

MODOC LAFCO

Adopted

**DAPHNE DALE
Community Services District**

Municipal Service Review

**Resolution 2011-0005
APRIL 12, 2011**

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1 INTRODUCTION

1.1 LAFCO's Responsibilities

LAFCOs in California are independent agencies created by the California Legislature in 1963 among whose major purposes include encouraging the orderly formation of local governmental agencies and conserving and preserving natural resources.

Statewide there are 58 LAFCOs working with nearly 3,500 governmental agencies (400+ cities, and 3,000+ special districts). Agency boundaries are often unrelated to one another and sometimes overlap at random, often leading to higher service costs to the taxpayer and general confusion regarding service area boundaries. LAFCO decisions strive to balance the competing needs in California for efficient services, affordable housing, economic opportunity, and conservation of natural resources.

LAFCOs are responsible for coordinating logical and timely changes in local governmental boundaries, conducting special studies that review ways to reorganize, simplify, and streamline governmental structure, preparing a review of services called a Municipal Service Review and preparing a Sphere of Influence thereby determining the future "probable" boundary for each city and special district within each county. The Commission's efforts are directed toward seeing that services are provided legally, efficiently and economically while agricultural and open-space lands are protected.

Often citizens are confused as to what LAFCO's role is. LAFCOs do not have enforcement authority nor do they have the authority to initiate a city or district annexation or detachment proceeding. LAFCOs may initiate consolidation or dissolution proceedings; however, these proceedings are subject to the voter approval or denial.

The Legislature has given LAFCOs the authority to modify any proposal before it to ensure the protection of agricultural and open space resources, discourage urban sprawl and promote orderly boundaries and the provision of adequate services.

1.2 Municipal Service Review Requirements

The statute as amended by AB1744 and regulations call for a review of the municipal services provided in the county or other appropriate area designated by the LAFCO. The LAFCO is required to prepare a written statement of its determinations with respect to each of the following:

- *Growth and Population*
- *Capacity and Infrastructure*
- *Financial Ability*
- *Shared Facilities*
- *Government Structure and Accountability*

1.3 Preparation of the MSR

Research for this Municipal Service Review (MSR) was conducted during fall and winter of 2010-2011.

This MSR is intended to support preparation and update of the Sphere of Influence, in accordance with the provisions of the Cortese-Knox-Hertzberg Act. The objective of this Municipal Service Review (MSR) is to develop recommendations that will achieve the following:

- Promote more efficient and higher quality public service patterns.
- Identify areas for public service improvements.
- Assess the adequacy of service provision as it relates to determination of appropriate sphere of influence boundaries.

While LAFCO prepared the MSR document, LAFCO did not engage the services of experts in engineering, accounting or other specialists in related fields, but relied upon published reports and the Daphnedale CSD and the City of Alturas staff for information.

Therefore, this MSR reflects LAFCO's recommendations, based on available information during the research period and provided by Daphnedale CSD Board members, residents, and City of Alturas staff to assist in its determinations related to promoting more efficient and higher quality service patterns; identifying areas for service improvement; and assessing the adequacy of service provision for the Daphnedale CSD.

This MSR includes relevant information from the various reports. Since the reports were prepared at different times there may be occasional differences in data.

1.4 Description of Public Participation Process

Modoc LAFCO is a legislative body authorized by the California Legislature and delegated powers as stated in the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (the Act). The LAFCO proceedings are subject to the provisions of California's open meeting law, the Ralph M. Brown Act (Government Code Sections 54950 et seq.)

The Brown Act requires advance posting of meeting agendas and contains various other provisions designed to ensure that the public has adequate access to information regarding the proceedings of public boards and commissions. Modoc LAFCO complies with the requirements of the Brown Act.

The State MSR Guidelines provide that all LAFCOs should encourage and provide multiple public participation opportunities in the municipal service review process. MSR policies have been adopted by the Modoc LAFCO. Modoc LAFCO has discussed and considered the MSR process in open session, and has adopted a schedule for

completing the various municipal service reviews and sphere of influence updates for Modoc County.

Each Municipal Service Review will be prepared as a Draft, and will be subject to public and agency comment prior to final consideration by the Modoc LAFCO. Additional information on local government issues is found in Appendix A at the end of this report.

1.5 California Environmental Quality Act (CEQA)

The Municipal Service Review is a planning study that will be considered by Modoc LAFCO in connection with subsequent proceedings regarding the Daphnedale CSD and the Sphere of Influence. The Sphere of Influence review or update that will follow has not been approved or adopted by LAFCO.

This MSR is funded in the Modoc LAFCO's 2010-2011 Budget. This MSR includes an analysis, to the extent required by Section 15262 of the CEQA Guidelines, of the environmental factors that may be affected by the Municipal Service Review process, but will not include the preparation of an environmental review document.

2 SETTING

Since Daphnedale CSD is located close to the City of Alturas in Modoc County the City and the County will be described as the setting for this small District.

2.1 City of Alturas

2.1.1 History

Alturas is the most northeastern incorporated city in the State of California. It is the County Seat of the County of Modoc. The City was incorporated September 16, 1901 as a General Law City.

Alturas now occupies what was formerly an Achumawi (Pit River) village known as Kosealekte. The City was initially known as Dorris Bridge, named after Jim Dorris, the first white settler in the area who settled in 1869. In 1876, the town was renamed Alturas, which means "The Heights" in Spanish.

Alturas provides for public safety (police, fire and civil defense); highways and streets; water service, wastewater conveyance and treatment, solid waste removal, mosquito abatement, airport services, planning and general administration. It has a five person City Council elected at large for 4 year terms. It has an elected City Clerk and City Treasurer who serve 4 year terms. The Planning Commission is appointed by the City Council and serves at the pleasure of the Council.

The City has an appointed Public Works Director who oversees enterprise functions such as water and wastewater, parks, planning, buildings and grounds, roads, and mosquito abatement. The City has a volunteer Fire Chief and a paid Police Chief.

As the County Seat, the town is a home to regional government offices, including a California Highway Patrol office and a State Department of Motor Vehicles office. Modoc Subdivision track of the Union Pacific Railroad, and the Lake County Railroad, (of Lake County Oregon) serve the area.

It is the headquarters to the Modoc National Forest, the Alturas Field Office of the Bureau of Land Management (BLM), the Modoc National Wildlife Refuge, the Natural Resources Conservation Service (NRCS), and other recreation areas, and is the trade center for the agricultural region, which produces beef, sheep, potatoes, alfalfa and lumber.

Despite its abundance of wilderness, recreational opportunities, hunting and fishing resources, and resplendent natural beauty, tourism is not a major sector of the local economy -- largely due to the City's remote location.

Local, State, Federal, and Tribal governments are the largest employers in Alturas. A vibrant timber industry collapsed in the early 1980s due to increased production costs and low market prices for softwood lumber. The Alturas Rancheria, a band of Pit River Indians, operates a small casino east of the City and outside the City Limits.

2.1.2 Alturas General Plan

The Alturas General Plan was adopted in June 1987.¹ The Plan stresses the development of tourism as a means of job creation and economic development. The Housing Element was adopted in June 2005.²

2.1.3 Alturas Population Data

As of 2010, Alturas's population is 2,878 people. Since 2000, it has had a population growth of -0.52 percent. The median home cost in Alturas is \$106,230. Home appreciation the last year has been 1.28 percent. Compared to the rest of the country, Alturas's cost of living is 8.40% Lower than the U.S. average.

The unemployment rate in Alturas is 12.30 percent (U.S. avg. is 10.20%). Recent job growth is Negative. Alturas jobs have decreased by 5.96 percent.³

Estimated median household income in 2005: \$28,400 (it was \$24,351 in 2000)

Alturas:	\$28,400
California:	\$53,629

2.1.4 Educational Facilities

Alturas public schools spend \$4,411 per student. The average school expenditure in the U.S. is \$5,678. There are about 18.8 students per teacher in Alturas.⁴

A. Public High Schools in Alturas⁵

Modoc Charter School

214 West 1st St., Alturas, CA Students: 471 Grades: K-12

Modoc High School

900 North Main St. Alturas, CA Students: 290 Grades: 9-12

Modoc County Special Education

139 Henderson St. Alturas CA Students: 37 Grades: 1-12

Modoc County Community High School

139 Henderson St., Alturas, CA Students: 15 Grades: 8-12

Warner High School

802 North East St., Alturas CA Students: 4 Grades: 10-12

¹City of Alturas, "General Plan Goals, Policies, and implementation Measures" June 1987, Prepared by Mintier Harnish & Associates, 510 8th Street, Sacramento, CA 95814, 916-446-0522.

²City of Alturas, "Housing Element", June 2005, Hunter Consulting Services.

³<http://www.bestplaces.net/city/california/alturas>, January 14, 2011.

⁴<http://www.bestplaces.net/city/california/alturas>, January 14, 2011.

⁵Modoc Unified School District Website –SARC reports 2008

B. Public Elementary/Middle Schools in Alturas

Alturas Elementary School

809 West Eighth St., Alturas CA Students: 354 Grades: K-5

Modoc Middle School

906 West Fourth St. Students: 206 Grades: 6-8

High Desert Community Day School

802 North East St., Alturas CA Students: 5 Grades: 7-8

Alturas Community Day School

906 West Fourth St., Alturas CA Students: 2

C. Private elementary/middle school in Alturas

Alturas Mennonite School

PO BOX 75, Alturas CA Students: 20 Grades: 1 - 8

D. Library in Alturas

The Modoc County Library is located in Alturas at 212 W. Third Street. The Operating Income for the Library is \$312,341. The Library contains the following materials:

- 69,444 books
- 1,587 audio materials
- 1,958 video materials
- 129 serial subscriptions⁶

2.2 County of Modoc

2.2.1 Modoc County Background

The County's official slogans include, "The last best place," and "Where the West still lives." Modoc County was formed when California Governor Newton Booth signed an Act of the California Legislature on February 17, 1874. Land for the County was taken from the eastern part of Siskiyou County.

