LOCAL AGENCY FORMATION COMMISSION

Notice of Exemption					
X_	Office of Planning and Rese 1400 Tenth Street, Room 12 Sacramento, CA 95814 County Clerk County of Amador		Public Agency: Amador LAFCO 810 Court Street, Jackson, 95642 Contact: 209-418-9377 amador.lafco@gmail.com		
Project Title: <u>Drytown County Water District and Ranch House Estates Community Service District Municipal Services Review Pursuant to Government Code 56430</u>					
Project Location – 1) Drytown (northwestern Amador County, south of City of Plymouth) 2) Ranch House Estates (Ranch Road and SR 88, approx. 3mi E of PineGrove Project Location - County: Amador					
Description of Project: Review of local government service provider					
Name of Public Agency Approving Project: Amador LAFCO					
Name of Person or Agency Carrying out Project: Amador LAFCO					
Exempt Status: (check one) Ministerial (Sec. 21080(b)(1);15268); Declared Emergency (Sec.21080(b)(3);15269(a); Categorical Exemption. State type and selection number: X Statutory Exemptions. State code number: 21102, 21150					
Reasons why project is exempt: Descriptive and Planning Studies for Possible Future Action for					
which funding has not been approved					
Signature:		Date: <u>11/</u>	15/18 Title: Executive Officer		
	_Signed by Lead Agency Signed by Applicant	Date received for filin	g at OPR:		
		POSTE	D ON:		

AGENDA ITEM #9

TO:

ALL COMMISSIONERS, ALTERNATES

FROM:

NANCY MEES, CLERK TO THE COMMISSION

SUBJECT:

ADOPTION OF A SPHERE OF INFLUENCE FOR RANCH HOUSE ESTATES COMMUNITY

SERVICE DISTRICT; LAFCO PROJECT #305; RESOLUTION #2018-10

DATE:

MEETING OF NOVEMBER 15, 2018

BACKGROUND:

LAFCO is initiating the adoption of this sphere of influence pursuant to Government Code §56425(g). Staff proposes a coterminous sphere of influence for the district, which will include only lands within the boundaries of Ranch House Estates Community Service District (RHECSD).

The Municipal Services Review (MSR) update for Ranch House Estates Community Service District has been completed and is contained elsewhere in this agenda packet.

DISTRICT HISTORY:

The District currently encompasses 60 acres, consisting of 78 parcels, 70 of which are assessed. The current boundary exists after several annexations and a detachment in 2016. RHECSD had a zero sphere of influence resulting from difficulties maintaining a board of directors and complying with requirements for districts. Significant improvements documented in the 2018 MSR contained elsewhere in this packet warrant an amendment to a coterminous sphere of influence. The coterminous sphere is desired by the district board.

DISCUSSION:

The current boundary map was verified and affirmed at the time of the District's last SOI in 2016. The district does not intend to expand its services, service area or boundaries. No change from the 2016 sphere area is proposed at this time. Issues identified in the current MSR are minor and related to district administration. Most recommendations made by the 2014 MSR have been implemented. The 2018 MSR lists the changes that still need to be addressed.

The analysis and complete profile for the district is contained in the MSR and is made a part of this action by reference.

CEQA:

LAFCO is the lead agency for the project. The Executive Officer has reviewed the proposal and determined that it is categorically exempt from the provisions of the California Environmental Quality Act (CEQA), Section 15061(b)(3) of the Public Resources Code, in that there is no change in services or service demand and no possibility that the project could have a negative effect on the environment (Notice of Exemption attached).

STAFF RECOMMENDATIONS:

- 1. Find that the adoption of a coterminous sphere of influence for the Ranch House Estates Community Service District is exempt from the provision of CEQA under Section 15061(b)(3)).
- 2. Determine a coterminous sphere of influence for Ranch House Estates Community Service District.
- 3. Approve LAFCO Resolution # 2018-10 (attached), making determinations and adopting a coterminous sphere of influence for the Ranch House Estates Community Service District.

