

industrial waste, or structural fire protection, shall identify any DUCs within and contiguous to the sphere of influence of that city or special district, and describe the present and probable needs and deficiencies for the provision of those public facilities and services within such DUC.

The California Department of Water Resources (DWR) has developed a mapping tool to assist in determining which communities meet the disadvantaged communities median household income definition.¹¹ DWR identified nine disadvantaged communities within Amador County, three of which are cities and are therefore not considered unincorporated.¹² None of the DWR-identified disadvantaged communities are within or adjacent to LFPD.

LAFCO policy 7.3, adopted February 16, 2017, further defines disadvantaged communities as those consisting of 15 dwelling units at a density not less than one unit per acre. It is not known whether there are any disadvantaged communities as defined by this criteria within or adjacent to the Lockwood boundaries.

LAFCO policy 7.7, adopted February 16, 2017, further defines a Legacy Community as a geographically isolated community that meets DUC criteria and is at least 50 years old. There are no identified legacy communities in, or adjacent to, the Lockwood FPD area.

Financing

The District operates on a minimal budget from sources detailed below. The District reported being able to provide an adequate service level through a cooperative agreement with CAL FIRE. Although the District has limited funding for the purchase of future apparatus and additional personal protective equipment, it anticipates the continued use of community donations and Measure M funding, and successful grant requests to accommodate these purchases. Until stable funding in the estimated amount of \$800,000 is identified, the District cannot directly hire and equip fulltime career firefighters.¹³

The District financial report is listed on the State Controller's website, posted by the County Auditor-Controller. Lockwood FPD's Operations Policy Manual includes comprehensive financial policies and procedures, adopted August 2016 and amended June 2018.

Amador County holds the District's cash and investments within the County's external investment pool. District cash maintained by the County Treasury was \$620,420; the County Treasury's balance was \$620,420. The County sponsors an investment pool that is managed by the County Treasurer. Cash and investments for most County activities are included in the investment pool. All District monies held by the Amador County Treasurer receive quarterly allocations of County investment income based on the District's share of cash in relation to the total invested cash by the County.¹⁴

¹¹ Based on census data, the median household income in the State of California in 2010 was \$57,708, 80 percent of which is \$46,166.

¹² DWR maps and GIS files are derived from the US Census Bureau's American Community Survey (ACS) and are compiled for the five-year period 2006-2010.

¹³ Interview with Andrea Jones, President, LFPD Board of Directors, January 17, 2008, and current board position.

¹⁴ Lockwood FPD Financial Statements with independent Auditor's Report for FY Ended June 30, 2018.

The District also maintains a separate business checking bank account and ATM card with El Dorado Savings Bank. The authorized signers for expenditures are the Board President and the Treasurer. The Treasurer maintains the bank balance at \$4,000. The Operations Policy Manual provides procedures and policies for this account, used exclusively for immediate expenses as determined by the Fire Chief. The Treasurer submits a payment authorization to the County to replenish the balance in the account as needed.

The District tracks its finances through four governmental funds: (1) the general fund, the primary operating fund, (2) impact and mitigation fees through special revenue funds, (3) acquisition or construction of major capital facilities or equipment through its capital improvement fund, such as funds from grants and assessments applied to capital improvements, and (4) Measure M incentive funds to reimburse volunteer firefighters \$110/day on duty at the District's firehouses, as well as for training.

Fire protection districts are authorized to collect revenue from special taxes, property assessments for fire services or capital improvements, and fees for service.¹⁵ Total revenues in FY 18 were \$256,574. Revenue sources are Measure M funds (61percent), special taxes (28 percent), other (9 percent), and interest (2 percent).

Special taxes were collected on 1,243 parcels, occupied and vacant. Rates were \$70 for improved parcels and \$40 for unimproved parcels, for a total of \$75,936. LFPD voters approved the assessment in 2002, when 71 percent approved Measure D. Half of the assessment revenue is currently used for capital improvements.

New developments have the option of paying a \$900 mitigation fee to be used for water supplies or installing a 2,500-gallon water tank for firefighting use.¹⁶ No mitigation fee revenue was collected in FY 2018. New primary residences pay a maximum of \$600 in development impact fees (or \$0.30 per square foot). Impact fee revenue in FY 2018 totaled \$1,305.

The District's expenditures were \$219,505, excluding depreciation, in FY 2018. Primary expenditures were salaries (59 percent), capital equipment (17 percent), supplies (15 percent), and insurance (6 percent).

The District had \$44,800 in long-term debt as of June 30, 2018. The debt is a capital lease obligation for building improvements. The debt is scheduled to be paid off in 2022.

The District maintains reserve cash funds. There was an unrestricted cash balance of \$134,822 at the end of FY 2018, based on the audit report.

¹⁵ Health and Safety Code §13911-19.

¹⁶ LFPD, *Fee Schedule*, 2003.

FIRE AND EMS SERVICES

Nature and Extent

LFPD provides fire protection, fire suppression and basic life support. For calls involving emergency medical services, LFPD provides basic life support (BLS) until American Legion Ambulance Service arrives to perform advanced life support and ambulance transport.

The District also provides community burn assistance and inspects commercial sites within LFPD bounds for AFPD.¹⁷ Although CHP carries primary responsibility for traffic enforcement services, the District reported that it also provides this service when necessary.

The District's boundaries overlap completely with the CAL FIRE State Response Area throughout its bounds, except for a few parcels of Federal Response Area. By law, CAL FIRE provides primary wildland fire response and LFPD, through its contract with CAL FIRE, provides primary structure fire response.¹⁸

Most service calls are received during evenings and weekends. Response is provided 24/7 by both volunteer and CAL FIRE personnel.