A large portion of Modoc County is Federal reservations. A patchwork of overlapping government agencies form a significant part of the economy and provide services to this rural area.

The Federal presence in Alturas includes the following agencies and departments:

- US Forest Service
- Bureau of Land Management
- National Park Service
- Bureau of Indian Affairs
- US Fish and Wildlife Service.

⁶ <http://www.city-data.com/city/Alturas-California.html>

The northern half of the County is the Modoc Plateau, a one-mile high expanse of lava flows, cinder cones, juniper flats, pine forests, and seasonal lakes. Nearly 1 million acres of the Modoc National Forest lie on the Plateau between the Medicine Lake Highlands in the west and the Warner Mountains in the east.

The Plateau supports large herds of mule deer (*Odocoileus Hemionus*), Rocky Mountain Elk (*Cervus Canadensis*), and pronghorn antelope (*Antilocapra Americana*). There are also several herds of wild horses on the Plateau.

The Clear Lake National Wildlife Refuge and Long Bell State Game Refuge are located on the Plateau as well. The Lost River watershed drains the north part of the Plateau, while southern watersheds either collect in basin reservoirs or flow into the large Big Sage Reservoir, which sits in the center of the County.

2.2.2 Modoc County Population

The Modoc County population estimate for 2009 is 9,107 people. This represents a decline from April 1, 2000 of 3.6%.⁷ The following table of age groups in Modoc County shows that there are fewer younger people in the County than in California as a whole and more older people.

Age	Age Groups in Modoc County and in California ⁸	
	Modoc County	State of California
Persons under 5 years old, percent, 2009	5.0%	7.5%
Persons under 18 years old, percent, 2009	20.4%	25.5%
Persons 65 years old and over, percent, 2009	19.8%	11.2%

2.2.3 Modoc County Water Resources

Modoc County is the only County in Northern District of the State Department of Water Resources that spans three Hydrologic Regions. Hydrologic regions are defined as "major drainage basins" by The California Water Plan.

- The County's north-western watersheds contribute their runoff to the Pacific Ocean by way of the Klamath River through the North Coast Hydrologic Region.
- The eastern edge of the County is included in the North Lahontan Hydrologic Region, meaning its waters drain to the closed system of alkaline lakes in the North Lahontan Basin and do not drain to the sea.
- The central and south-western portions of the County feed through the Sacramento River Hydrologic Region toward the Sacramento-San Joaquin Delta. Notable water resources of Modoc County include Clear and Goose Lakes, Upper, Middle, and Lower Alkali Lakes, Big Sage Reservoir, and the Pit River.⁹

⁷ <http://quickfacts.census.gov/qfd/states/06/06049.html>, January 14, 2011

⁸ <http://quickfacts.census.gov/qfd/states/06/06049.html>, January 14, 2011

⁹ California Department of Water Resources: <http://www.nd.water.ca.gov/IndexFiles/WaterResources/Modoc/>

2.3 Climate

According to the Alturas Chamber of Commerce, “Alturas' high desert climate makes for warm, dry summers and cold winters--perfect ‘getaway vacation’ conditions.” Alturas elevation is 4300 feet above sea level.¹⁰ Average min temperature of Alturas, California in January is 10.5; average min temperature in July is 46.7. Average precipitation in January is 0.44, in July it is 0.04.¹¹

¹⁰ www.yippytio.com

¹¹ <http://climate.fizber.com/california-city-alturas-climate.html>, January 22, 2011.

3 DAPHNE DALE Community Services District

3.1 Daphnedale CSD History

The Daphnedale CSD was formed in 1976 as a response to a state moratorium on on-site disposal systems. The District was formed with the powers to supply water and to collect and dispose of sewage but the only power that is used is the power to collect wastewater.¹² In 2001 the legislature stripped all previously approved powers from CSD's excepting those powers the CSD actually was performing. The reason given for the formation of the District was that a survey of septic tank systems made by the Modoc County Sanitarian showed that the systems were not functioning correctly.¹³ In March 1973, the Health Department stopped issuing permits for the installation of individual sewage systems in the Daphnedale area.

Nevertheless, some individual sewage systems have been built in the area due to mistakes made during the building permit entitlement process and lack of communication between the Daphnedale CSD and the County in the past. This is unfortunate because it makes it more difficult to develop future lots on the sewer lines.¹⁴

3.2 Daphnedale Location

Daphnedale is located north of the City of Alturas and includes 120 acres. The CSD is located north of 19th Street between a line extended north of Juniper Street and East Street.

3.2.1 Modoc County General Plan Designations

The Modoc County General Plan Designation the Daphnedale area is "Urban." The Modoc County Zoning is "High Density Residential."¹⁵

3.2.2 City of Alturas General Plan Designations

The City of Alturas General Plan Designations for the Daphnedale area are "Rural Residential" (a small part) and "Low Density Residential" (most of the area). The most probable City of Alturas zoning designation would be "Single-Family Residential."¹⁶ In the event that the City would annex the Daphnedale area the city would prezone the area and use existing zoning regulations that would be the most suitable for the area.

¹² Modoc County Board of Supervisors, Resolution No. 76-79, Resolution of the Board of Supervisors of the County of Modoc Declaring the Formation of the Daphnedale Community Services District, December 6, 1976.

¹³ Modoc County Health Department, Letter from J.C. Gilbert, MD, Health Officer to California Regional Water Quality Control Board, June 17, 1976.

¹⁴ City of Alturas, Chester Robertson Public Works Director, Phone: 530-233-2377, January 20, 2011.

¹⁵ Modoc County Planning Department, Kim Hunter, Director, 203 W. 4th Street, Alturas, CA 96101, Phone: 530-233-6406, January 24, 2011.

¹⁶ City of Alturas, Chester Robertson Public Works Director, Phone: 530-233-2377, January 24, 2011.

3.3 Daphnedale CSD Government

3.3.1 Board of Directors

The Daphnedale CSD Board of Directors is as follows:¹⁷

Jesse Blair, President	Phone: 233-2132	Term Ends: December 2012
Dustin Hill	Phone: 233-7698	Term Ends: December 2014
Stephen Riley	Phone: 233-6729	Term Ends: December 2014
William Goltz	Phone: 708-0255	Term Ends: December 2012
Steve Godfrey	Phone: 233-2778	Term Ends: December 2012

The District is fortunate to have dedicated citizens willing to serve on the Board of Directors. The job takes more time than just attendance at the Board meetings. It takes time for the Board members to learn about the operations and budget of the District and to oversee all aspects of the District.

The Board members are required to file Conflict of Interest Forms and to learn about the many State and Federal laws which govern District operations. The Board members are not paid so this is a volunteer job.

3.3.2 Elections

The present Board members were not elected in an election organized by the Modoc County Elections Department. It will be important for the Board to continue to work with the County Elections Clerk in 2012 to ensure that the filing period for the election is properly given notice in the Board Agendas and that all of the members whose terms will expire are well aware of the need to file with the County Clerk during the specified filing period.

The County Elections Department will charge the District for the actual cost of the election unless only three people file for the three positions available. If that is the case, then the Board of Supervisors may appoint the people who filed in lieu of an election and the cost will be less.

In the event that a Board member should resign during his term of office there is a legal procedure to allow the remaining Board members to appoint a new person to the Board to finish the remainder of the resigning person's term. Examples of the notices required to fill a vacancy are found in Appendix B at the end of this report.

3.3.3 Secretary

The Secretary to the Board is Stephenie Hill. She is paid \$50.00 per month. It is not clear whether she is an independent contractor or an employee. Costs for the District would be lower if she were an independent contractor. An example of a contract for Administrative Services is found in Appendix C at the end of this report. The District is required to file a Form 1099 at the end of each year for an independent contractor making \$600 or more per year. If the secretary is an employee tax withholding and social

¹⁷ Daphnedale CSD, Minutes, July 24, 2010.

security payments need to be deducted from each paycheck and submitted to the US Treasury. The District Secretary should be compensated for Office Expenses.

At this time the Secretary is a resident of the District. However, there should not be a requirement that the Secretary be a resident of the District as for its Board of Directors. As an alternative to making a change in the Secretary position, the Board may want to create a new position of Manager or Administrator. The new person could perform all of the tasks that are not allocated to the Secretary. Since 2006, the CSD Law requires a CSD to have a manager.

3.3.4 Meetings

The meetings are held at the Modoc National Forest Building, 800 West 12th Street Alturas, California at 6:00 pm. The District plans four meetings per year but can hold additional meetings as needed. The agendas for the meetings are posted at the Post Office, Courthouse, Holiday Market, and in the newspaper.¹⁸ An example of a meeting agenda and minutes which meet the requirements of the State Codes is found in Appendix D at the end of this report. It would probably be a good idea to post the meeting agenda at the meeting location as well as at the other places listed.

Since the District is having difficulties it would be appropriate for the District to have a regular meeting schedule (i.e. second Wednesday of each month) and to meet monthly until most of the problems are resolved. Failure to have regular meetings with detailed agendas and minutes can lead to violations of the Brown Act. The Brown Act is discussed briefly in Appendix A at the end of this report. This is the State Law that requires open meetings.