Note: This staff report & recommendations were reviewed and approved by RChamberlain 11/5/18.

Attachments: Resolution #2018-10

Exhibit A: Map

Exhibit B: Determinations Notice of Exemption

Amador LAFCO



LOCAL AGENCY FORMATION COMMISSION

RESOLUTION MAKING DETERMINATIONS, ADOPTING AND AFFIRMING THE SPHERE OF INFLUENCE FOR RANCH HOUSE ESTATES COMMUNITY SERVICE DISTRICT

LAFCO RESOLUTION NUMBER 2018-10

WHEREAS, pursuant to the Cortese/Knox/Hertzberg Local Government Reorganization Act, commencing with §56000, et seq. of the Government Code, and specifically in accordance with §56425; and

WHEREAS, a municipal services review has been completed and was found by LAFCO to be adequate and complete on November 15, 2018; and

WHEREAS, the functions and classes of services provided by the Ranch House Estates Community Service District are identified in the municipal services review as: to acquire, construct, improve, and maintain streets, roads, rights-of-way, bridges, culverts, drains, curbs, gutters, sidewalks, and any incidental works; and

WHEREAS, the nature, extent and location of services provided by the Ranch House Estates Community Service District are described in the Municipal Services Review; and

WHEREAS, LAFCO adopted an amended sphere of influence for the district in 2016 to remove the detached Homestead Subdivision from the sphere of influence; and

WHEREAS, at the times and in the form and manner required by law, the Executive Officer has given notice of the hearing by this Commission; and

WHEREAS, upon the date, time and place specified in said notice of hearing and in any order or orders containing such hearing, the Commission has received, heard, discussed and considered all oral and written testimony related to the sphere of influence, including but not limited to comments, objections, the Executive Officer's written and oral report and recommendation, the environmental document and determination, plans for providing service, previously adopted spheres of influence and municipal service review;

NOW, THEREFORE, BE IT HEREBY RESOLVED, DETERMINED AND ORDERED as follows:

- 1. The adoption of the Sphere of Influence for the Ranch House Estates Community Service District is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3) in that there is no possibility that the action taken by the Commission may have a significant effect on the environment.
- 2. The Sphere of Influence of the Ranch House Estates Community Service District is determined, affirmed and approved as shown on the attached map marked "Exhibit A", and is coterminous to the boundaries of the District.



