

**EXHIBIT “A”**

**2013**

**MUNICIPAL**

**SERVICE REVIEW**

**FOR THE**

**GROVELAND COMMUNITY**

**SERVICES**

**DISTRICT**

(June 2013)  
Tuolumne County LAFCO

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**2013**  
**MUNICIPAL SERVICE REVIEW FOR THE**  
**GROVELAND COMMUNITY SERVICES DISTRICT**

**1.0 INTRODUCTION**

**1.1 LAFCO's Responsibilities, Spheres of Influence and Municipal Service Reviews**

This Municipal Service Review (MSR) has been prepared for the Tuolumne County Local Agency Formation Commission (Tuolumne County LAFCO). Local Agency Formation Commissions are quasi-legislative local agencies created in 1963 to assist the State in encouraging the orderly development and formation of local agencies. A Local Agency Formation Commission is established in each county in the State.

This MSR consists of a review of the water, sewer, fire, emergency, community facilities and park and recreation services provided by the Groveland Community Services District (GCSD). In January 2006, LAFCO acknowledged the latent powers of the GCSD as follows:

1. Supply water for any beneficial uses, in the same manner as a municipal water district, formed pursuant to the Municipal Water District Law of 1911, Division 20 (commencing with Section 7100) of the Water Code. [Gov. Code § 61100(a)]
2. Collect, treat, or dispose of sewage, wastewater, recycled water and storm water in the same manner as a sanitary district, formed pursuant to the Sanitary District Act of 1923, Division 6 (commencing with Section 6400) of the Health and Safety Code. [Gov. Code §61100(b)]
3. Provide fire protection services, rescue services, hazardous material emergency response services, and ambulance services in the same manner as a fire protection district, formed pursuant to the Fire Protection District Law, Part 2.7 (commencing with Section 13800) of Division 12 of the Health and Safety Code. [Gov. Code §61100(c)]
4. Provide emergency medical services pursuant to the Emergency Medical Services System and the Prehospital Emergency Medical Care Personnel Act, Division 2.5 (commencing with Section 1797) of the Health and Safety Code, except ambulance service. [Gov. Code §61100(n)]
5. Acquire, construct, improve, maintain, and operate recreation facilities, including, but no limited to, parks and open space, in the same manner as a recreation and park district formed pursuant to the Recreation and Park District Law, Chapter 4 (commencing with Section 57800) of Division 5 of the Public Resources Code. [Gov Code §61100(e)]
6. Organize, promote, conduct and advertise programs of community recreation, in the same manner as a recreation and park district formed pursuant to the Recreation and Park District Law, Chapter 4 (commencing with Section 57800 of Division 5 of Public Resources Code. [Gov. Code §61100(f)]
7. Acquire, construct, improve, maintain, and operate community facilities, including but not limited to, community centers, libraries, theaters, museums, cultural facilities and child care facilities. [Gov. Code §61100s)]

The MSR will be considered by the LAFCO in a subsequent review of the Sphere of Influence of the GCSD.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code §56000 et seq.) is the statutory authority for the preparation of an MSR, and periodic updates of the Sphere of Influence of each local agency.

A Sphere of Influence is a plan for the probable physical boundaries and service area of a local agency, as determined by the affected Local Agency Formation Commission (Government Code §56076). Government Code §56425(f) requires that each Sphere of Influence be updated not less than every five years, and §56430 provides that a Municipal Service Review shall be conducted in advance of the Sphere of Influence update.

The statute 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, as part of the MSR, to prepare a written statement of findings of its determinations with respect to each of the following:

1. Infrastructure needs or deficiencies;
2. Growth and population projections for the affected area;
3. Financing constraints and opportunities;
4. Cost avoidance opportunities;
5. Opportunities for rate restructuring;
6. Opportunities for shared facilities;
7. Government structure options, including advantages and disadvantages of consolidation or reorganization of service providers;
8. Evaluation of management efficiencies;
9. Local accountability and governance;
10. The location and characteristics of any disadvantaged unincorporated community within or contiguous to the sphere of influence; and
11. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies related to sewers, municipal water and fire protection in any disadvantaged unincorporated communities within or contiguous to the sphere of influence.