3.3.5 Training

It would not be cost-effective to the District to belong to the California Special Districts Association or to attend the training sessions given by this organization but the District should request the County Board of Supervisors and Modoc LAFCO to work with all the districts in the County to provide training for Board Members on how to conduct meetings, how to meet the requirements of the Brown Act and the Political Reform Act, and liability issues.

Training for the District Secretary on agenda and minute preparation, the Public Records Act and budgeting would also be helpful. All training meetings should be listed in the District Agenda and reports from the meetings should also be listed in the District Agenda and discussed for the benefit of any Board members who could not attend.

3.4 Wastewater Collection Service

The Daphnedale CSD provides wastewater collection service for 42 residential connections.¹⁹ The sewer lines were installed in 1980 and are connected to the City of Alturas wastewater treatment plant. Before the sewer lines were constructed Hammond Engineering of Klamath Falls, Oregon prepared an analysis of two types of sewage

¹⁸ Daphnedale CSD, Stephenie Hill, Secretary, Phone 530-233-7698, January 13, 2011.

¹⁹ City of Alturas, December 2010, Memo to Modoc LAFCO Executive Officer, John Benoit.

collection systems: gravity and low pressure. The gravity system was more expensive to install but the maintenance cost is less.²⁰

Since the District chose the gravity system for the low maintenance the District should maintain this system when adding new connections.

The District would benefit from having an up-to-date Joint Powers Agreement (JPA) with the City of Alturas that would specify the responsibilities of the City and the District. The JPA should state the cost to connect to the system and specify that the City will inspect the new lines (for a stated fee) and that the City will maintain the lines. The JPA should also state what the sewer service fees will be and that the District is required to raise the fee if the City raises the fee. It would also be a benefit if the District could pay the fees to the City in one check each July.

On October 11, 2010, Stephanie Hoover wrote a letter to the Modoc County District Attorney stating that the Daphnedale CSD had approved a sewer connection that did not conform to the rules adopted by the District.²¹ The minutes of the meeting were not included with this letter. The Daphnedale CSD adopted "District Goals, Plan and Regulations Governing Sewer Main Extensions, Etc." on March 17, 1981. These Goals were approved on August 6, 2010 and recorded with the Modoc County Clerk on August 10, 2010.²²

The extension of sewer lines is a technical problem that should be resolved by a professional such as a Civil Engineer. The District may need to retain the services of a Civil Engineer and when such services are for the benefit of a proposed development the developer should pay the cost.

If sewer lines are not extended in a way that is acceptable to the City of Alturas the District may be unable to be annexed to the City in the future.²³

3.5 Daphnedale CSD Finances

3.5.1 Sewer Service Fees

The fees for wastewater collection service as collected by the Modoc County Tax Collector and cost \$275 per year per connection.²⁴ This would be \$22.92 per month, which is considerably less than sewer service fees in other locations.²⁵ The City of Alturas charges \$28.90 per month per residence (which will increase to \$30.22 on July 1, 2011). The district receives a "multi-family sewer-billing rate due to the City only generating one monthly bill."²⁶ The bill from the City in 2009-2010 for 42 connections was \$16,585.74.²⁷ The City has raised the fee for use of the City's wastewater treatment

²⁰ Hammond Engineering, 5900 Washburn Way, Klamath Falls, Oregon 97601, "Daphnedale Community Services District Final Environmental Impact Report", March 30, 1979, Page 120.

²¹ Modoc County Planning Department, Copy of letter from Stephanie Hoover to Modoc County District Attorney, October 11, 2010.

²² Daphnedale CSD, "District Goals, Plan and Regulations Governing Sewer Main Extensions, Etc.", August 6, 2010.

²³ City of Alturas, Chester Robertson Public Works Director, Phone: 530-233-2377, January 20, 2011.

²⁴ Daphnedale CSD, Stephenie Hill, Secretary, Phone 530-233-7698, January 13, 2011.

²⁵ City of Willows: \$40.19 per month; City of Williams: \$51.58 per month (all for 2010-2011).

²⁶ City of Alturas, December 2010, Memo to Modoc LAFCO Executive Officer, John Benoit.

²⁷ City of Alturas, Phone: 530-233-0512, January 20, 2011.

plant but the District has not raised the fees accordingly.²⁸ In FY 2009-2010 fees per connection were \$275 per year compared to the actual cost per connection based on the City's billing was \$346.80. These costs are not sustainable given the revenue generated by the District.

An example of the type of notice to be sent to landowners for a fee increase is shown in Appendix E at the end of this report. Even if the sewer service fees are not raised the District is required to notify each landowner of the fees and to pass a resolution adopting the Sewer Service Fees for the year. Examples of these documents are shown in Appendix F at the end of this report. This requirement is based on the following California Government Code Section:

26911. Whenever a special district has elected to have its assessments collected by the county on the property tax roll, the district shall transmit to the county auditor, no later than August 10 of each year, a statement of the rates fixed for assessments.

3.5.2 Budget

The District Secretary reports that the Budget for 2009-2010 was as follows:²⁹

DAPHNEDEALE CSD BUDGET 2009-2010	
City of Alturas for wastewater treatment	\$16,585.74
Secretary	\$600.00
PO Box Rental	\$44.00
Loan Payment	\$837.50
Bond	\$100.00
Modoc Treasurer for Tax Collection	\$35.00
TOTAL	\$18,202.24

The revenue transferred to the District for 09/10 was:

Assessment \$13,528.26

In 2009-2010, the amount transferred from the County was \$4,673.98 higher than the District's budget. The Daphnedale CSD maintains an account with the Bank of America. The Modoc County Treasurer collects the sewer service fees and then sends a check to the District.³⁰ The District deposits the funds into the Bank of America Account and writes a check to the City of Alturas once per month.³¹

When loans or bonds are required to construct wastewater collection infrastructure it is the usual practice to assign the obligation for repayment to each parcel and this fee is then collected in addition to or separately from the sewer service fee. It is not clear why this was not done when the sewer lines were first constructed or whether it would be possible to do it at this point. The District does need to collect fees for loan repayment in

²⁸ Daphnedale CSD, Jesse Blair, President, Phone 530-233-2132, January 13, 2011.

²⁹ Daphnedale CSD, Stephenie Hill, Secretary, Phone 530-233-7698, January 13, 2011.

³⁰ Modoc County Auditor, Darcy Locken, darcylocken@co.modoc.ca.us, E-Mail to John Benoit, January 14, 2011.

³¹ Daphnedale CSD, Stephenie Hill, Secretary, Phone 530-233-7698, January 13, 2011.

addition to the sewer service fee. These fees need to include the cost of the interest in addition to the principal of the loan.

Modoc LAFCO received a letter from Stephanie Hoover, dated October 11, 2010, stating that the Daphnedale Community Services District was not managing the District funds correctly.³² It is not the responsibility of LAFCO to manage district finances. It is not clear from the letter what exactly the problem is; however, the Daphnedale CSD does need to be more transparent regarding finances and to comply with the law requiring a periodic audit.

3.5.3 Audit

The Daphnedale CSD has never had an Audit of the financial transactions. This has caused residents to criticize the District. The California Government Code regarding Audits is as follows:

26909. (a)

(1) The county auditor shall either make or contract with a certified public accountant or public accountant to make an annual audit of the accounts and records of every special district within the county for which an audit by a certified public accountant or public accountant is not otherwise provided. In each case, the minimum requirements of the audit shall be prescribed by the Controller and shall conform to generally accepted auditing standards.

(2) Where an audit of a special district's accounts and records is made by a certified public accountant or public accountant, the minimum requirements of the audit shall be prescribed by the Controller and shall conform to generally accepted auditing standards, and a report thereof shall be filed with the Controller and with the county auditor of the county in which the special district is located. The report shall be filed within 12 months of the end of the fiscal year or years under examination.

(3) Any costs incurred by the county auditor, including contracts with, or employment of, certified public accountants or public accountants, in making an audit of every special district pursuant to this section shall be borne by the special district and shall be a charge against any unencumbered funds of the district available for the purpose.

(4) For a special district that is located in two or more counties, the provisions of this subdivision shall apply to the auditor of the county in which the treasury is located.

(5) The county controller, or ex officio county controller, shall effect this section in those counties having a county controller, or ex officio county controller.

(b) A special district may, by unanimous request of the governing board of the special district, with unanimous approval of the board of supervisors,

³² Modoc LAFCO, Letter from Stephanie Hoover to Modoc LAFCO, October 11, 2010.

replace the annual audit required by this section with one of the following, performed in accordance with professional standards, as determined by the county auditor:

(1) A biennial audit covering a two-year period.

(2) An audit covering a five-year period, if the special district's annual revenues do not exceed an amount specified by the board of supervisors.

(3) An audit conducted at specific intervals, as recommended by the county auditor, that shall be completed at least once every five years.

(c)

(1) A special district may, by unanimous request of the governing board of the special district, with unanimous approval of the board of supervisors, replace the annual audit required by this section with a financial review, in accordance with the appropriate professional standards, as determined by the county auditor, if the following conditions are met:

(A) All of the special district's revenues and expenditures are transacted through the county's financial system.

(B) The special district's annual revenues do not exceed one hundred fifty thousand dollars (\$150,000).