Personnel

Four volunteer firefighters comprise the District's current sworn personnel. The District reported that it cannot hire fulltime firefighters due to financing constraints. Grants, donations and community fundraising may be used to offset equipment and training costs. However, with the passing of Measure M by a vote of the citizens of Amador County, the county fire departments now receive a formulated incentive of money, which has been agreed upon by all county fire departments. This monthly infusion of funds by the County Finance Department assists in paying a limited number of LFPD fire and EMT personnel a \$110/duty day reimbursement. This reimbursement is rotated among the personnel who are present for eight hours or more on any given day. The District's average number of volunteer personnel on an emergency is two. However, with the addition of CAL FIRE there is an additional two or more fulltime personnel as part of the district response.

The three support personnel include a secretary, treasurer, and a website manager. Positions are partially volunteer, but nominal compensation is available for some positions. The secretary receives a \$110 monthly incentive, the treasurer receives \$20/hr, and the website manager receives a \$300 monthly incentive.

LFPD, at the direction of the CAL FIRE Chief, provides new volunteers with the education and training needed to safely and effectively respond to emergencies. Personnel are required to attend weekly training events geared toward volunteer firefighters with the goal of becoming state-certified Firefighter 1s. In addition to weekly training events, LFPD sends volunteer firefighters to outside formal training classes throughout the area, including the CAL FIRE Training Center in Ione. Medical training is provided through locally recognized providers. Of the four LFPD volunteer firefighters, three are certified driver operators.

¹⁷ Ibid.

¹⁸ Pursuant to Health and Safety Code §13811.

No volunteer firefighter turnover occurred in 2018. Volunteer firefighter recruitment strategies include outreach via the District's newsletter and website, as well as word-of-mouth. Recruiting volunteers is, and has been, a significant problem for the district.

Regional Collaboration

As with all fire providers in the County, LFPD is a part of AFPA. A countywide mutual aid agreement benefits LFPD in the northeastern portion of its bounds, where CAL FIRE responds also.¹⁹ The District has a mutual aid agreement with AFD as well as CAL FIRE and the U.S. Forest Service.

The District collaborates with CAL FIRE and AFD in regional training events. The District is a member of Amador Fire Safe Council. Fire safety and general District information presentations are undertaken as needed. No other activities are noted by the District.

Dispatch and Communications

All 911 calls made from land lines in Amador County are automatically routed to the Amador County Sheriff's communication center in Jackson (the Public Safety Answering Point, PSAP). Cell phone 911 calls are answered by the California Highway Patrol in Stockton, and then are routed to the Sheriff. Fire and EMS calls are routed from the PSAP to CAL FIRE's Camino Interagency Command Center, which in turn dispatches a CAL FIRE unit as well as the appropriate local jurisdiction responder. LFPD is dispatched to all calls within its boundaries, as well as its mutual aid areas.

All fire providers in Amador County, including LFPD, communicate through the same radio systems. Due to shared radio frequencies, LFPD is able to communicate with other providers.

When multiple service providers respond to an incident, the first unit to arrive on scene is responsible for incident command. The first responder notifies other providers whether and when sufficient personnel have arrived on scene. For incidents such as vehicle accidents, law enforcement becomes responsible for incident coordination once it arrives on scene through universal command protocols; prior to law enforcement arriving on scene, the first responding fire provider remains responsible for incident command. All hazardous material incidents are overseen by CHP.

Location

The District provides service within its bounds and in the immediately surrounding first response area. Through a mutual aid agreement with AFD, the District provides services outside of its bounds generally from Louise Drive to Quartz Mountain, and from Ponderosa Drive to Brockman Mill, in addition to Amador Pines and from Dew Drop to SR 88.

CAL FIRE, on behalf of LFPD, often responds more quickly in the northern part of the service area, due to fire station proximity, except instances of road closure due to road structure failure.

¹⁹ Interview with Andrea Jones, President, LFPD Board of Directors, January 17, 2008.

Infrastructure

The District operates two fire stations, both of which are located on Shake Ridge Road. Station 151 was built in 2001 and is reported as being in good condition.²⁰ Station 152 was built in 2006 and is in excellent condition.

Water reserves include four tanks totaling 20,000 gallons at Station 1. There is a hydrant at Station 2 that accesses a 150,000-gallon tank in the Mella subdivision. There are also hydrants in Mella, which are linked to the same well. Mella also has an older 20,000-gallon reserve water tank. Privately owned, but publicly accessible, water sources include a total of 97,000 gallons. The District's two water tenders have 4,000-gallon capacity each, and each engine has approximately 1,250-gallon capacity.

District apparatus and capability is listed on the website as follows:

Fire Station #151: Squad 6546, Engine 6520 Type III, Water Tender 6540 holds 1,000 gallons of water; on site - four 5,000 gallon water tanks

Fire Station #152: Utility 6547 (4wd 1/2 ton pick-up); Engine 6530 Type I; on site - one fire hydrant.; within 1/8 mile, access to La Mel Heights subdivision 130,000 gallon water tank

CALFIRE DEW DROP Station: Fire Engine - 500 gallons with additional 500 gallons per minute pump

The website also notes that many property owners have chosen to provide a separate 500 gallon stand-alone water source for fire prevention/suppression use. Lockwood staff is currently mapping these additional sources. The District's plans include: (1) a large generator for district wide emergency use during power outages, (2) additional water sources, and (3) replacement of older equipment as funds become available. The District reports additional need for street numbers to be posted on properties, and worked with the Veteran's association for ordering numbers until that program is completed. Another need is for maps showing which street numbers are associated with each parcel in the service area, as well as the private water sources. Financing restricts some infrastructure and equipment needs for LFPD.

Service Adequacy

There are two general indicators of service adequacy for municipal fire providers: ISO rating and response times. The Insurance Service Office (ISO), an advisory organization, classifies fire service in communities from 1 to 10, indicating the general adequacy of coverage. Communities with the best systems for water distribution, fire department facilities, equipment and personnel, and fire alarms and communications receive a rating of 1.