The Municipal Service Review precedes LAFCO action on a Sphere of Influence. Given the close relationship between an MSR and Sphere of Influence creation, amendment or update, the Sphere of Influence is discussed in more detail below.

## **1.2 Sphere of Influence**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires the LAFCO to update the Spheres of Influence for all applicable jurisdictions in the County every five years.

Local governmental agencies, special districts and municipalities must have an adopted Sphere of Influence (SOI) boundary and territory that define the probable future boundary and service area of the agency. Inclusion of a particular area within an agency's SOI does not necessarily mean that the area will eventually be annexed. The Sphere of Influence is only one of several factors LAFCO must consider in reviewing individual proposals, such as an application for an annexation to a district. (California Government Code Section 56668).

In determining the Sphere of Influence for each local agency, LAFCO must consider and prepare a written statement of determinations with respect to each of the following:

1. The present and planned land uses in the area, including agricultural and open space lands;
2. The present and probable need for public facilities and services in the area;
3. The present capacity of public facilities and adequacy of public services which the agency provides, or is authorized to provide; and
4. The existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency.

### **1.3 LAFCO Policies and Procedures Related to Municipal Services**

The Tuolumne County LAFCO adopted policies related to Municipal (urban) Services on November 26, 2001.

### **1.4 Description of Public Participation Process**

Tuolumne County LAFCO is a quasi 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. Tuolumne County LAFCO complies with the requirements of the Brown Act.

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 Tuolumne County LAFCO. The contents of this review are based primarily upon the information provided in the "Request For information for Municipal Service Reviews" completed for the Groveland Community Services District (GCSD) by Gary Mello, General Manager and District Engineer, and staff of the GCSD.

### **1.5 California Environmental Quality Act (CEQA)**

The Municipal Service Review is a planning study that is statutorily exempt from environmental review pursuant to Section 15262 of the *State CEQA Guidelines*. The Municipal Service Review will be considered by LAFCO in connection with subsequent proceedings regarding the GCSD Sphere of Influence. The Sphere of Influence review or update that would follow is a project and as such, will be subject to CEQA consideration.

## **2.0 SERVICE AREA SETTING**

### **2.1 Location**

The Groveland Community Services District (GCSD) boundary is approximated on the north by the Tuolumne River, on the south two miles north of the Mariposa County line, on the east by the Stanislaus National Forest, and on the west by the Moccasin area. The GCSD service area encompasses the community of Groveland, including the Pine Mountain Lake Subdivision, and Big Oak Flat. The Communities of Groveland and Big Oak Flat are located approximately 25 miles southeast of Sonora on State Highway 120. Property owners within the District boundaries receiving general services such as water, sewer, park/recreation, community fire protection and emergency services, are considered customers of the District. The Fire Department of the GCSD routinely provides fire protection/suppression and rescue response outside the District boundaries under an Automatic and Mutual Aid Agreement Local Operating Plan between the Tuolumne County Fire Department, Mariposa County Fire Department and the Groveland Community Services District. Mutual Fire Aid is provided to all other fire protection agencies in the County, the California Department of Forestry and Fire Protection (CalFire), and the U.S. Forest Service.

### **2.2 General Background**

The Groveland Community Services District (GCSD) was formed on August 19, 1953 by the State Board of Equalization to bring much needed utility services to the Groveland and Big Oak Flat area. This District is in the unincorporated area of Tuolumne County.

The Sphere of Influence for the GCSD was established at the same time as the Community Services District. There have not been any reorganizations of the GCSD or its Sphere of Influence since its establishment. The existing Sphere of Influence boundary for the GCSD is farther reaching than the existing District boundary. In its contract for water with the City and County of San Francisco Public Utilities Commission (SFPUC), the GCSD's Sphere of Influence was referred to as its "contract area." The contract area is the maximum aerial extent that the SFPUC will potentially supply water to GCSD to serve.

The areas of Groveland and Big Oak Flat encompassed by the GCSD contain 3,316 customers who receive water service, 1,831 customers who receive sewer service (324 of which are sewer standby only) and approximately 4,465 who receive Fire Protection/Emergency Services and Parks/Recreation Services, the majority of which are single-family residences. These customers are tracked by the number of parcels on the County Tax Roll.