(2) If the board of supervisors is the governing board of the special district, it may, upon unanimous approval, replace the annual audit of the special district required by this section with a financial review in accordance with the appropriate professional standards, as determined by the county auditor, if the special district satisfies the requirements of subparagraphs (A) and (B) of paragraph (1).

(d) Notwithstanding the provisions of this section, a special district shall be exempt from the requirement of an annual audit if the financial statements are audited by the Controller to satisfy federal audit requirements.

26910. The auditor may at any reasonable time and place examine the books and records of any special purpose assessing or taxing district located wholly in the county.

The Modoc County Auditor, Darcy Locken, states that because the Daphnedale CSD does not maintain an account with the County Auditor, the District would not be eligible for the County to perform the Audit if the County provided that service.³³ The Auditor recommends that the District (by unanimous vote of the Board of Directors) get their County Supervisor to request County Counsel, John Kenny to draft a resolution for the Board of Supervisors that would allow the District to have an audit once every five years.³⁴

³³ Modoc County Auditor, Darcy Locken, darcylocken@co.modoc.ca.us, E-Mail to John Benoit, January 14, 2011.

³⁴ Modoc County Auditor, Darcy Locken, darcylocken@co.modoc.ca.us, E-Mail to John Benoit, January 15, 2011.

The Daphnedale CSD would still have to have an audit in 2011 because they have not had one. A sample Request for Proposals for audit services is shown in Appendix G at the end of this report.

3.5.4 Insurance

Most special districts find it prudent to have insurance through a Joint Powers Agreement with other agencies. There are several throughout the State and the cost can be reasonable (\$500 per year or less) for the protection provided. The district currently does not have liability insurance but is in the process of receiving bids for insurance.

4 MUNICIPAL SERVICE REVIEW

Modoc LAFCO is responsible for determining if an agency is reasonably capable of providing needed resources and basic infrastructure to serve areas within its boundaries and, later, within the Sphere of Influence.

LAFCO will do the following:

1. Evaluate the present and long-term infrastructure demands and resources available to the District.
2. Analyze whether resources and services are, or will be, available at needed levels.
3. Determine whether orderly maintenance and expansion of such resources and services are planned to occur in line with increasing demands.

The Final Municipal Service Review Guidelines prepared by the Governor's Office of Planning and Research recommend issues relevant to the jurisdiction be addressed through written determinations called for in the Cortese-Knox-Hertzberg Act.

Determinations are provided for each of the five factors, based on the information provided in this Municipal Service Review.

4.1 Growth and Population Projections for the Affected Area

Purpose:

To evaluate service needs based on existing and anticipated growth patterns and population projections.

4.1.1 Population Growth

Modoc County has traditionally been supported by logging, ranching, and government, which are in decline. Add to these problems with the basic area economy, the 2008-2009 Economic Recession and it seems that only a small amount of population growth will be expected.

4.1.2 MSR Determinations on Growth and Population for Daphnedale CSD

- 1-1) The CSD needs to maintain a close relationship with the Alturas and County Planning Departments to ensure that the zoning and general plan are compatible with the proposed development for the District.
- 1-2) The District needs to ensure that any growth will pay for the additional infrastructure and services needed. The District should adopt a fee schedule for new connections that will require the same fees charged by the City of Alturas.
- 1-3) The Daphnedale CSD needs to maintain a close relationship with the City of Alturas Planning and Public Works Departments to understand the City's plans for the area should it be annexed to the City.
- 1-4) The Daphnedale CSD is included within the City of Alturas Sphere of Influence.
- 1-5) The small size of the District, the expected low growth rate, and the problems the District has experienced make it desirable for the District to be annexed to the City of Alturas or to become a CSA under the Modoc County Board of Supervisors.

4.2 Capacity and Infrastructure

Purpose:

To evaluate the infrastructure needs and deficiencies in terms of supply, capacity, condition of facilities and service quality.

4.2.1 Infrastructure Background

The wastewater collection lines were constructed in 1980 based on a design by Hammond Engineering of Klamath Falls, Oregon. The lines are maintained by the City of Alturas.

4.2.2 MSR Determinations Regarding Capacity and Infrastructure for Daphnedale CSD

- 2-1) The infrastructure for the District is adequate.
- 2-2) The main problem with the infrastructure seems to be disagreement over how to expand it in the case of new connections.³⁵
- 2-3) The City of Alturas may need to take a more active role in determining how the wastewater collection system is operated and expanded.
- 2-4) The District may need to retain the services of a Civil Engineer and rely on the Engineer to resolve technical disputes. If the engineering services are for the benefit of a new development the landowner/applicant should pay the total cost.
- 2-5) The difficulties that the District has had in adding new connections make it necessary for the District to work more closely with the City of Alturas. If this cannot be done through a Joint Powers Agreement, which would address these problems, it would be better for the District to be annexed to the City or to be represented by the Board of Supervisors as a CSA.
- 2-6) The City could form a subsidiary district whereby the City provides wastewater collection and disposal throughout the Alturas area provided 70% of the territory and registered voters are within the City Limits. The Daphnedale CSD would be merged with the Subsidiary District.

³⁵ Daphnedale CSD, William Goltz, Director, Phone: 530-708-0255, January 14, 2011.

4.3 Financial Ability

Purpose:

To evaluate factors that affect the financing of needed improvements and to identify practices or opportunities that may help eliminate unnecessary costs without decreasing service levels.

4.3.1 Financial Considerations

All local governments spend a large part of each budget on personnel costs. In a small community it is necessary to make sure that financial records are transparent and that the District gets the most highly qualified personnel possible.

4.3.2 MSR Determinations on Financial Ability for Daphnedale CSD

- 3-1) The District needs to raise the sewer service fee to provide adequate income to operate the District, pay the City of Alturas and repay bond and loan obligations, carry insurance, pay district personnel, engineering and conduct an audit, as required.
- 3-2) The District should establish Development Impact Fees to ensure that all new development pays the total cost of development to the District.
- 3-3) The District should prepare a Capital Improvement Plan to be prepared for future capital expenditures such as sewer line replacements.
- 3-4) The District should become familiar with Community Facilities Districts and Mello-Roos Bonds and other financing mechanisms as a means for new development to pay infrastructure and operational costs.
- 3-5) The District may need to change the organizational structure following a study of government efficiency. If the area were to be annexed to the City of Alturas, the residents would not have to pay the additional cost of operating the District to comply with state laws. Alternatively, the CSD could be converted to a County Services Area (CSA) to collect funds for wastewater collection services and ensure laterals are properly engineered. Other alternatives include the City forming a Subsidiary District for Wastewater Collection, a contract with the district to provide the service under an exemption between two government agencies as allowed under Government Code Section 56133.
- 3-6) The District should develop a Master Plan and a Capital Improvement Plan for wastewater collection service.
- 3-7) The District should obtain insurance.
- 3-8) If the residents of the District truly want to remain as an independent Community Services District they will have to be prepared to pay the cost of maintaining a District that has sufficient funds to pay for an attorney, a fairly compensated manager, a consulting engineer, a legal audit every two years, the cost of maintaining the sewer lines, and cost of bond and loan payments.

4.4 Opportunities for Shared Facilities

Purpose:

To evaluate the opportunities for a jurisdiction to share facilities and resources to develop more efficient service delivery systems.

In the case of annexing new lands into a District, LAFCO can evaluate whether services or facilities can be provided in a more efficient manner if the District or some other entity provides them (i.e., the County of Modoc, a County Service Area, or a special district). In some cases, it may be possible to establish a cooperative approach to facility planning by encouraging the District and the County to work cooperatively in such efforts.

4.4.1 Daphnedale CSD Facilities

The facilities operated by the Daphnedale CSD are explained previously in this report. The District provides a wastewater collection service and the City of Alturas provides wastewater treatment.

4.4.2 MSR Determinations on Shared Facilities for Daphnedale CSD

- 4-1) The Daphnedale CSD facilities are adequate and are maintained by the City of Alturas.
- 4-2) A more complete Joint Powers Agreement between the District and the City is needed to provide direction on how the system is to be expanded and the fees owed to the City.
- 4-3) The Daphnedale CSD may have to work with the County and with other small districts to retain the services of an attorney and an accountant to perform an audit.

4.5 Government Structure and Accountability

Purpose:

To consider the advantages and disadvantages of various government structures that could provide public services, to evaluate the management capabilities of the organization and to evaluate the accessibility and levels of public participation associated with the agency's decision-making and management processes.

4.5.1 Government Structure

The Daphnedale CSD operates under the Community Service District laws of California. Clear communication with the public is vital at all levels of government. Many smaller districts maintain web sites where meeting minutes and information on services can be made available to the public. Appendix A includes eight public management standards. The Daphnedale CSD does not meet any of these standards.

4.5.2 MSR Determinations on Government Structure and Accountability for Daphnedale CSD

- 5-1) The District could develop a website to communicate with tax-payers, residents and the public or have a page on the Modoc County website.
- 5-2) The District should study the most efficient manner to provide administrative services (including greater use of computer programs and the internet) and develop a plan to change.
- 5-3) The District should modernize its accounting system and evaluate the advantages of keeping accounts with the County Auditor.
- 5-4) The District should have monthly meetings until the problems within the District can be resolved and the District can be in compliance with all laws.
- 5-5) The District Board has a difficult time working together to solve the numerous problems of the District.
- 5-6) The District should work with the County to ensure Board members are elected or appointed in the manner prescribed by law.
- 5-7) The District does not seem to be prepared to raise the fees to allow for the necessary contract personnel (Administrator, Attorney, CPA, Engineer) to operate the District according to law.
- 5-8) The District residents would be better and more economically served by annexing the area to the City of Alturas or by converting to a County Service Area (CSA) governed by the Board of Supervisors.