The ISO rating for Lockwood Fire is stated as 8b/6. All parcels are rated 8b with the exception of La Mel Heights subdivision, which has eight fire hydrants on a public water system, which improves their rating to 6. Historically, the Lockwood Fire Protection District

²⁰ LFPD, *Capital Improvement Plan*, FY 04.

was rated as ISO Class 9-10. According to the Operations Policy Manual, the District more recently qualified for an ISO Dwelling Class 8 for structures within five road miles of either Station 151 or Station 152. A letter from ISO confirming this classification was received on May 28, 2003. At the AFPD Board Meeting April 14, 2019, AFPD Chief White reported that there was to be a meeting that afternoon with the ISO agency.

Emergency response time standards vary by level of urbanization of an area; the more urban an area, the faster a response is required. The response time guideline established by the California EMS Agency is five minutes in urban areas, 15 minutes in suburban or rural areas, and as quickly as possible in wilderness areas. The District is classified as wilderness. LFPD's 90th percentile response time was 16.55 minutes. Its average response time is now 14.5 minutes.

The District reported service challenges including narrow, winding roads, road failure, a prevalence of locked gates, snow, blocked roads, unimproved roads, financing constraints, and a lack of street numbering on properties served and/or maps showing which street number is associated with each parcel in the service area.

Figure 2: Lockwood FPD Fire Profile

Fire Service				
<i>Service Configuration</i>		<i>Service Demand</i>		
Fire Suppression	Contract with CAL Fire	Statistical Base Year	2018	
EMS	Contract with CAL Fire	Total Service Calls	183	
Ambulance Transport	American Legion, Regional	% EMS	64%	
Hazardous Materials	Calveras and San Joaquin County ¹	% Fire/Hazardous Materials	5%	
Air Rescue & Ambulance Helicopter	CHP, Private	% Vehicle Accidents	9%	
Fire Suppression Helicopter	CAL FIRE	% Other	34%	
Public Safety Answering Point	Sheriff	% Mutual Aid Calls	30%	
Fire/EMS Dispatch	CAL FIRE	Calls per 1,000 people	109	
<i>Service Adequacy</i>		<i>Resources</i>		
ISO Rating 2003	6/8b	Fire Stations in District	2	
Average Response Time (min)	14.5	Fire Stations Serving District	2	
90th Percentile Response Time (min)	26.97	Sq. Miles per Station ²	11.5	
Response Time Base Year	2018	Total Staff including CAL Fire personnel ³	6	
<i>Training</i>		Total Daytime Firefighters (paid)		
LFPD sends volunteer firefighters to outside formal training classes in the area, including the CAL FIRE Training Center in Ione, with a minimum goal of becoming certified driver operators. Medical training is provided through locally-recognized providers.		Total Call Firefighters (paid & volunteer)		
		Total Sworn Staff per Station ⁴		
		Total Sworn Staff per 1,000		
		4		
<i>Service Challenges</i>		Staffing Base Year		
Challenges for the District include finding sufficient and stabilized financing, volunteer staffing, and board member turnover. Roads are sometimes narrow, unpaved and there is a lack of street numbering in the area.		2018		
		Fire Flow Water Reserves ⁵		
		287,000 gal		
<i>Facilities</i>				
Station	Location	Condition	Staff per Shift	Apparatus
Station 151	23141 Shakeridge Rd., Volcano, CA	Good	Staffed 2-3 days, daytime only	Type 1 Engine, Type 3 Engine, Water tender (4,000 gal.)
Station 152	19315 Shakeridge Rd., Volcano, CA	Excellent	Staffed 2-3 days, daytime only	Type 3 Engine, Water tender (4,000 gal.), command vehicle
<i>Infrastructure Needs and Deficiencies</i>				
The District's capital improvement plans includes 1) a large generator for district wide emergency use during power outages, 2) additional water sources, and 3) replacement of aging equipment dependent upon grant funding.				
<i>Facility Sharing</i>				
<p>Current Practices: District facilities are available for approved community functions, elections, County Board election meetings and emergency resources. The District personnel participate in regional training hosted by CAL FIRE and AFPD, fire marshal classes, classes at CAL FIRE Academy and EMT certification offered by Mountain Valley EMSA.</p> <p>The District plans to open stations as emergency shelters as needed.</p>				
<i>Mutual & Automatic Aid Agreements</i>				
There is a mutual aid agreement between AFPD, CAL Fire, the City of Ione, the City of Jackson, JVFPPD, LFPD and SCFPD. There is also an automatic aid agreement with AFPD.				
Notes:				
(1) CAL FIRE has an MOU with Calaveras County and a secondary MOU with San Joaquin County for Hazmat services.				
(2) Primary service area (square miles) per station.				
(3) Total staff includes sworn and non-sworn personnel.				
(4) Based on ratio of sworn fulltime and call staff to the number of stations. Actual staffing levels of each station vary.				
(5) Reserves include public and private water sources.				

AGENDA ITEM #11

TO: ALL COMMISSIONERS, ALTERNATES
FROM: NANCY MEES, CLERK TO THE COMMISSION
SUBJECT: PUBLIC REVIEW DRAFT MUNICIPAL SERVICE REVIEW (MSR), 2019 UPDATE,
SUNSET HEIGHTS COMMUNITY SERVICES DISTRICT (LAFCO PROJECT #313)
DATE: MEETING OF MAY 16, 2019

BACKGROUND:

The Public Review Draft Municipal Service Review (MSR) for Sunset Heights Community Services 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 1981 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 2006. The District currently provides street maintenance, drainage, street lighting, weed abatement, and brush management services to Bowman Road, which intersects Ridge Road two miles west of Pine Grove, as well as several streets that branch off of Bowman.

The District currently encompasses approximately 131.5 acres, consisting of 55 parcels, 49 of which are assessed. The current boundary exists after one annexation in 2009. SHCSD has a coterminous sphere of influence, most recently affirmed in 2014.