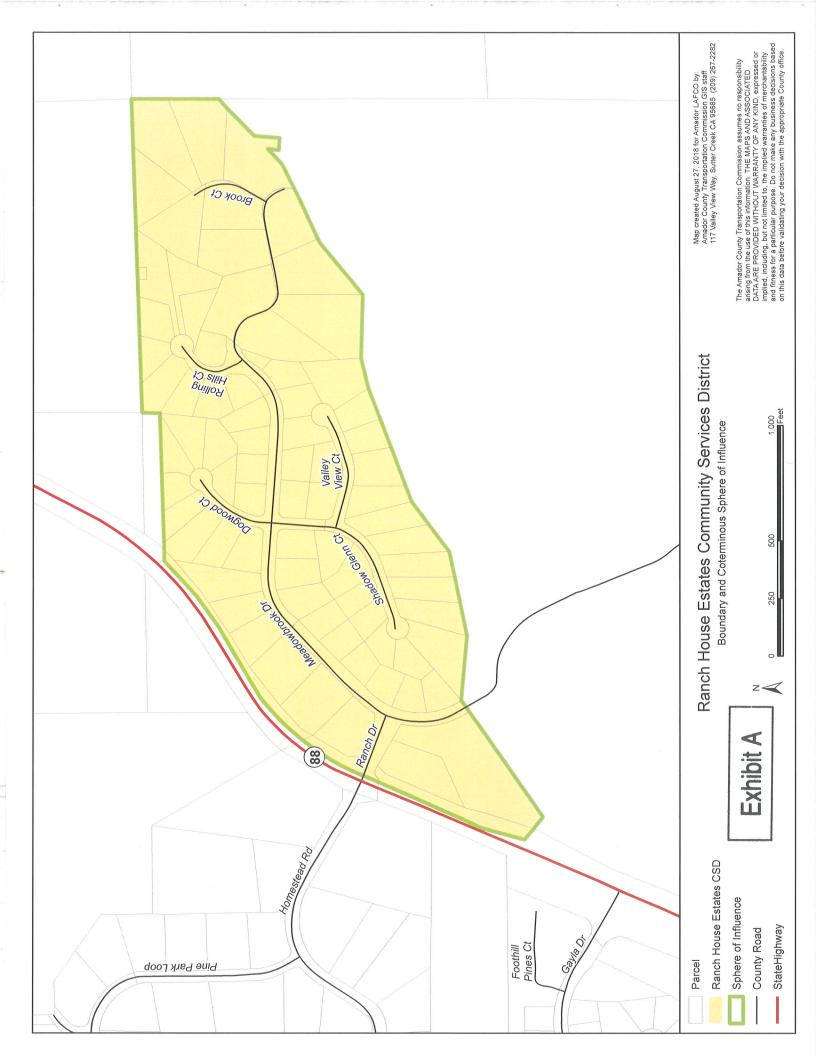
LOCAL AGENCY FORMATION COMMISSION

- 3. Determinations with respect to the Sphere of Influence for the Ranch House Estates Community Service District are set forth and described in the attached "Exhibit B" and are incorporated herein by this reference.
- 4. The Executive Officer is hereby directed to review the MSR recommendations with district staff and Board of Directors in six months, evaluate progress toward implementation of the needed changes and provide a summary report to LAFCO.
- 5. The Executive Officer is hereby directed to file a Notice of Exemption in compliance with the California Environmental Quality Act and local ordinances implementing the same.

The foregoing resolution was duly passed and adopted by the Local Agency Formation Commission of the County of Amador at a regular meeting thereof, held on the 15th day of November, 2018, by the following vote:

AYES:	
NOES:	
ABSENT:	
ATTEST:	Presiding Officer Patrick Crew, Chairman
Nancy Mees, Clerk to the Commission Amador Local Agency Formation Commission	

Amador County, California





LOCAL AGENCY FORMATION COMMISSION

Exhibit B TO LAFCO RESOLUTION NO. 2018-10

RESOLUTION MAKING DETERMINATIONS AND AFFIRMING A COTERMINOUS SPHERE OF INFLUENCE FOR THE RANCH HOUSE ESTATES COMMUNITY SERVICE DISTRICT

- 1. Ranch House CSD has made substantial improvements since the Municipal Services Review of 2014, including the installation of a functioning board, regular board meetings, adopting policies and related bylaws, and appointing a General Manager.
- 2. Ranch House Estates CSD is the logical provider of road maintenance services on the non-county maintained roads in the Ranch House area.
- 3. No changes to the present and planned land uses in and around the Ranch House Community Services District are anticipated, including agricultural and open space lands.
- 4. No changes in the present and probable need for public facilities and services in and around the Ranch House Community Services District are anticipated.
- 5. The Commission recognizes that the present capacity of public facilities and the adequacy of public services that the Ranch House Community Services District provides, or is authorized to provide, are adequate.