APPENDIX A - LOCAL GOVERNMENT ISSUES

1 Municipal Financial Constraints

Municipal service providers are constrained in their capacity to finance services by the inability to increase property taxes, requirements for voter approval for new or increased taxes, and requirements of voter approval for parcel taxes and assessments used to finance services. Municipalities must obtain majority voter approval to increase or impose new general taxes and two-thirds voter approval for special taxes.

Limitations on property tax rates and increases in taxable property values are financing constraints. Property tax revenues are subject to a formulaic allocation and are vulnerable to State budget needs. Agencies formed since the adoption of Proposition 13 in 1978 often lack adequate financing.

1.1 California Local Government Finance Background

The financial ability of the cities and special districts to provide services is affected by financial constraints. City service providers rely on a variety of revenue sources to fund city operating costs as follows:

- Property Taxes
- Benefit Assessments
- Special Taxes
- Proposition 172 Funds
- Other contributions from city or district general funds.

As a funding source, property taxes are constrained by Statewide initiatives that have been passed by voters over the years and special legislation. Seven of these measures are explained below:

A. Proposition 13

Proposition 13 (which California voters approved in 1978) has the following three impacts:

- Limits the *ad valorem* property tax rate
- Limits growth of the assessed value of property
- Requires voter approval of certain local taxes.

Generally, this measure fixes the *ad valorem* tax at one percent of value; except for taxes to repay certain voter approved bonded indebtedness. In response to the adoption of Proposition 13, the Legislature enacted Assembly Bill 8 (AB 8) in 1979 to establish property tax allocation formulas.

B. AB 8

Generally, AB 8 allocates property tax revenue to the local agencies within each tax rate area based on the proportion each agency received during the three fiscal years preceding adoption of Proposition 13. This allocation formula benefits local agencies, which had relatively high tax rates at the time Proposition 13 was enacted.

C. Proposition 98

Proposition 98, which California voters approved in 1988, requires the State to maintain a minimum level of school funding. In 1992 and 1993, the Legislature began shifting billions of local property taxes to schools in response to State budget deficits. Local property taxes were diverted from local governments into the Educational Revenue Augmentation Fund (ERAF) and transferred to school districts and community college districts to reduce the amount paid by the State general fund.

Local agencies throughout the State lost significant property tax revenue due to this shift. Proposition 172 was enacted to help offset property tax revenue losses of cities and counties that were shifted to the ERAF for schools in 1992.

D. Proposition 172

Proposition 172, enacted in 1993, provides the revenue of a half-cent sales tax to counties and cities for public safety purposes, including police, fire, district attorneys, corrections and lifeguards. Proposition 172 also requires cities and counties to continue providing public safety funding at or above the amount provided in FY 92-93.

E. Proposition 218

Proposition 218, which California voters approved in 1996, requires voter- or property owner-approval of increased local taxes, assessments, and property-related fees. A two-thirds affirmative vote is required to impose a Special Tax, for example, a tax for a specific purpose such as a fire district special tax.

However, majority voter approval is required for imposing or increasing general taxes such as business license or utility taxes, which can be used for any governmental purpose. These requirements do not apply to user fees, development impact fees and Mello-Roos districts.

F. Mello-Roos Community Facilities Act

The Mello-Roos Community Facilities Act of 1982 allows any county, city, special district, school district or joint powers authority to establish a Mello-Roos Community Facilities District (a "CFD") which allows for financing of public improvements and services. The services and improvements that Mello-Roos CFDs can finance include streets, sewer systems and other basic infrastructure, police protection, fire protection, ambulance services, schools, parks, libraries, museums and other cultural facilities. By law, the CFD is also entitled to recover expenses needed to form the CFD and administer the annual special taxes and bonded debt.

A CFD is created by a sponsoring local government agency. The proposed district will include all properties that will benefit from the improvements to be constructed or the services to be provided. A CFD cannot be formed without a two-thirds majority vote of residents living within the proposed boundaries. Or, if there are fewer than 12 residents, the vote is instead conducted of current landowners.

In many cases, that may be a single owner or developer. Once approved, a Special Tax Lien is placed against each property in the CFD. Property owners then pay a Special Tax each year.

If the project cost is high, municipal bonds will be sold by the CFD to provide the large amount of money initially needed to build the improvements or fund the services. The Special Tax cannot be directly based on the value of the property. Special Taxes instead are based on mathematical formulas that take into account property characteristics such as use of the property, square footage of the structure and lot size. The formula is defined at the time of formation, and will include a maximum special tax amount and a percentage maximum annual increase.

If bonds were issued by the CFD, special taxes will be charged annually until the bonds are paid off in full. Often, after bonds are paid off, a CFD will continue to charge a reduced fee to maintain the improvements.

G. Development Impact Fees

A county, cities, special districts, school districts, and private utilities may impose development impact fees on new construction for purposes of defraying the cost of putting in place public infrastructure and services to support new development.

To impose development impact fees, a jurisdiction must justify the fees as an offset to the impact of future development on facilities. This usually requires a special financial study. The fees must be committed within five years to the projects for which they were collected, and the district, city or county must keep separate funds for each development impact fee.

1.2 Financing Opportunities that Require Voter Approval

Financing opportunities that require voter approval include the following five taxes:

- Special taxes such as parcel taxes
- Increases in general taxes such as utility taxes
- Sales and use taxes
- Business license taxes
- Transient occupancy taxes

Communities may elect to form business improvement districts to finance supplemental services, or Mello-Roos districts to finance development-related infrastructure extension. Agencies may finance facilities with voter-approved (general obligation) bonded indebtedness.

1.3 Financing Opportunities that Do Not Require Voter Approval

Financing opportunities that do not require voter approval include imposition of or increases in fees to more fully recover the costs of providing services, including user fees and Development Impact Fees to recover the actual cost of services provided and infrastructure.

Development Impact Fees and user fees must be based on reasonable costs, and may be imposed and increased without voter approval. Development Impact Fees may not be used to subsidize operating costs. Agencies may also finance many types of facility improvements through bond instruments that do not require voter approval.

Water rates and rate structures are not subject to regulation by other agencies. Utility providers may increase rates annually, and often do so. Generally, there is no voter approval requirement for rate increases, although notification of utility users is required. Water providers must maintain an enterprise fund for the respective utility separate from other funds, and may not use revenues to finance unrelated governmental activities.

2 Public Management Standards

While public sector management standards do vary depending on the size and scope of an organization, there are minimum standards. Well-managed organizations do the following eight activities:

1. Evaluate employees annually.
2. Prepare a budget before the beginning of the fiscal year.
3. Conduct periodic financial audits to safeguard the public trust.
4. Maintain current financial records.
5. Periodically evaluate rates and fees.
6. Plan and budget for capital replacement needs.
7. Conduct advance planning for future growth.
8. Make best efforts to meet regulatory requirements.

Most of the professionally managed and staffed agencies implement many of these best management practices. LAFCO encourages all local agencies to conduct timely financial record-keeping for each city function and make financial information available to the public.

3 Public Participation in Government

The Brown Act (California Government Code Section 54950 et seq.) is intended to insure that public boards shall take their actions openly and that deliberations shall be conducted openly.

The Brown Act establishes requirements for the following:

- Open meetings
- Agendas that describe the business to be conducted at the meeting
- Notice for meetings
- Meaningful opportunity for the public to comment
- Few exceptions for meeting in closed sessions and reports of items discussed in closed sessions.

According to California Government Section 54959:

Each member of a legislative body who attends a meeting of that legislative body where action is taken in violation of any provision of this chapter, and where the member intends to deprive the public of information to which the member knows or has reason to know the public is entitled under this chapter, is guilty of a misdemeanor.

Section 54960 states the following:

(a) The district attorney or any interested person may commence an action by mandamus, injunction or declaratory relief for the purpose of stopping or preventing violations or threatened violations of this chapter by members of the legislative body of a local agency or to determine the applicability of this chapter to actions or threatened future action of the legislative body

APPENDIX B SAMPLE NOTICE AND RESOLUTION TO FILL A VACANCY

_____ **COMMUNITY SERVICES DISTRICT**

NOTICE OF VACANCY

Notice is hereby given that one vacancy exists in the office of Director of _____ COMMUNITY SERVICES DISTRICT.

The remaining members of the Board of Directors will fill the vacancy by appointment, in accordance with California Government Code Section 1780, at a regular meeting of the Board of Directors at its regular meeting place at _____, CA-----, - _____ Conference Room, on *Date* at 5:15 p.m.

Applications for appointment must be received by the District at its mailing address, Post Office Box----, _____, CA-----, in writing, prior to 4:00 p.m., *Date*. The Community Services District law requires that Directors reside in the District and be registered to vote there.

Date: _____

NAME, Secretary

BOARD OF DIRECTORS
-----COMMUNITY SERVICES DISTRICT
RESOLUTION NO. -----
RESOLUTION APPOINTING _____
TO FILL VACANCY ON BOARD OF DIRECTORS

AS A BASIS AND PREMISE for this Resolution, the Board of Directors of -----
-----COMMUNITY SERVICES DISTRICT finds and states as follows:

1. A vacancy on the Board of Directors of this District resulted from the resignation of-----, effective Date.
2. Due and legal notice has been given of the vacancy, and it would be in the best interests of the District to appoint _____ to fill that vacancy, in accordance **with**

California Government Code Section 1780.

