inquiries and document requests.

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

To expand services and improve infrastructure, the District has reached out to the Klamath Promise Neighborhood, which has expressed willingness to support the purchase of a bookmobile, new library computers, and possibly to continue funding book distribution at community events. There are no further matters related to effective or efficient service delivery to report at this time.

SPHERE OF INFLUENCE DETERMINATIONS

In order to carry out its purposes and responsibilities for planning and shaping the logical and orderly development of local governmental agencies to advantageously provide for the present and future needs of the county and its communities, the commission shall develop and determine the sphere of influence of each district, as defined by Government Code §56036, and enact policies designed to promote the logical and orderly development of areas within the sphere. In determining the sphere of influence of each local agency, the commission shall consider and prepare a written statement of its determinations with respect to the following:

1) The present and planned land uses in the area, including agricultural and open-space lands.

The DNCLD's service area and sphere of influence are coterminous with the Del Norte County boundary as shown on Figure 1. The District covers the entire unincorporated area of Del Norte County and the City of Crescent City. Land uses within the District boundaries are subject to the Del Norte County General Plan and Crescent City General Plan. Del Norte County is comprised of approximately 683,500 acres, of which approximately 192,357 acres (28%) are privately owned and 489,697 acres (72%) are publicly owned. As the DNCLD sphere is coterminous with the District boundary and the Del Norte County boundary, there is no opportunity to expand the SOI and therefore no recommended changes.

2) The present and probable need for public facilities and services in the area.

The DNCLD provides the only public library services in the Del Norte County. As stated in the mission statement their existence assures public ownership of library materials and collections. The District will continue to serve the present and projected future need for library services in Del Norte County.

3) The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

The DNCLD provides library services to Del Norte County. Overall, the district currently functions efficiently. The DNCLD budget demonstrates that the District has the ability to acquire sufficient revenues to cover expenses and sustain the district at its current capacity.

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.

The district serves all of Del Norte County including unincorporated communities and the City of Crescent City. No areas of social or economic interest are known that are not already being served by the district. The Del Norte Reads program provides free services including ESL classes, GED preparation classes, basic computer classes, and literacy tutoring.

5) 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 District SOI has no ability to expand due to it already covering the entire County and therefore it is not proposed to be updated. The Municipal Services Review determination made for disadvantaged unincorporated communities applies to this determination as well.

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AGENDA ITEM 5B

MEETING DATE: September 29, 2025
TO: Del Norte Local Agency Formation Commission
FROM: George Williamson AICP, Executive Officer
SUBJECT: FY 2024-25 Year-End Cost Accounting

BACKGROUND

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 mandates LAFCO operating costs shall be annually funded by affected counties, cities, and independent special districts on a one-third apportionment process. Apportionments for cities and special districts are further divided and proportional to each agency's total revenues as a percentage of the overall revenue amount collected in the county. LAFCOs are also authorized to establish and collect fees to offset agency contributions.

DISCUSSION

Del Norte LAFCO's Final FY2024-25 budget was adopted on June 3, 2024. A budget amendment was approved at the Commission meeting on June 2, 2025, to transfer funds between accounts; the approved total budget expenditures and revenues remained as adopted on June 3, 2024.

To date, the amended expenditures were budgeted at \$108,803 (an increase of \$1,500 in Application Processing). FY2024-25 expenditures totaled \$111,299.76, which is 102 percent of the budgeted amount. While currently over budget, the actual expenditures will be balanced by a pending payment from the Del Norte County Fair Recreation and Park District to cover application costs and MSR Update. A final accounting and deposit request has been submitted to the District and once processed, will increase revenues to balance expenditures.

Amended revenues were budgeted at \$108,286 (an increase of \$983 in Application Deposits). FY2024-25 revenues totaled \$108,502.12, which is approximately 100 percent of the budgeted amount. The limited usage of private legal services assisted with cost savings. Interest revenues doubled its projected amount of \$753.

RECOMMENDATION

Staff recommend the Commission review and file the FY 2024-2025 Year-End Budget Summary.