DISCUSSION:

The attached draft MSR describes the district and its services. A volunteer District Board of five members performs management and administration of the District. Services consist primarily of ongoing drainage ditch, culvert, and berm maintenance, brush trimming and removal, and weed abatement, with road conditions being evaluated every spring and a determination made as to whether to repair, crack seal, and chip seal, or to repave. There is a current long-term capital plan out through FY 25-26, which includes the repaving of Marc Drive in FY 21-22, followed by a year of no major work, a slurry seal of all the roads in 2024, and another year of no major work, at the end of which maintenance versus repaving will be evaluated.

The District maintains a five-member board, meets at least three times per year, posts agendas, has regular financial reviews, and has the required insurance. Although the board and its president actively manage maintenance service and repairs through hired contractors, it does not have a General Manager as required by state law. This finding was made in the 2014 MSR, and has still not been resolved.

Although so far SHCSD has been able to maintain its plan of chip, slurry sealing, or repaving the roads, the Board is concerned about the impact of escalating oil costs as they affect paving costs. If paving costs increase faster than inflation (which is the District's current method of determining annual assessment increases), the District feels it may need to seek an additional increase in the assessment.

The current boundary map was affirmed at the time of the District's last SOI in 2014, and will be further verified prior to the commission's next action on the sphere of influence.

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 June 20, 2019.

Attachments:

Public Review Draft MSR 2019 Update for Sunset Heights Community Services District
District SOI Map

SUNSET HEIGHTS COMMUNITY SERVICES DISTRICT

Sunset Heights Community Services District (SHCSD) provides street maintenance, drainage, street lighting, weed abatement, and brush management services.

AGENCY OVERVIEW

Background

Sunset Heights Community Services District (SHCSD) was formed on July 16, 1981, as an independent special district.¹ SHCSD was originally formed to provide water distribution² and road services to the residents of the District. During the 2008 SOI update, the LAFCO resolution affirmed the previously authorized services that the District was allowed to provide, with the exception of water services, which had been transferred to Amador Water Agency (AWA) in 2006.³

The principal act that governs the District is the Community Services District Law.⁴ 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; hydroelectric power; as well as various other services. The CSD provides street maintenance, drainage, street lighting, weed abatement, and brush management 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).⁵

Boundary

The SHCSD bounds are located entirely within Amador County. The District is located two miles west of the community of Pine Grove, where Bowman Road intersects Ridge Road. The District bounds encompass parcels along the full length of Bowman Road, which extends south of Ridge Road for approximately 0.75 miles, in addition to several streets that branch off this main road. The boundary area originally encompassed approximately 123 acres or 0.2 square miles.⁶ In 2009, 8.52 acres were annexed into the CSD by the Miller and Schnell (Delaney) annexation,⁷ for a current area of approximately 131.52 acres.

¹ LAFCO resolution 80-151. Formation date is from Board of Equalization records.

² The CSD replaced Sunset Heights Mutual Water Co., Articles of Incorporation filed with Amador County on December 9, 1966.

³ LAFCO Resolution 2008-16.

⁴ Government Code §61000-61226.5.

⁵ Government Code §61106.

⁶ Morlan Civil Engineering, *Road Maintenance Assessment Diagram of the Sunset Heights CSD*, October 25, 1999.

⁷ LAFCO Resolution 2009-01.

Sphere of Influence

In 2008, LAFCO adopted the District's Sphere of Influence (SOI) to be coterminous to SHCSD's boundaries with the addition of two parcels that were outside the boundaries but included in the SOI as receiving service.⁸ Those two parcels were annexed in 2009 (LAFCO Project #252). This sphere was reaffirmed in 2014.⁹

Local Accountability and Governance

The principal act requires that community services districts have five-member governing boards, including a president and a vice-president.¹⁰ Accordingly, SHCSD is governed by a five-member governing body. If the election is not contested, directors are nominated by the board members and appointed by the County Board of Supervisors to four-year terms.

See Figure 1 for information on individual directors, term expirations and contact information.

Figure 1: Sunset Heights CSD Governing Body

Sunset Heights Community Services District																			
Governing Body																			
<i>Members</i>	<table border="1"> <thead> <tr> <th>Name</th> <th>Position</th> <th>Term Ends</th> </tr> </thead> <tbody> <tr> <td>Ron Kosage</td> <td>President</td> <td>11/30/2021</td> </tr> <tr> <td>Hub Gunari</td> <td>Vice President</td> <td>11/30/2019</td> </tr> <tr> <td>Steve Lawson</td> <td>Director</td> <td>11/30/2021</td> </tr> <tr> <td>Chuck Lowrie</td> <td>Director</td> <td>11/30/2019</td> </tr> <tr> <td>Vanessa McDermott</td> <td>Secretary/Treasurer</td> <td>11/30/2021</td> </tr> </tbody> </table>	Name	Position	Term Ends	Ron Kosage	President	11/30/2021	Hub Gunari	Vice President	11/30/2019	Steve Lawson	Director	11/30/2021	Chuck Lowrie	Director	11/30/2019	Vanessa McDermott	Secretary/Treasurer	11/30/2021
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Chuck Lowrie	Director	11/30/2019																	
Vanessa McDermott	Secretary/Treasurer	11/30/2021																	
<i>Manner of Selection</i>	Members appointed by County BOS through biennial elections in odd years, unless there is more than one interested party, in which case a general election is held.																		
<i>Length of Term</i>	Four years.																		
<i>Meeting</i>	Date: As needed, but at least 3/year. Location: Rotated among homes of directors.																		
<i>Agenda Distribution</i>	Posted on sign at intersection of Marc Dr/Lynn Ln; mailboxes at Bowman & Marc/Lynn intersection.																		
<i>Minutes Distribution</i>	By request.																		
Contact																			
<i>Contact</i>	Board President Ron Kosage																		
<i>Mailing Address</i>	17190 Sharon Court, Pine Grove, CA 95665																		
<i>Phone</i>	209-296-2528																		
<i>Email/website</i>	asylum@volcano.net																		

The principal act also requires that the board convene at least four times per year, or every three months.¹¹ The Sunset Heights CSD Board has been meeting on an as-needed basis, but at least three times per year. Agendas are posted on a road sign at the intersection of Marc Drive and Lynn Lane, and at the mailboxes on Bowman Road and at the Marc Drive/Lynn Lane intersection. Minutes are not posted, but are retained and available upon request. The District does not maintain a website.