3. _____ has applied to be appointed to the Board and meets the qualifications of a Director.

NOW, THEREFORE, be it RESOLVED, ADJUDGED and ORDAINED that:

1. _____ shall be and is hereby appointed as a Director of -----COMMUNITY SERVICES DISTRICT to fill the vacancy resulting from the resignation of-----.

PASSED AND ADOPTED on date, at a meeting of the Board of Directors by the following vote:

AYES:
NOES:
ABSENT:
ONE VACANCY

President

ATTEST:

Secretary

APPENDIX C SAMPLE AGREEMENT WITH INDEPENDENT CONTRACTOR

AGREEMENT FOR SERVICES

THIS NONEXCLUSIVE AGREEMENT is hereby entered into by The _____ Community Services District ("District") and _____ ("*Name*"), contractor.

Name agrees to provide administrative services as listed in Exhibit A attached to the _____ Community Services District beginning _____ 2011. She will provide those services using her own office and equipment, and on her own schedule. The manner in which she completes projects for the District shall be at her own direction and under her own control. Therefore, *Name* agrees and understands that she is not an employee of the District, but rather is an independent contractor. She is not entitled to State Unemployment Insurance or Worker's Compensation Insurance.

So long as the District's work is completed in a timely manner, *Name* may provide professional services to other clients as she wishes.

Name is fully responsible for payment of all federal, state and local income taxes and contributions including Self-Employment taxes.

Contractor shall maintain all automobile liability and medical insurance during the term of this agreement.

Name shall be paid \$50 per ----- as approved by the Board of Directors. *Name* shall submit invoices to the District no less often than quarterly, itemizing her work for the District.

This agreement may be terminated by either party notifying the other 30 days prior to the date of termination; otherwise contract shall be renewable on July 1 each year.

Upon termination, all documents, records and other materials that *Name* produces during the term of the agreement and any renewals shall be the property of the District, and surrendered to it. *Name* may retain copies of all such items, except those that may be confidential.

Name
Address

Date

Community Services District
-----CA

Date

Exhibit "A"

District Administrative Services include the following tasks:

1. Prepare Agendas for all meetings (average 12 meetings per year)
2. Have Agendas reviewed by District Counsel prior to mailing
3. Prepare Agenda packets and mail
4. Post Agenda at meeting place, e-mail agenda to interested parties
5. Attend all meetings, take and prepare minutes for all meetings
6. Prepare claims
7. Check District Post Office Box (average twice weekly)
8. Respond to mail as needed (Pay PG&E Bill each month, add claims and correspondence to agenda, respond to correspondence if needed prior to next meeting)
9. Prepare Legal Notices for Public Hearings (average 2 per year)
10. Maintain Petty Cash for postage and office supplies
11. Respond to e-mail and phone calls
12. Maintain District Records
13. Submit minutes, agendas and other items to Consulting CPA for Audit
14. Prepare mass mailing for service charges hearing
15. Research parcel numbers and permits for annual tax resolution
16. Prepare financial report for Rural Development
17. Prepare Budget and Budget Transfers as needed
18. Other tasks assigned by the Board of Directors

APPENDIX D SAMPLE AGENDA AND MINUTES

**NAME
COMMUNITY SERVICES DISTRICT
ADDRESS OF DISTRICT**

**AGENDA
Posted at *LIST NAME OF POSTING SITE* on *DATE 72 OR MORE HOURS PRIOR TO MEETING*,
in accordance with California Government Code Section 54954.2**

**DATE:
TIME:
PLACE:**

This meeting location is handicapped accessible.

The following items will be considered and action taken:

1. CONSENT ITEMS (all items will be approved in a single motion, unless a Director wishes an item discussed and acted upon separately):
 - a. Minutes of (Date or dates of previous meetings)
 - b. Payment of Claims:
 - 1)
 - c. Approval of Claims Paid:
 - 1)
 - d. Budget Report:
 - e. Correspondence Received:
 - f. Correspondence Sent:
2. SEWER SYSTEM FLOW REPORT (if available)
3. NEED TO CONTRACT WITH CPA FOR AUDIT DUE 6-30-11, REVIEW REQUEST FOR PROPOSALS TO BE SENT TO AUDIT FIRMS
4. OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO ADDRESS THE BOARD OF DIRECTORS.

Time is available for members of the public to address the Board on any item relating to the District. The Chairman may place a reasonable limit on the time afforded each member of the public and because of the constraints of the Open Meeting Law, the Board may not take action on such items at this meeting.
5. REMINDER: Next meeting: *LIST DATE AND TIME OF NEXT MEETING*

If requested, _____ Community Services District will make this Agenda available in appropriate formats to persons with a disability. Persons seeking an alternative form should contact _____, Secretary to the Board of Directors.

In addition, a person with a disability who requires a modification or accommodation, including auxiliary aids or services, in order to participate in a public meeting, should telephone or otherwise contact the Secretary to the Board as soon as possible and preferably at least 24 hours prior to the meeting.

The Secretary may be reached by Phone: 530-
Mail: _____ Community Services District
PO Box _____

E-Mail: _____

_____ **COMMUNITY SERVICES DISTRICT**
Address of District Here
MINUTES

DATE:

TIME:

PLACE:

Directors Present: *List Names here*
Directors Absent: *None*
Others Present: *Name, Secretary*

1. CONSENT ITEMS (all items were approved in a single motion)
 - a. Minutes of *date of previous meeting*
 - b. Payment of Claims:
 - 1) *Name* (Administrative Services): \$725.00
 - 2) Petty Cash: \$25.50
 - 3) Assessor: \$65.75 (Mailing labels)
 - 4) Inkwell: \$41.14
 - c. Approval of Claims Paid:
 - 1) PG&E: \$47.58, \$49.78
 - 2) Internal Audit: \$2,537.00
 - d. Budget Report:
 - e. Correspondence Received:
 - 1) E-mail from City of _____, regarding extension of sewer line
 - 2) Certificate of Coverage from _____ Risk Management Authority
 - 3) ACWA JPIA Perspective Newsletter *Date*
 - 4) Invitation from California Special Districts Association to join the organization
 - 5) CSDA Legislative Days *Date* Sacramento CA.
 - 6) USDA Rural Development: request for various forms
 - 7) County Auditor: Request to State for reimbursement
 - f. Correspondence Sent:
 - 1) Request to _____ County Planning for condition on LLA # 2010-003

On a motion by Director _____, second by Director _____, it was unanimously voted to approve the Consent Agenda including the Minutes and all Claims.

2. SEWER SYSTEM FLOW REPORT (if available)
Director _____ presented the report of flows for January through April. The flows at the end of April were very high, exceeding the high allowance of 130,000 gpd. The problem seems to be related to saturation of the soil rather than a specific rain storm. The Board authorized Chairman _____ to contact _____, Consulting Engineer, to attend the next meeting and to recommend possible tests to locate the problem areas.

3. REVIEW REPORT ON AUDIT OF FINANCIAL STATEMENTS FOR YEARS ENDED June 30, 2006, June 30, 2007 and June 30, 2008, Prepared by _____

The Board accepted the Audit Report.

4. REVIEW AND APPROVAL OF PRELIMINARY BUDGET FOR _____
Following a discussion of various budget items on a motion by Director _____, second by Chairman, _____, it was unanimously voted to approve the Preliminary Budget for _____ as presented.

5. REVIEW NOTICE OF PUBLIC HEARING ON SEWER SERVICE CHARGES (to be mailed *Date 45 days in advance of hearing date*)

The Board reviewed the notice.

6. OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO ADDRESS THE BOARD OF DIRECTORS.

No members of the Public were present.

7. REMINDER: Next meeting: ***Date and time of next meeting***

Since there was no further business the meeting adjourned at 5:55 p.m.

Respectfully submitted

_____, Secretary

APPENDIX E RATE INCREASE NOTIFICATION

**COMMUNITY SERVICES DISTRICT
NOTICE OF PUBLIC HEARING ON INCREASES IN SEWER SERVICE CHARGES AND
NOTICE OF PREPARATION AND FILING OF REPORT OF SEWER SERVICE CHARGES AND
NOTICE OF HEARING ON REPORT**

HEARING DATE:
TIME:
LOCATION:

TO THE PROPERTY OWNERS OF _____ COMMUNITY SERVICES DISTRICT TO WHOM THIS NOTICE IS SENT:

The _____-Community Services District ("the District") will consider an increase in sewer service charges based on the City of _____ increased sewer service charges. The purpose of the increase is to cover the increased costs from the City of _____ for sewage treatment as shown in the attached notice and schedule. The hearing will occur on the date and time noted above.

The District pays the City of _____ -a service charge for every dwelling or business that is connected to the District's sewer system. This allows the District property owners to use the City's sewage collection and wastewater treatment system. This cost is significantly less than if the District had to build and maintain its own wastewater treatment facilities. The District also has its own costs for the collector system in _____; such as PG&E rates, repairs, and general District operations. These costs are not included in the fee to the City of _____.

The District's rate for 2007-2008 will be the rate reflected for the appropriate use shown on the City's schedule, plus the District's monthly charge of \$6.50. Therefore, for example, the single-family residential rate for the fiscal year will be \$40.19 + \$6.50 = \$46.69 X 12 = \$560.28. Parcels with two dwelling units will be charged \$1120.56. Parcels with three dwelling units will be charged \$1680.84. The District's monthly charge is not changing this year.