ATTACHMENTS

Attachment A - FY2024-2025 Year-End Cost Accounting Report

FY 2024-2025 Year-End Cost Accounting Report

Account	EXPENDITURES	Final FY 2024-25 Budget (Amended)	Mid-Yr 2024-25 Budget Amounts	Yr End 2024-25 Budget Amounts
Line #	SERVICES & SUPPLIES			
20150	Insurance	\$3,800.00	\$3,714.97	\$3,714.97
20200	CALAFCO Membership	\$1,603.00	\$1,603.00	\$1,603.00
20221	Printing	\$50.00	\$0.00	\$0.00
20223	Postage	\$50.00	\$0.00	\$0.00
20230	Professional Services			
	MSR/SOI Preparation	\$30,000.00	\$10,851.25	\$32,023.75
	Application Processing	\$11,500.00	\$5,000.00	\$11,404.56
20231	Prof. Serv. Exec. Officer/ Admin. **	\$54,000.00	\$35,952.05	\$55,585.25
20232	Prof. Serv. Legal Counsel	\$3,500.00	\$2,213.00	\$3,806.00
20240	Advertising/Publications	\$500.00	\$53.81	\$154.27
20290	Mtgs/Conference)	\$2,000.00	\$1,359.96	\$1,359.96
70530	Interfund-Cost Plan (\$150/mo budget amount)	\$1,800.00	\$889.00	\$1,648.00
20233	Public Member Stipend (up to 6 mtgs @ \$40/mtg)	\$0.00	\$0.00	\$0.00
	TOTAL EXPENDITURES	\$108,803.00	\$61,637.04	\$111,299.76
	** includes Office Lease Space: 12 months @ \$350/month			
	REVENUES			
91125	Project Revenue (Application Deposit)*	\$10,983.00	\$7,500.00	\$13,483.75
90300	Interest	\$753.00	\$487.00	\$1,468.37
90780	Del Norte County	\$46,775.00	\$46,775.00	\$46,775.00
90781	City of Crescent City	\$46,775.00	\$46,775.00	\$46,775.00
07100	Account #42801007100 (for CALAFCO Board Exper	\$3,000.00		\$0.00
	TOTAL REVENUES	\$108,286.00	\$101,537.00	\$108,502.12
Contingency (Unrestricted) Fund				
7100				
	FUND BALANCE			
07100	Account #42801 007 100	\$10,729.00	\$10,729.00	\$11,902.77
*Deposit paid by applicants to cover application processing. Projected amount for auditor use in issuing payment for expense claims.				



DEL NORTE LOCAL AGENCY FORMATION COMMISSION
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AGENDA ITEM 5C

MEETING DATE: September 29, 2025
TO: Del Norte Local Agency Formation Commission
FROM: George Williamson AICP, Executive Officer
SUBJECT: Current and Future Applications Update

The following application(s) are currently active with LAFCo, or may be filed in the future:

Del Norte Resource Conservation District (RCD) Sphere of Influence (SOI) Amendment:

The Del Norte RCD application to amend SOI to include all of Del Norte County in review. Staff is preparing an updated MSR/SOI to analyze the sphere amendment. The DNRCD staff has responded to the MSR information request. They list these proposed countywide services:

Collaboration Lead: Lead, facilitate collaboration and participate as appropriate in projects within Del Norte County impacting agriculture, forestry, natural resources and land use.

Wildfire Resilience: Work closely with all entities engaged in wildfire management projects to prevent wildfires, increase resilience, maintain existing risk reduction efforts and reduce the risk of wildfires to communities, agriculture, forestry and resource lands. Evaluate opportunities for biomass utilization in agriculture, forestry, energy production and carbon sequestration.

Water Quality: Effectively manage agriculture, forestry and natural resources towards improving water quality including: improving drainage, erosion control and productivity on agricultural lands; restoring riparian habitat by establishing native vegetation; advocating on-site nutrient management; establishing buffer areas between tilled agriculture and natural stream corridors; and restoring natural fluvial processes for sediment transport.