LOCAL AGENCY FORMATION COMMISSION

Notice of Exemption						
X County Clerk Contact: 20	•					
Project Title: Affirm a Coterminous Sphere of Influence for Ranch House	Estates CSD (RHECSD)					
Project Location - Specific: Ranch Road and SR 88, approx. 3mi E of Pi	ne Grove					
Project Location - City: <u>NA</u> Project Location -	County: Amador					
Description of Project: Affirm the current coterminous sphere of influence for RHECSD						
Name of Public Agency Approving Project: _Amador LAFCO						
Name of Person or Agency Carrying out Project:Amador LAFCO						
Exempt Status: (check one) Ministerial Declared Emergency X Categorical Exemption Section 15061(b)(3) Statutory Exemptions. State code number:						
Reasons why project is exempt: Section 15061(b)(3) of the Public Resources Code, in that there is						
no change in services or service demand and no possibility that the project could have a negative						
effect on the environment.						
Signature: Date: _11/15/18 Title:	Executive Officer					
X_Signed by Lead Agency Date received for filing at OPR: Signed by Applicant						
POSTED ON:						

AGENDA ITEM #10

TO:

ALL COMMISSIONERS, ALTERNATES

FROM:

NANCY MEES, CLERK TO THE COMMISSION

SUBJECT:

PUBLIC REVIEW DRAFT MUNICIPAL SERVICE REVIEW (MSR), 2018 UPDATE,

RIDGEWOOD ACRES COMMUNITY SERVICE DISTRICT (PROJECT #306)

DATE:

MEETING OF NOVEMBER 15, 2018

BACKGROUND:

The Public Review Draft Municipal Services Review (MSR) for Ridgewood Acres Community Service District is attached. This MSR was undertaken at this time to comply with the statutory requirement of completing a new MSR once every five years.

DISTRICT HISTORY:

The district was formed in 1974 as an independent special district. The District was originally created to provide street maintenance and water service. Water service was transferred to Amador Water Agency in 2003. The District currently provides street maintenance services to one circular road that connects to SR 104 on each end.

The District currently encompasses approximately 43 acres, consisting of 29 assessed parcels. The current boundary exists after one detachment in 1974. RACSD has a zero sphere of influence, most recently affirmed in 2014.

DISCUSSION:

The attached draft MSR describes the district and its services. Management and administration of the District is performed by a volunteer District Board of only three members. Statutes require a 5-member board. Services consist primarily of chipping and sealing the road once every seven or so years, with additional small repairs on an asneeded basis.

There were a number of findings made in the 2014 MSR regarding problems with the administration of the district and the board's noncompliance with Government Code and Brown Act requirements. These problems still exist, and, in fact, have worsened due to the fact that the District has been unable to maintain a five-member board.

To date RACSD has been able to maintain its informal plan of chip sealing the roads approximately every seven years. The Board is concerned, however, that with the current

assessment of \$100/parcel, they may not be able to afford to do a complete chip seal of the entire road in 2022. The Board had discussed an assessment increase with the residents several years ago, but were met with resistance. They would still like to pursue an increase, and LAFCO staff is looking into the procedures involved in doing so on behalf of the district.

STAFF RECOMMENDATIONS:

- 1. Receive the Draft MSR and direct staff to circulate the report for comment.
- 2. Set the public hearing for the final action on the MSR for the next LAFCO meeting.

Attachments:

Public Review Draft MSR 2018 Update for Ridgewood Acres Community Service District District SOI Map

RIDGEWOOD ACRES COMMUNITY SERVICES DISTRICT

Ridgewood Acres Community Services District (RACSD) provides street maintenance services.

AGENCY OVERVIEW

Background

Ridgewood Acres Community Services District (RACSD) was formed on September 16, 1974, as an independent special district. RACSD was formed to provide street maintenance and water services. Water services were transferred to Amador Water Agency in 2003. The District currently provides street maintenance services.

The principal act that governs the District is Community Services District Law.² CSDs may potentially provide a wide array of services, including water supply, wastewater; solid waste; police and fire protection; street lighting and landscaping; airport, recreation and parks; mosquito abatement; library services; street maintenance and drainage services; ambulance service; utility undergrounding; transportation; graffiti abatement; flood protection; weed abatement, and hydroelectric power; as well as various other services. Since 2005, CSDs are required to gain LAFCO approval to add or divest those services permitted by the principal act (i.e., latent powers).³ The functions and classes of services for Ridgewood Acres CSD were authorized by LAFCO in January, 2006 and are as follows: Acquire, construct, improve, and maintain streets, roads rights-of-way, bridges, culverts, drains, curbs, gutters, sidewalks, and any incidental works.