⁸ LAFCO Resolution 2008-16.

⁹ LAFCO Resolution 2014-13.

¹⁰ Government Code §61040, §61043.

¹¹ Government Code §61044.

District constituent outreach efforts include community Board meetings and informal input on issues such as assessments and level of service desired. The District reported that it has had no Brown Act violations in recent history. The CSD has not been the subject of a Grand Jury report in the past ten years, either, based on a review of posted documents on the Amador County Grand Jury website.

An unsigned copy of Sunset Heights CSD bylaws written in 2008 was found in the files. According to Board President Ron Kosage, there were public comments on the bylaws, but the District's files show nothing as to the status of those unsigned bylaws, and they were not turned over to the new Board members when they took office. At present, the District is following a revised un-official version of the unsigned copy. Chuck Lowrie, who was President when the new bylaws were formulated has rejoined the Board as a Director, and he and the Board Secretary will research past minutes from that time to look for the status, comments, or a final version of those bylaws. They will then be put before the current Board for approval or approval with any needed amendments.

The District does not have any written policies regarding operation of the District or handling of fiscal issues¹² other than the job duties listed for Board Members in their "Responsibilities, Duties and Authority for Officers and Directors."

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.

Ethics training is required every two years by Government Code §53234. They are also required to complete sexual harassment training every two years (Government Code §53237). Neither of these trainings has been completed, although sexual harassment training is less important as there are not employees or staff.

The California Special District Association recommends board member training on the Brown Act and the Public Records Act. None of the Board members have taken such training. The District also does not have any written procedures for handling a Public Records Act request, or for handling resident complaints. Currently these requests are fulfilled by the Board President, who stated that there have been no requests nor any complaints to date other than some verbal remarks about road closures during a slurry seal project.

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, and participated actively in the preparation of the MSR.

Management

The principal act calls for community services districts to appoint a general manager to implement board policies.¹³ SHCSD did not have a general manager position as of the 2014 MSR, which recommended they appoint a volunteer General Manager. It should be noted

¹² Government Code §61045(f), (g).

¹³ Government Codes §61050. Per §61040(e), the general manager may not be a member of the board.

that the principal act does not preclude the general manager from being a volunteer position.¹⁴ The District still does not have a General Manager.

The District employs H&R Block for accounting services to perform monthly compilation reports regarding revenues and expenses. The Board contracts with private companies to perform necessary road maintenance. The work plan for the year is set forth in the annual budget. Maintenance and capital needs are determined by the Board at regular meetings.

District planning documents include the Sunset Heights Roadside Brush Management Plan (1985). This plan specifies a minimum of 10-foot-high and two-foot-setback of vegetation for all roads. It also calls for maintaining the appearance of vegetation along roads and privacy screening in front of lots.

District financial planning efforts include annually adopted budgets, monthly financial statements, and annual financial reviews. The District does not conduct full financial audits, but, in lieu, has a financial review performed every two years by an accredited CPA, and the review is approved by the Amador County Board of Supervisors. The most recent financial reviews provided by the District are for FYs 16-17 and 17-18.

Management practices include risk management. The District carries a \$2 million commercial general liability insurance policy, and Directors and Officers Liability coverage in the amount of \$1 million.

Service Demand and Growth

The existing land uses in the District are agricultural and residential. Residential uses include both suburban (five-acre lots on average) and low-density (one-acre lots on average).¹⁵ The nearest economic activity is located in Pine Grove along SR 104. There are no major employers in the boundary area, as the community's Covenants, Conditions and Restrictions (CC&Rs) prohibit business activity. The District reports that there is one home-based landscaping business operating out of a residence in the area, and the District is concerned about employee truck traffic on district roads.¹⁶ Reportedly, California Highway Patrol (CHP) had informed the District that a civil suit would be necessary to pursue the violation of CC&Rs. A civil suit is cost prohibitive, however, and the District has taken no action since 2008 because enforcing CC&Rs is not within the District's purview.

There are approximately 129 residents living on the 55 parcels in the District.¹⁷ The District's population density is 694 per square mile, although the District is less than one-fifth of a square mile. Comparatively, the countywide density is 64 residents per square mile.

The District did not report an increase in growth or service demand within the District, with the exception of the truck traffic from the landscaping business. The District is expected to experience little to minimal growth in the near future, as there are no planned developments in the area. As of the 2014 MSR, one resident wanted to add four homes to his 37 acres in the southeast portion of the District. The landowner previously installed water

¹⁴ Government Codes §61050(e).

¹⁵ Amador County, *General Plan Update, Existing (2007) Land Use Classifications Map*, 2007.

¹⁶ Interview with Chuck Lowrie, Board Member, Sunset Heights CSD, January 29, 2008.

¹⁷ Population estimate calculated with the number of the reported parcels and the U.S. Census 2009-2011 American Community Survey average household size for Amador County.

infrastructure in anticipation of serving the four proposed parcels; however, there have been difficulties for the landowner obtaining the proper septic system approvals. Additionally, the real estate market downturn has discouraged the development. Therefore, this project is not anticipated to occur .

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

Disadvantaged Unincorporated Communities

LAFCO is required to evaluate disadvantaged unincorporated communities 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.¹⁸ 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.¹⁹ These services are not provided by SHCSD. Therefore, there is no need to identify DUCs.