If your parcel was *first* connected to the District's sewer system during the last fiscal year (July 1, 20--through June 30, 20--), you will be billed an additional amount (computed at last year's rate) from the first day of the calendar month after you connected to the system through June 20--.

If you oppose the proposed rates you may submit a written protest to the District prior to the close of the public hearing. At the public hearing, the District Board of Directors will consider the protests against the proposed rate increases. If a majority of the owners who will be subject to the proposed rate increase submit written protests to the District, the Board will not impose the rate increases.

Notice is also given that the District Secretary has filed a report of the proposed fees with the Board of Directors, in accordance with Government Code Section 61115, and that this notice will be published and is hereby mailed to all affected property owners. You may examine the report during normal business hours at-----
-----.

Written protests must be received prior to the close of the public hearing. They must include the name and signature of the owner to whom this notice has been given, and should be sent to

-----COMMUNITY SERVICES DISTRICT
POST OFFICE BOX -----, -----CA -----.

Written protests can also be hand-delivered at the time and place of the hearing.

This is an Equal Opportunity Program. Discrimination is prohibited by Federal Law.
Complaints of discrimination may be filed with the Secretary of Agriculture, Washington, D.C. 20250.
Date-----, District Secretary

-----CSD, PO Box -----, -----CA -----

APPENDIX F ANNUAL ADOPTION OF SEWER SERVICE FEES

**COMMUNITY SERVICES DISTRICT
NOTICE OF PUBLIC HEARING ON SEWER SERVICE CHARGES AND
NOTICE OF PREPARATION AND FILING OF REPORT OF SEWER SERVICE CHARGES AND
NOTICE OF HEARING ON REPORT**

HEARING DATE:
TIME:
LOCATION:

TO THE PROPERTY OWNERS OF _____ COMMUNITY SERVICES DISTRICT
TO WHOM THIS NOTICE IS SENT:

The _____-Community Services District ("the District") will consider sewer service charges based on the City of _____ sewer service charges. The hearing will occur on the date and time noted above.

The District pays the City of _____ a service charge for every dwelling or business that is connected to the District's sewer system. This allows the District property owners to use the City's sewage collection and wastewater treatment system. This cost is significantly less than if the District had to build and maintain its own wastewater treatment facilities. The District also has its own costs for the collector system in _____, such as PG&E rates, repairs, and general District operations. These costs are not included in the fee to the City of _____.

The District's rate for 20-- - 20-- will be the rate reflected for the appropriate use shown on the City's schedule, plus the District's monthly charge of \$6.50. **The rates are not changing this year.** Therefore, for example, the single-family residential rate for the fiscal year will be \$40.19 + \$6.50 = \$46.69 X 12 = \$560.28. Parcels with two dwelling units will be charged \$1120.56. Parcels with three dwelling units will be charged \$1680.84.

If your parcel was *first* connected to the District's sewer system during the last fiscal year (20-- - 20--), you will be billed an additional amount (computed at last year's rate) from the first day of the calendar month after you connected to the system through June 20--.

Notice is also given that the District Secretary has filed a report of the proposed fees with the Board of Directors, in accordance with Government Code Section 61115, and that this notice will be published and is hereby mailed to all affected property owners. You may examine the report during normal business hours at -----California

Notice regarding storm water runoff: It is illegal for any storm water to enter the sewer lines.

The District Ordinance states the following:
No person shall connect roof downspouts, foundation drains, areaway drains, or other sources of surface runoff or groundwater to a building sewer that is connected directly or indirectly to a public sewer, unless the connection is first approved by the District for disposal of polluted surface drainage.
Violations of this Ordinance will be cited and if necessary, prosecuted.

Notice regarding bond pay-off: Any landowners who want to pay off the bond may contact the District Secretary at -----CA-----. This will save you interest payments in the future.

This is an Equal Opportunity Program. Discrimination is prohibited by Federal Law. Complaints of discrimination may be filed with the Secretary of Agriculture, Washington, D.C. 20250.

DATE, SECRETARY NAME, DISTRICT ADDRESS

BOARD OF DIRECTORS _____ COMMUNITY SERVICES DISTRICT
RESOLUTION No. _____
RESOLUTION APPROVING AND ADOPTING REPORT OF
SEWER SERVICE CHARGES FOR FISCAL YEAR 20---20--

AS A BASIS AND PREMISE for this Resolution, the Board of Directors of the _____ COMMUNITY SERVICES DISTRICT finds and states as follows:

1. Pursuant to notice given as provided by law, this Board conducted a hearing today on the District Secretary's report prepared and filed of the sewer service charges to be included on the tax roll for Fiscal Year 20---20--.
2. It would be in the best interests of the District to adopt the report and to file it with the _____ County Department of Finance, for inclusion of the charges on the tax roll.

NOW, THEREFORE, be it RESOLVED, ADJUDGED and ORDAINED that:

1. The Secretary's report of the sewer service charges to be charged to each parcel listed in the report, attached as Exhibit "A" is hereby approved and adopted in accordance with California Government Code Section 61765.3, and other applicable provisions of law. The charges noted on the report for the parcels indicated shall be charged to such parcels and collected as provided by law.
2. The Secretary shall file a copy of the report with the _____ County Department of Finance. The Secretary's filing of a certified copy of this Resolution with that office shall constitute the Secretary's statement that the report has been finally adopted by this Board, so that the County Auditor will enter the amount of the charges against the respective lots or parcels indicated for inclusion of those charges on the tax roll for those parcels for Fiscal Year 20---20--.

PASSED AND ADOPTED ON *DATE* AT A REGULAR MEETING OF THE _____ COMMUNITY SERVICE DISTRICT Board of Directors by the following vote:

AYES:
NOES:
ABSENT:

President

ATTEST:

Secretary

EXHIBIT A SHOWS EACH PARCEL NUMBER IN THE DISTRICT AND THE FEE OWED.

APPENDIX G SAMPLE REQUEST FOR PROPOSALS FOR AUDIT SERVICES

_____ **COMMUNITY SERVICES DISTRICT**
PO Box _____, _____, CA Zip Code _____

**REQUEST FOR PROPOSALS FOR ACCOUNTING SERVICES TO
PROVIDE REQUIRED AUDITS FOR
_____ COMMUNITY SERVICES DISTRICT**

1. Introduction

The _____ Community Services District seeks proposals from Certified Public Accountants to perform annual or biannual audits as required by the State of California. The scope of work involves securing the information from the _____ CSD and providing the Audit to the District by the required June 30, 2011 deadline. The Certified Public Accountant chosen will need to cooperate with the Modoc County Department Auditor to procure the necessary information. _____ CSD processes all claims and maintains all funds with the _____ Bank.

2. Submittal Requirements

There is no expressed or implied obligation for _____ CSD to reimburse responding firms for any expenses incurred in preparing proposals in response to this request. To be considered, a response to this request must be received by the _____ Community Services District, PO Box ----, _____ CA by _____, **2011**. Proposals sent by private delivery may be sent to ----- CA by Noon _____ **2011**.

3. Evaluation Process

During the evaluation process, _____ CSD reserves the right, where it may serve _____ CSD's best interest, to request additional information or clarifications from responders, or to allow corrections of errors or omissions. At the discretion of _____ CSD, firms submitting proposals may be requested to make oral presentations as part of the evaluation process. _____ CSD reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether or not that proposal is selected. Submission of a proposal is acceptance by the firm of the conditions contained in this request for proposals, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the District and the firm selected. It is anticipated that the selection of a firm will be completed by _____ 2011. Following the notification of the selected firm, it is expected a contract will be executed between both parties no later than five days thereafter.

4. Proposal Requirements

Responses to the RFP must include all of the following:

1. A statement about the firm that describes history, competencies and resumes of the principal and of all the professionals who will be involved in the work. This statement should address the following:
 - a. Experience with Audits for Special Districts in California and completion of necessary reports to the California State Controller
 - b. Ability to work cooperatively with the Modoc County Auditor
 - c. Ability to perform the work, stay within budget and meet deadlines
 - d. A statement that the firm carries errors and omissions, general liability and workers' compensation insurance, and the limits of liability on all of those.

2. A proposed form of contract for the work, and the rates and estimates of total cost. The proposal should include the cost for completion of the Biennial Audit for Fiscal Years 2008-2009 and 2009-2010 by June 30, 2011 and the cost to perform Annual or Biennial Audits in the future.

5. Evaluation Criteria

Proposals will be evaluated based upon their response to the provisions of this Request for Proposals and by the following criteria:

- a. Expertise with Audits for Special Districts in California
- b. Ability to work with pertinent parties and knowledgeable experts
- c. Cost Estimates
- d. Ability to complete the work in a timely manner

Please note that this will be a competitive selection process.

Based on the criteria above, the completeness of the responses, cost and the overall project approach identified in the proposals received, the most qualified firms may be invited, at their expense, for an interview with the _____ CSD Board of Directors.

Following interviews, the most qualified firm will be selected and a recommended agreement including budget, schedule and a scope of services will be negotiated.

6. Additional Information

Firms are encouraged to contact _____, at 530-----or E-Mail _____ with any questions relating to this RFP.

This is an Equal Opportunity Program. Discrimination is prohibited by Federal Law. Complaints of discrimination may be filed with the Secretary of Agriculture, Washington, D.C. 20250.

REFERENCES

California Department of Water Resources:

<http://www.nd.water.ca.gov/IndexFiles/WaterResources/Modoc/>

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City of Alturas, Memo to Modoc LAFCO Executive Officer, John Benoit, December 2010.