Boundary

The District is located along Ridgeview Drive, which extends south of Ridge Road, just west of New York Ranch Road. The District is approximately 4.5 miles northeast of Ridge Road's intersection with SR 49. Ridgeview Drive is a circular route, and the bounds are limited to parcels on either side of this road. The bounds encompass approximately 43 acres (0.07 square miles).

LAFCO records indicate one detachment, which occurred in 1974 and detached just over one acre from the District.⁴ There are no records of annexations to the District.

¹ Amador County Board of Supervisors Resolution #3630 certifying election results. Certificate of Filing with Secretary of State, September 16, 1974.

² Government Code §61000-61226.5.

³ Government Code §61106.

⁴ Raine Detachment, LAFCO Project No. 69; unnumbered Resolution, December 19, 1974.

excluding those parcels that do not receive services, i.e. that do not access district maintained roads.⁶ This SOI was affirmed in 2014.⁷

Local Accountability and Governance

The principal act requires that districts have five-member governing boards, including a President and Vice-President.⁸ Accordingly, RACSD was governed by a five-member board of directors. If the election is not contested, the members are appointed by the County Board of Supervisors to staggered, four-year terms. In March of 2017, two board members resigned and two were determined ineligible because they were not registered Amador County voters. In December 2017 the current three board members were appointed by the Board of Supervisors to new four-year terms. Therefore, the Board is currently two members short and does not have a Vice-President. See Figure 1 for information on individual board members and term expirations.

Figure 1: Ridgewood Acres CSD Governing Body

Riugew	oou Acres Comm	unity Services Dis	tifict	
Governing Body				
	Name	Position	Term Ends	
	Patti Miller	President	December 2021	
14	Monica Bennion	Director/Secretary	December 2021	
Members	Justin Bennion	Director	December 2021	
	Vacant	Director	NP	
	Vacant	Director	NP	
Manner of Selection	Nominated by CSD Board, appointed by County BOS.			
Length of Term	Four years			
Meetings	Date: as needed, Location: NP			
Agenda Distribution	Mailed or hand-delivered to home owners.			
Minutes Distribution	By request			
Contact				
Contact	Monica Bennion			
Mailing Address	13070 Ridgeview Drive, Sutter Creek, CA 95685			
Phone	209-625-6654			
Email/Website	mochamix79@gmail.com			

The principal act requires that boards convene at least four times per year, or every three months. For some time the Board has only been meeting on an as-needed basis. In addition, they do not have a regular method of posting or distributing notices of meetings, agendas, or minutes pursuant to Brown Act provisions, nor does it have a website. The District uses letters or word-of-mouth to update homeowners on current issues. The District reported that it has had no known reported Brown Act violations in recent history.

⁶ LAFCO Resolution 2009-13.

⁷ LAFCO Resolution 2014-12.

⁸ Government Code §§61040, 61043.

⁹ Government Code §61044.

The District does not have written bylaws or rules for its proceedings, nor does it have any policies regarding administration, operation of the District, or handling of fiscal issues. These are all required by statute.¹⁰

Form 700 Financial Interest Statements have been completed by all Board Members, and are on file at the County Elections Office. The District does not have a separate Conflict of Interest Code.

The District demonstrated accountability in its disclosure of information and cooperation with LAFCO. The agency responded to LAFCO's written questionnaires and cooperated with document requests.

Management

The principal act calls for community services districts to appoint a general manager to implement board policies. RACSD did not have a general manager position as of the 2014 MSR, and still does not have one. The District should consider designating a general manager, although due to the District's size and limited funds, it would likely be unable to hire a general manager. Therefore, the District should consider designating a volunteer general manager to ensure that it is operating within legal requirements.