Financing

The District has adequate financial ability to deliver services, having increased its road assessment in 2004 and indexed future increases to inflation. The District is concerned about the impact of escalating oil prices on paving costs and the financial ramifications of being a community services district (CSD). If paving costs increase faster than inflation, the District may need to increase assessments in the future to maintain service levels. Additionally, the District reported that if costs associated with being a public agency continue to escalate, the District may have to consider returning service responsibilities to a homeowners association (HOA) . Among the additional costs borne by public agencies are financial audits and certain regulatory reporting, such as the State Financial Transaction Report.

The District tracks finances through a single fund held in an account at El Dorado Savings Bank. Road improvements are paid from the District's Reserve Fund, which is an earmarked portion of the single fund account. The most recent financial reviews provided by the District are for FYs 17 and 18.

The annual financial report FY 2017-18 showed total revenues of \$24,077 and ordinary expenses totaling \$13,175, of which \$2,102 went toward routine repairs and maintenance. Capital improvements amounted to \$88,040. As of June 30, 2018, this left the District with cash assets of \$34,491 and capital assets of \$1,199,040, for a net total of \$1,233,531 in assets. The capital assets consist of land, culverts, road improvements, and roads. The primary source of revenue is assessments for road maintenance. Minor revenue sources include interest income and penalties and costs on delinquent assessments. The District does not receive a share of the one percent property tax.

¹⁸ Amador LAFCO Policies, Guidelines and Procedures, §7.1-7.2, adopted February 16, 2017.

¹⁹ Amador LAFCO Policies, Guidelines and Procedures, §7.4, adopted February 16, 2017.

The District's Road Maintenance History document shows that the majority of the recent capital improvement work was done in calendar year 2017, and consisted of sealing the cracks, repairing several places on Bowman and a slurry seal. This work was done by California Maintenance (CPM) at a cost of \$21,695.37. Prior to the slurry seal, several areas on Bowman required some repair and were patched by CPM, costing an additional \$8,077.12. There was also some culvert/pipe/drainage work done in 2017 by Consolidated Engineering (CE) at a cost of \$46,585. Therefore, the total amount spent on capital improvements in 2017 was \$75,357.49. In calendar year 2018, work was done on culverts and berms, and drainage ditches were concreted or asphalted by CE at a cost of \$26,850.²⁰

In FY 2019-20, the District is projecting increasing its annual assessment rate by 4.5 percent (an adjusted rate of inflation) to \$523.27 per developed parcel. . The assessment is adjusted for inflation, as measured by the San Francisco/Oakland Bay Area Consumer Price Index (CPI). The assessment is collected on 49 of the 55 parcels in the District's bounds.

Budgeted ordinary expenditures for FY 2018-19 total \$13,530.20, consisting of insurance (\$2,255.20), professional fees (\$5,000), office supplies (\$300), utilities (\$275), weed abatement (\$900), sweeping (\$2,000), and tree trimming (\$2,500). (Part of the professional fees budget each year is \$1,000 toward any possible legal fees. If legal counsel is needed, the District uses Gold Country Regional, which coordinates hiring an attorney for them.) In addition, SHCSD budgeted for a number of specific repair/maintenance projects totaling \$30,190. Projected revenues from assessments is \$24,631.32.

For FY 2019-20, the District is projecting \$10,125 in ordinary expenses (same categories as FY 18-19). At their March 17, 2019, Board meeting, the Board accepted a bid of \$25,935 to complete a valley gutter project along Lynn Way this summer. After this project, projected ordinary expenses of \$10,125, and expected assessment revenue of \$25,640, the projected cash balance on hand in El Dorado Savings Bank as of June 30, 2020, should be \$36,984, which includes a \$20,000 reserve fund.

The District has no long-term debt outstanding at the end of FY 18.

The District has adopted a policy of maintaining \$20,000 in financial reserves. The District's unrestricted fund balance \$33,824 at the end of FY 18. As of the end of FY 18-19, the unrestricted fund balance is projected to be \$23,545.09.

²⁰ Email from Ron Kosage, 4/26/19, and Sunset Heights CSD Road Maintenance History.

ROADWAY SERVICES

Nature and Extent

The District maintains seven roads within its boundaries. SHCSD hires contractors for road maintenance, including brush management

Location

The District provides services within its boundaries, although it does not maintain Sunrise Court, which is located within its bounds. Sunrise Court is maintained privately by the homeowners along the road.

The District assessed two parcels outside of its boundaries, east of Marc Drive for road maintenance services. These two parcels are located along Gy Tam Lane, which can only be accessed via Marc Drive. In 2008, the resolution adopting an SOI for the District acknowledged the out-of-bounds service provision and stated that the District had the intention of coming to LAFCO and legally annexing the parcels in question.²¹ The annexation was completed in 2009, LAFCO Project #252.

Infrastructure

The District maintains a total of 1.4 miles of roadway. Primary efforts are focused on the main roads, which serve a majority of the parcels, including Bowman Road, Marc Drive, and Lynn Way. The remaining roads(Steven Lane, Sharon Court, Sunset Road East and West)each serve six or fewer parcels. All roads, with the exception of Sharon Court and Sunset Road East, are paved with two-inch thick asphalt concrete. Sharon Court roadway consists of chip seal, and Sunset Road East is a dirt road. Sharon Court and the lower portion of Bowman Road are not part of the Sunset Heights roadway infrastructure; however, property owners gave SHCSD permission to maintain them.

Routine maintenance activities on SHCSD roadways include slurry sealing, patching and crack sealing. The District hires contractors for road maintenance, weed abatement, and brush management. Residents are responsible for snow removal, and culvert and drainage ditch maintenance on their parcels.

SHCSD leases one streetlight, which was installed over 25 years ago. The District pays PG&E \$14 per month for electricity and maintenance of the light.