City of Alturas, Phone: 530-233-0512, January 20, 2011.

Daphnedale CSD, "District Goals, Plan and Regulations Governing Sewer Main Extensions, Etc.," August 6, 2010.

Daphnedale CSD, Jesse Blair, President, Phone 530-233-2132, January 13, 2011.

Daphnedale CSD, William Goltz, Director, Phone: 530-708-0255, January 14, 2011.

Daphnedale CSD, Minutes, July 24, 2010.

Daphnedale CSD, Stephenie Hill, Secretary, Phone 530-233-7698, January 13, 2011

Hammond Engineering, 5900 Washburn Way, Klamath Falls, Oregon 97601, "Daphnedale Community Services District Final Environmental Impact Report", March 30, 1979, Page 120.

<http://climate.fizber.com/california-city-alturas-climate.html>, January 22, 2011.

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Modoc County Auditor, Darcy Locken, darcylocken@co.modoc.ca.us, E-Mail to John Benoit, January 14, 2011, January 15, 2011.

Modoc County Auditor, Darcy Locken, darcylocken@co.modoc.ca.us, E-Mail to Stephanie Hoover, September 21, 2010.

Modoc County Board of Supervisors, Resolution No. 76-79, Resolution of the Board of Supervisors of the County of Modoc Declaring the Formation of the Daphnedale Community Services District, December 6, 1976.

Modoc County Health Department, Letter from J.C. Gilbert, MD, Health Officer to California Regional Water Quality Control Board, June 17, 1976.

Modoc County Planning Department, Copy of letter from Stephanie Hoover to Modoc County District Attorney, October 11, 2010.

Modoc County Planning Department, Kim Hunter, Director, 203 W. 4th Street, Alturas, CA 96101, Phone: 530-233-6406, January 24, 2011.

Modoc LAFCO, Letter from Stephanie Hoover to Modoc LAFCO, October 11, 2010.

Modoc Unified School District Website –SARC reports 2008

www.yippytio.com

PREPARERS

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ABBREVIATIONS

AB	Assembly Bill
BOD	Biological Oxygen Demand
CA	California
CEQA	California Environmental Quality Act
CIP	Capital Improvement Plan
CKH Act	Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000
CPI	Consumer Price Index
CRWQCB	California Regional Water Quality Control Board
CSA	County Service Area
CSD	Community Services District
District	Daphnedale Community Services District
FY	Fiscal Year
gpd	gallons per day
gpm	gallons per minute
I&I	inflow and infiltration (to sewer lines)
JPA	Joint Powers Agreement
LAFCO	Local Agency Formation Commission
mgd	million gallons per day
MSR	Municipal Service Review
SOI	Sphere of Influence
US	United States

DEFINITIONS

Acre foot: The volume of water that will cover one acre to a depth of one foot, 325,850 U.S. Gallons or 1,233,342 liters (approximately).

Agriculture: Use of land for the production of food and fiber, including the growing of crops and/or the grazing of animals on natural prime or improved pasture land.

Aquifer: An underground, water-bearing layer of earth, porous rock, sand, or gravel, through which water can seep or be held in natural storage. Aquifers generally hold sufficient water to be used as a water supply.

Bond: An interest-bearing promise to pay a stipulated sum of money, with the principal amount due on a specific date. Funds raised through the sale of bonds can be used for various public purposes.

California Environmental Quality Act (CEQA): A State Law requiring State and local agencies to regulate activities with consideration for environmental protection. If a proposed activity has the potential for a significant adverse environmental impact, an environmental impact report (EIR) must be prepared and certified as to its adequacy before taking action on the proposed project.

Community Facilities District: Under the Mello-Roos Community Facilities Act of 1982 (Section 53311, et seq.) a legislative body may create within its jurisdiction a special tax district that can finance tax-exempt bonds for the planning, design, acquisition, construction, and/or operation of public facilities, as well as public services for district residents. Special taxes levied solely within the district are used to repay the bonds.

Community Services District (CSD): A geographic subarea of a county used for planning and delivery of parks, recreation, and other human services based on an assessment of the service needs of the population in that subarea. A CSD is a taxation district with independent administration.

Groundwater: Water under the earth's surface, often confined to aquifers capable of supplying wells and springs.

Groundwater recharge: Groundwater recharge or deep drainage or deep percolation is a hydrologic process where water moves downward from surface water to groundwater. This process usually occurs in the vadose zone below plant roots and is often expressed as a flux to the water table surface. Recharge occurs both naturally (through the water cycle) and anthropologically (i.e., "artificial groundwater recharge"), where rainwater and or reclaimed water is routed to the subsurface.

Groundwater is recharged naturally by rain and snow melt, though this may be impeded somewhat by human activities including paving, development, or logging. These activities can result in enhanced surface runoff and reduction in recharge. Use of groundwater, especially for irrigation, may also lower the water tables. Groundwater recharge is an important process for sustainable groundwater management, since the volume-rate abstracted from an aquifer should be less than or equal to the volume-rate that is recharged.

Recharge can help move excess salts that accumulate in the root zone to deeper soil layers, or into the ground water system. Another environmental issue is the disposal of waste through the water flux such as dairy farms, industrial, and urban runoff.³⁶

³⁶ http://en.wikipedia.org/wiki/Groundwater_recharge

Impact Fee: A fee, also called a development fee, levied on the developer of a project by a county, or other public agency as compensation for otherwise-unmitigated impacts the project will produce. California Government Code Section 66000, et seq., specifies that development fees shall not exceed the estimated reasonable cost of providing the service for which the fee is charged. To lawfully impose a development fee, the public agency must verify its method of calculation and document proper restrictions on use of the fund.

Infrastructure: Public services and facilities such as sewage-disposal systems, water-supply systems, and other utility systems, schools and roads.

Land Use Classification: A system for classifying and designating the appropriate use of properties.

Leapfrog Development; New development separated from existing development by substantial vacant land.

Local Agency Formation Commission (LAFCO): A five-or seven-member commission within each county that reviews and evaluates all proposals for formation of special districts, incorporation of cities, annexation to special districts or cities, consolidation of districts, and merger of districts with cities. Each county's LAFCO is empowered to approve, disapprove, or conditionally approve such proposals. The LAFCO members generally include two county supervisors, two city council members, and one member representing the general public. Some LAFCOs include two representatives of special districts.

Mean Sea Level: The average altitude of the sea surface for all tidal stages.

Mello-Roos Bonds: Locally issued bonds that are repaid by a special tax imposed on property owners within a community facilities district established by a governmental entity. The bond proceeds can be used for public improvements and for a limited number of services. These bonds are named after the program's legislative authors.

Ordinance: A law or regulation set forth and adopted by a governmental authority.

Proposition 13: (Article XIII A of the California Constitution) Passed in 1978, this proposition enacted sweeping changes to the California property tax system. Under Proposition 13, property taxes cannot exceed 1% of the value of the property and assessed valuations cannot increase by more than 2% per year. Property is subject to reassessment when there is a transfer of ownership or improvements are made.³⁷

Proposition 218: (Article XIII D of the California Constitution) This proposition, named "The Right to Vote on Taxes Act", filled some of the perceived loopholes of Proposition 13. Under Proposition 218, assessments may only increase with a two-thirds majority vote of the qualified voters within the District. In addition to the two-thirds voter approval requirement, Proposition 218 states that effective July 1, 1997, any assessments levied may not be more than the costs necessary to provide the service, proceeds may not be used for any other purpose other than providing the services intended, and assessments may only be levied for services that are immediately available to property owners.³⁸

Ranchette: A single dwelling unit occupied by a non-farming household on a parcel of 2.5 to 20 acres that has been subdivided from agricultural land.

³⁷http://www.californiataxdata.com/A_Free_Resources/glossary_PS.asp#ps_08

³⁸http://www.californiataxdata.com/A_Free_Resources/glossary_PS.asp#ps_08

Sanitary Sewer: A system of subterranean conduits that carries refuse liquids or waste matter to a plant where the sewage is treated, as contrasted with storm drainage systems (that carry surface water) and septic tanks or leech fields (that hold refuse liquids and waste matter on-site).

Sludge is the residual semi-solid material left from wastewater treatment processes. When fresh sewage or wastewater is added to a settling tank, approximately 50% of the suspended solid matter will settle out in about an hour and a half. This collection of solids is known as raw sludge or primary solids and is said to be "fresh" before anaerobic processes become active. Once anaerobic bacteria take over, the sludge will become putrescent in a short time and must be removed from the sedimentation tank before this happens.

Sphere of Influence (SOI): The probable physical boundaries and service area of a local agency, as determined by the Local Agency Formation Commission (LAFCO) of the county.

Urban: Of, relating to, characteristic of, or constituting a city. Urban areas are generally characterized by moderate and higher density residential development (i.e., three or more dwelling units per acre), commercial development, and industrial development, and the availability of public services required for that development, specifically central water and sewer service, an extensive road network, public transit, and other such services (e.g., safety and emergency response). Development not providing such services may be "non-urban" or "rural". CEQA defines "urbanized area" as an area that has a population density of at least 1,000 persons per square mile (Public Resources Code Section 21080.14(b)).

Urban Services: Utilities (such as water, gas, electricity, and sewer) and public services (such as police, fire protection, schools, parks, and recreation) provided to an urbanized or urbanizing area.

Zoning: The division of a city by legislative regulations into areas, or zones, that specify allowable uses for real property and size restrictions for buildings within these areas; a program that implements policies of the general plan.

MAPS