The District has no employees. The Board contracts with a private company to perform all necessary maintenance. Maintenance and capital needs are determined by the Board at necessary meetings. An annual financial report is performed by the Amador County Auditor's Office.

The District has not produced any planning documents, such as a master plan, but has reported that it maintains, distributes and enforces the Covenants, Conditions and Restrictions (CC&Rs) for the Ridgewood Acres subdivision. Enforcement of CC&Rs is a service that cannot legally be provided by the CSD.¹²

District financial planning efforts do not include regular audits. The District was granted a five-year audit schedule in 2004. The most recent audit appears to be the one completed in 2002, which is on file with the county Auditor. The District does not adopt an annual budget or a capital improvement plan. Plans for capital improvements over a seven-year period are made informally at Board meetings. The current unwritten policy is to chipseal the road every seven years.

The District did not report whether its management practices include risk management. The District did report that it holds no insurance.

Ethics training is required every two years by Government Code §53234. None of the board members have completed such training. Board Members and supervisory staff are also required to complete sexual harassment training every two years (Government Code

¹⁰ Government Code §61045(f), (g).

¹¹ Government Codes §61050(a). Per §61040(e), the general manager may not be a member of the board.

¹² Government Code §61105 provides "special statutory powers" to certain grandfathered districts, allowing for

[&]quot;special services and facilities that are not available to other districts." Government Code §61105(e) lists the community services districts that are authorized to provide CC&R oversight. Because RACSD is not a grandfathered agency under Government Code §61105(e), and CC&R oversight is not an authorized power under Government Code §61100, RACSD is not authorized to perform CC&R oversight.

§53237). This training has not been completed, although sexual harassment training is less important as there are no employees or staff.

The California Special Districts Association recommends board member training on the Brown Act and the Public Records Act. None of the board members have taken any such training. There is no procedure in place for handling a Public Records Act request. Neither is there any official procedure for handling resident complaints.

The District is not a member of any group, such as the California Special Districts Association, and therefore does not have any reliable means of learning about changes in law or regulations pertaining to special districts.

Service Demand and Growth

There is no economic activity in the District; land use is entirely suburban residential.¹³ The District's closest economic centers are the City of Sutter Creek and Pine Grove, which are equidistant (five miles) in opposite directions along SR 104.

The District serves approximately 66.7 residents.¹⁴ The District's population density is 870 per square mile; however, the District's size is less than one-tenth of a square mile. Comparatively, the countywide population density is 64 per square mile.

The District reports that there has been no growth in the District since 1962. It is anticipated that there will continue to be no growth within the District as all parcels are already developed.

The District is not a land use authority, and does not hold primary responsibility for implementing growth strategies.

<u>Disadvantaged Unincorporated Communities</u>

LAFCO is required to evaluate disadvantaged unincorporated communities (DUCs) as part of this service review, including the location and characteristics of any such communities. A disadvantaged unincorporated community is defined, under Amador LAFCO Policies, as any area with at least 15 dwelling units at a density not less than one unit per acre, where the median household income is less than 80 percent of the statewide annual median. The issue of DUCs only applies, however, if the district in question is providing services related to wastewater, municipal and industrial water, or structural fire protection. These services are not provided by RACSD. Therefore, there is no need to identify DUCs.

Financing

The District's finances are tracked in a single fund. Just prior to the 2007-2008 MSR, a second water enterprise fund was closed out and consolidated with the general fund. Financial reporting and bookkeeping services are provided by the County. Assessments are

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¹³ Amador County, General Plan, Land Use Map, 2016.

¹⁴ The population estimate is the product of the total occupied parcels and the average household size (2.3) for Amador County, according to the California Department of Finance 2010.

¹⁵ Amador LAFCO Policies, Guidelines and Procedures, §7.1-7.2, adopted February 16, 2017.