The District does not presently own any equipment or infrastructure. The District reported no road-related infrastructure needs. The District previously developed a capital improvement plan for the period 2010 to 2026 with total expenditures of \$194,769. The plan did not outline an annual schedule for these expenditures, and was used to establish the approved road assessment. Actual road rehabilitation is done on an as-needed basis according to the condition of the roads and funds available. The condition of the CSD's road system is evaluated in the spring of every year. The need to repair, crack seal, chip seal, or repave is evaluated, and the form of repair recommended by the road maintenance contractors is

²¹ LAFCO resolution 2008-16.

selected by the Board and a request for proposals issued. Upon receipt of the bids, the qualifying bidder is selected and the work authorized.

Several years ago, the entire length of Bowman Road was repaired and chip sealed, the turnaround at Lynn Way and Marc Drive was leveled, and road base was installed and paved with two inches of asphalt concrete. A replacement of the culvert at the intersection of Bowman Road/Lynn Way/Marc Drive was done in 2017, as well as two culverts on Bowman Road and one on Lynn Way. Concreting of the ditch from Shadow Court to the culvert was done in 2018, and the culvert on Marc Drive was also replaced in 2018.

Sunset Road East was previously paved at some point in time and has reportedly not been maintained. The paved portion of the road comprises only a small fraction of a dirt fire road. At present, accessibility to the dirt fire road is constrained due to deep ruts and vegetation. There are not currently any plans to make improvements to this road. Improvements to the road will depend on future residential development of the area.

Repaving is a major expense that, based on the District's current funds available each year, the District believes would take ten years to complete. The current goal is to address yearly repairs needed due to damage from runoff and erosion. To help prevent this damage, the District has installed the new culverts, outlet pipes, and cemented or asphalted the drainage ditches and berms.

The long-term capital improvement plan includes: (1) repave Marc Drive South in FY 21-22 at a projected cost of \$39,440; (2) do no improvement work in fiscal years 2022-23 to allow the reserve fund to rebuild; (3) slurry seal the District's roads in the summer of 2024 at a projected cost of \$39,274; and (4) again do no improvement work in fiscal years 2025-26 to rebuild the reserve fund. Maintenance versus repaving will be evaluated at that time.

Service Adequacy

The District reports that it maintains an adequate reserve to fund needed street improvements and that preventative maintenance is provided on a regular basis.

The District identified traffic enforcement as a challenge to providing services to the area. CHP does not regulate speed in the area because it is outside of the agency's purview.

The District is also concerned about the escalating cost of oil needed for paving, as well as the increasing costs required to remain a Community Services District.

Figure 2: Sunset Heights CSD Road Service Summary

Street Service Profile			
Street Lighting Service Configuration			
Street Lighting	PG&E	Number of Street Lights	1
# Maintenance by Contract	1	Maintained by County	0
Street Maintenance Service Configuration			
Street Maintenance	Direct	Drainage Maintenance	Direct
Service Demand			
Street Sweeping Frequency	As needed		
Circulation Description			
Bowman Road extends south of main thoroughfare, SR 104. Marc Drive extends from Bowman Road and forms a loop with Lynn Way back to Bowman Road. The remaining roads extend from Bowman Road and Marc Drive into cul-de-sacs.			
System Overview			
Street Centerline Miles	1.4	Signalized Intersections	0
Privately Maintained Roads	1.4	Bridges	0
Publicly Maintained Roads	0	Other	N/A
Infrastructure Needs/Deficiencies			
Repaving Marc Drive South; slurry sealing all roads.			
Service Adequacy			
Street Miles Rehabilitated FY 18	approx. 2.7	Costs per Street Mile	9,944
FY 2018, concreted drainage ditch on Marc Dr., seal coated Sunset West, asphalted/concreted drainage ditch along Bowman Rd., installed two new culverts and one buried outlet pipe.			
Service Challenges			
The District identified traffic enforcement as a challenge to providing services to the area. CHP does not regulate speed in the area because it is outside of the agency's purview.			
Facility Sharing			
There are no existing facility sharing practices and District sees no future sharing opportunities.			