Stream Restoration and Enhancement: Actively lead, advocate and provide financial support (grant applications) for stream restoration and riparian enhancements in support of aquatic and terrestrial species habitat; especially for the benefit of native fish populations.

Agricultural Lands Restoration: Advocate and work with agricultural property owners and renters to restore compromised agricultural lands to increase productivity. Actions to include noxious weed abatement, grazing recommendations for Aleutian Goose and Rosevelt Elk management, coordination with the Natural Resource Conservation Service for education and financial assistance, and advocacy towards maintaining and preserving the utilization of historical agricultural lands in the county.

Fish and Wildlife Adaptive Management: Advocate, lead and actively participate in fish and wildlife projects that provide a mutual benefit to agriculture, forestry production and species preservation.

After District review, the SOI Amendment will be scheduled for a LAFCo hearing. Once complete, it's anticipated RCD will apply for annexation of territory.

The following application(s) could become active with LAFCo in the future:

HRC CSD Annexation/ Consolidation - Jed Smith Homeowners Association (HOA)

HRC CSD Water Rate Study: The state supplied a rate study proposed to customers as per the 218 process, but it was defeated. The state has agreed to pay for another updated rate study which the Board approved to move forward with. The Board will be requested to identify which projects they would like to move forward with, from which a new rate by the contracted consultant will be recommended to the Board. The Board will then decide what they want to do. If it moves forward, there will be another 218 voting process.

The pre-engineering report re: consolidation with Jed Smith HOA is expected to go before SWROB soon. If accepted, a 90% engineering report will take a year to generate. Any consolidation to be governmental funding or Jed funding this project (or both). Another mutual water company operating the Huckleberry water system, also within the HRC CSD SOI, has also inquired about engineering studies as part of an annexation proposal. They have applied for state funds for an engineering study.

Crescent City - Out of Area Services / Annexation

Butte MHP connection to City Water System

RECOMMENDATION

Staff recommends the Commission receive and file this report and provide direction to staff as necessary.



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AGENDA ITEM 5D

MEETING DATE: September 29, 2025
TO: Del Norte Local Agency Formation Commission
FROM: George Williamson AICP, Executive Officer
SUBJECT: Proposed Policy Amendments

DISCUSSION

LAFCo's Policy and Procedures were last comprehensively updated in 2016. The following Policy 2.4.6 Amendments are proposed in ~~strikeout~~/underlined format:

2.4.6 Public Participation

All meetings of the Commission and its committees shall be open to the public. Property owners, registered voters, interested parties and members of the public are encouraged to attend Commission meetings and state their views.

A. Any interested persons may address the Commission on any matter not on the agenda during the time allotted on the agenda for "Public Comment" to be scheduled early on agendas.

B. The Chair will announce the opportunity for public comment during public hearings on items on the Commission's agenda.

C. The Commission will hear and consider all oral or written comments presented by any affected agency or any interested person on any agenda item.

D. The Chair may regulate the order of such presentations and may direct the focus of public comment for any given proposal.

E. Comments of ~~approximately~~ three minutes per speaker are ~~generally~~ allowed. ~~The Chair has full discretion and authority to impose time limits or grant additional time to any speaker.~~ When the Commission considers a proposal, the Chair may allow more time to an applicant and/or his or her representative or proponent and/or to an organized opposition group.

F. Persons wishing to speak to the Commission should approach the Commission and, upon being recognized by the Chair, are asked to state their name, geographical area of residence, and their interest in the matter under consideration for the record. All remarks shall be addressed to the Commission, as a body, and not to any member thereof.

G. Only those issues that are brought up at the public hearing or in written correspondence delivered to the Commission at or prior to a meeting may be raised in any legal challenge to actions taken by the Commission.

RECOMMENDATION

Staff recommends the Commission receive the staff report; request public comment; review the proposed amendments; and accept, modify, or reject the proposed amendments.