¹⁶ Amador LAFCO Policies, Guidelines and Procedures, §7.4, adopted February 16, 2017.

collected annually by the Controller, and the Auditor invests any unallocated funds. This investment results in a small increase in the District's available funds.

The District reported that the current level of financing was sufficient for the most recent services provided; however, road assessments may need to be increased in order to cover the anticipated cost of resurfacing the road in the future.

Total revenues were \$3,246 in FY 18.¹⁷ Sources of income were property assessments (96 percent) and interest (four percent).

Each parcel within the District is assessed \$100 annually, except for two parcels which are assessed \$200 each. The assessment is not updated for inflation. The District would like assessments to increase to \$225 per parcel per year to address increasing costs of maintenance. The matter was discussed at a Board meeting in August 2007, but the District reported that residents did not respond favorably and an increase has not been readdressed since then.

In FY 2016-17, the District reported expenditures of \$200 for services and supplies.

The District has no formal policy on reserves, but aims to accumulate enough to fund regular chipsealing efforts. As of October 26, 2018, District reserves totaled \$27,194. The District had no long-term debt at the end of FY 17.

California law requires that all Special Districts have an independent audit or fiscal review annually. An audit had been done in 2002, but the District was unable to comply with the annual audit requirements due to the cost, and to the lack of a knowledgeable board. In 2004 the District was able to obtain a different audit schedule allowed by state law. The schedule is now set at an independent audit every fifth year. Financial reviews may be completed more frequently.

ROADWAY SERVICES

Nature and Extent

The District provides road maintenance services to one road, including paving and brush removal. Maintenance services are generally provided by contractors. Chipsealing is provided for the road every seven to ten years. Volunteers occasionally trim trees to allow truck access on roads.

Location

The District provides services within the District's boundaries. The District does not provide services outside of bounds.

Infrastructure

The District maintains approximately 1.1 miles of roadway. The roads were chip-sealed in 2015 for just over \$20,000, through a contract with an independent contractor. The

¹⁷ As reported by Auditor Controller.

¹⁸ Government Code §§61118 and 26909(a)(1).

¹⁹ Government Code §§61118 and 26909(b).

District reports that this price was particularly low, and will most likely increase approximately 50-100 percent in the next seven years. No new roads are planned, and there are no other infrastructure needs. The District roadway does not meet the design standards to be accepted into the County's public road system.

Service Adequacy

The District reports that it has had the means to provide adequate services in the past, but anticipates requiring increased financing to fund increased maintenance costs. The District has maintained an adequate reserve to fund needed street improvements to date. Preventative maintenance to minimize excessive costs is provided on a regular basis.

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The road still appears to be in good condition after the most recent chip-seal. The drainage ditches also appear to be fairly clean.

Figure 2: Ridgewood Acres Street Profile

Street Service Profile						
Service Configuration						
Street Maitenance	Hired contractor	Drainage Maitenance	District/home- owners			
Service Demand						
Street Sweeping Frequency:	Service not provided.					
Circulation Description						
The District maintains Ridge View Drive, which is a loop that connects to SR 104 at each end.						
System Overview						
Street Centerline Miles	1.1	Signalized Intersections	0			
Privately maintained roads	1.1	Bridges	0			
Publicly maintained roads	0	Other	NA			
Infrastructure Needs/De	eficiencies					
The road is repayed every seven years, which was most recently completed in 2015. There are no current infrastructure needs.						
Service Adequacy						
Street Miles Rehabilitated FY 17	0%	Costs per Street Mile1	\$0			
Road maitenance preformed in FY 15 consisted of repaving Ridge View Drive. The next repaving will be in FY 22.						
Service Challenges						
The District anticipates that maitenance costs will increase by 100 percent in the next seven years and an						
assessment increase will be necessary to finance adequate services.						
Facility Sharing						
Current Practices: None idea						
Opportunities: The District transferred financial administration activities to the County.						
Notes: (1) CSD expenditures on road maitenance in FY 17 divided by centerline miles of street.						