DRAINAGE SERVICES

Nature and Extent

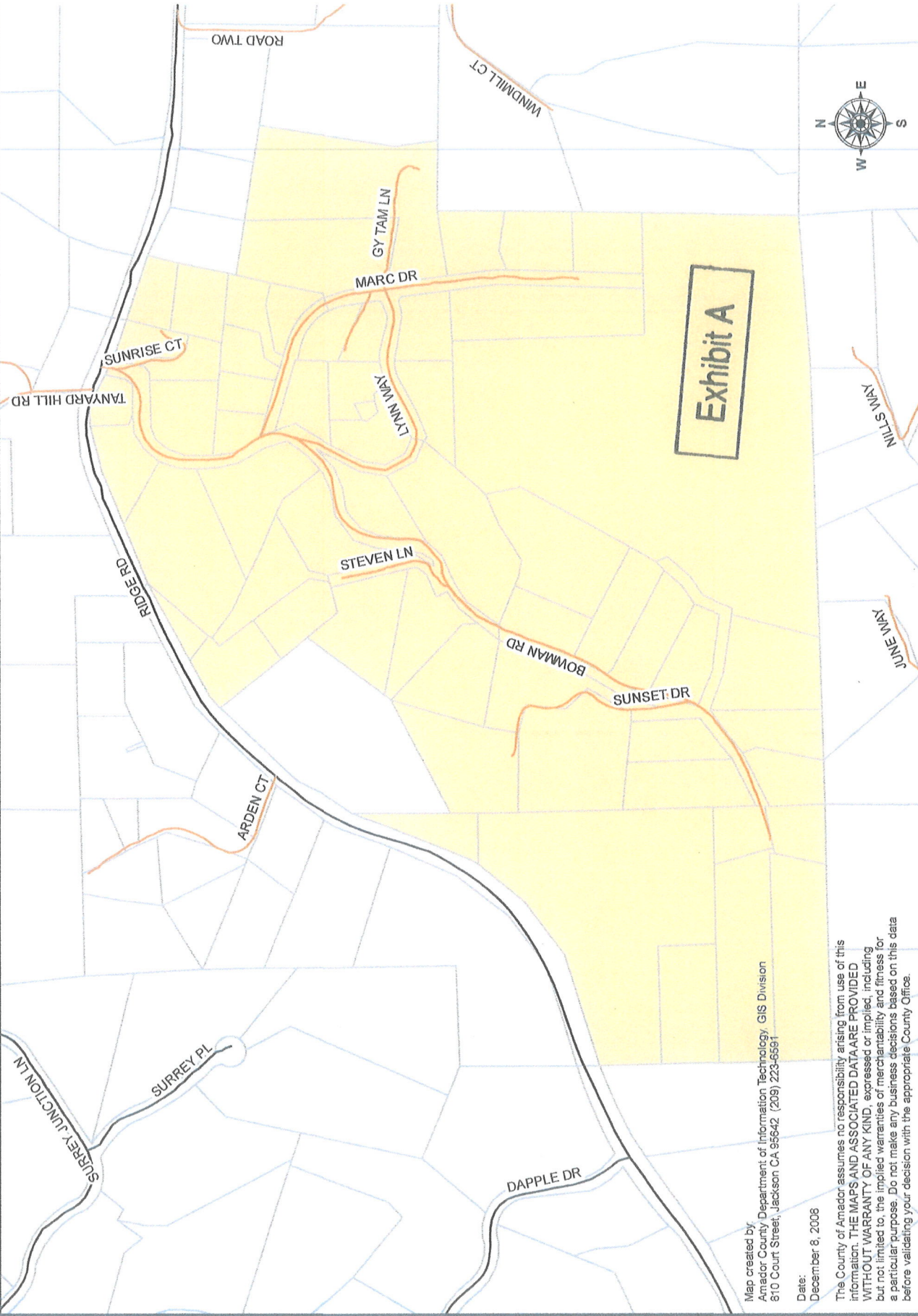
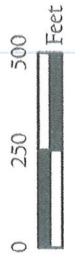
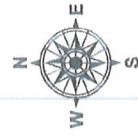
The District maintains culverts and drainage channels along its seven roads. Maintenance is performed directly by the Board of Directors as needed to clear leaves. All property owners are encouraged to clean ditches along their own properties.

Location

The District provides drainage maintenance services within the district bounds. Services are not provided outside of its boundaries.

Infrastructure

The District maintains the ditches and five culverts along Bowman Road, Marc Drive, Lynn Way, Stevens Lane, and Sharon Court. The District reported that further concreting of ditches will be done as funds allow. This prevents the culverts from plugging, thus requiring cleaning.



Map created by
Amador County Department of Information Technology, GIS Division
810 Court Street, Jackson CA 95842 (209) 223-6591

Date:
December 8, 2008

The County of Amador assumes no responsibility arising from use of this information. THE MAPS AND ASSOCIATED DATA ARE PROVIDED WITHOUT WARRANTY OF ANY KIND, expressed or implied, including but not limited to, the implied warranties of merchantability and fitness for a particular purpose. Do not make any business decisions based on this data before validating your decision with the appropriate County Office.

- Parcel Boundary
- County Road
- Private Road
- Tax Rate Area

Sphere of Influence for the Sunset Heights Community Services District

Exhibit A

AB 1234 Ethics Training for Public Employees

AB 1825 Prevention of Harassment and Abusive Conduct Training

Trainers: David G. Ritchie, Partner
Ronald J. Scholar, Partner



Wednesday May 15, 2019
5:00–9:00pm

Amador County Administration Center
Conference Room "C"
810 Court Street, Jackson, CA

Presented by Jackson Valley Fire Protection District
Co-Sponsored by Amador County LAFCO

SCHEDULE

5:00p– 5:55pm
**Prevention of
Workplace Harassment
(all)**

6:00-6:55pm
**Supervisors and
Managers Harassment
Prevention**

7:00-9:00pm
**Public Agency Ethics
Training**

Please RSVP the
number of attendees
from your agency by
May 10, 2019 to:

Jackson Valley Fire
Protection District, Attn
Chris Cantwell

(209) 763-5848

or
4xccantwell@volcano.net

AGENDA ITEM # 13C

TO: ALL COMMISSIONERS, ALTERNATES
FROM: ROSEANNE CHAMBERLAIN, EXECUTIVE OFFICER
SUBJECT: EXECUTIVE OFFICER'S REPORT
DATE: MEETING OF MAY 16, 2019

This report is provided in writing because the agenda includes several municipal service review reports and is a relatively long agenda for this meeting.

Municipal Service Review Status

The municipal service review work is progressing as fast as possible. While it is not certain that we will complete the entire update series by the end of this fiscal year, we expect to complete the district updates and initiate work on the cities chapters by that time. Applications submitted for annexations, especially those requiring sphere updates, continue to take precedence over the on-going MSR effort.

Sphere Adoption

Our short-term priority objective with the MSRs is to be able to adopt a sphere of influence for both Amador Water Agency (AWA) and for Amador Fire Protection District (AFPD). No sphere has ever been adopted for either agency. These are both "county-wide" districts, however the sphere of each will be a smaller area, reduced because other providers deliver service in parts of Amador County. AFPD and AWA spheres should identify and exclude all the areas served by or planned for service by those alternative providers. For example, AWA's sphere should not include the Drytown County Water District or the Pine Grove CSD sphere area. We are first updating and adopting the sphere for each of the alternative service providers. That will define the exclusion areas, and the remainder of the county will then form the sphere for AWA and AFPD.

Other Highlights

Staff, including the executive officer, commission clerk and legal counsel attended the CALAFCO staff workshop, held in San Jose. Important networking and learning opportunities included the following:

- Standardized format and template for expediting municipal services reviews