Future development will be based on land uses designated by the Tuolumne County General Plan and the ability of the GCSD to serve the area with water, sewer, community facilities, fire protection and park and recreation services to meet the development requirements of the County of Tuolumne.

The District has the Parks and Recreation (R/P), Public (P), Open Space (O), Low Density Residential (LDR), Medium Density Residential (MDR), High Density Residential (HDR), Estate Residential (ER), Homestead Residential (HR), Rural Residential (RR), Large Lot Residential (LR), Agricultural (AG), General Commercial (GC), Mixed-Use (MU), Business Park (BP), Light Industrial (LI) and Heavy Commercial (HC) General Plan Land Use designations as provided in the Tuolumne County General Plan. The District contains a combination of residential, commercial, industrial and recreational land uses.

## **2.3 Review of Current Management Structure**

The GCSD is governed by a five member Board of Directors and staffed by 23 full-time employees, and one contract employee. There are also 21 reserve fire fighters; however, they now report directly to CalFire and are paid by CalFire. At the top of the Groveland Community Services District Organizational Chart are the five members of the elected Board of Directors: President Steve Perreira, Vice-President Herman Schaap, and Directors John Armstrong, Joe Riley and Virgil McVicker. The Board of Directors oversees the General Manager of the GCSD, who is a contract employee, responsible for administration of the day to day operations of the GCSD. The Board of Directors also oversees the District Secretary, Jennifer Flores and District Counsel, David McMurchie.

The General Manager oversees four departments: the Administrative-Finance Department, Fire Department, Operations and Maintenance Department and Engineering Department. Two individuals report directly to the General Manager, including the Administration/Finance Manager, and the Operations & Maintenance Manager.

## **3.0 EXISTING MUNICIPAL SERVICES AND PROVIDERS**

The GCSD provides structural fire protection and emergency services, water service, sewer service, park/recreation services and community facilities management to the areas of Big Oak Flat, Groveland and Pine Mountain Lake. Other service providers/districts encompassing these areas include the County of Tuolumne, the Tuolumne County Resource Conservation District, the Groveland Lighting District and County wide ambulance district (CSA 21).

The GCSD has a significant degree of interdependence with the surrounding area due to the services provided and the mutual aid provided to other fire protection agencies in the County, the California Department of Forestry and Fire Protection and the US Forest Service. Often times, the fire department responds outside its boundaries in accordance with the Mutual Aid Agreements. The GCSD also has a Memorandum of Understanding (MOU) with the Tuolumne County Recreation Department for the County youth program at the Groveland Youth Center, which is now located within the Mary Laveroni Community Park.

The GCSD operates a wastewater collection, treatment, and storage system and a potable water treatment, storage, and distribution system. These facilities are managed by the Operations & Maintenance Department Manager. Most employees in this department are certified by the State of California in the areas of water treatment, wastewater treatment, sewage collection, and/or water distribution.

### **3.1 Potable Water Service**

The GCSD operates two surface water treatment plants, receiving 84% of its raw water from the Mountain Tunnel of the Hetch Hetchy Aqueduct. The GCSD provides potable water service to 3,225 service connections. The Agreement with the San Francisco Public Utility Commission (SFPUC) allows for the District to serve up to 16,299 customers or 3,651 acre-feet of water per year by the year 2020; and 22,072 customers (4,944 acre-feet per year) by the year 2050. The GCSD currently has 3,225 customers who are receiving water service.

### **3.2 Water Source**

The GCSD has three primary sources of water: 1) Surface water from the San Francisco Public Utilities Commission (SFPUC) Hetch Hetchy Mountain Tunnel at two locations (Second Garrote Shaft and Big Creek Shaft); 2) Surface water that flows into Pine Mountain Lake (water rights



owned by the Turlock Irrigation District); and 3) Recycled water. The surface water from the Hetch Hetchy Mountain Tunnel accounts for 84% of the total water supply in the District.

The surface water supplied to the GCSD from the Hetch Hetchy Mountain Tunnel is provided through a 1967 Agreement with the SFPUC, which was extended in 1984 and will not expire until March of 2034. Under the terms of the Agreement, the GCSD is a retail customer of the City and County of San Francisco. The source of supply for the Hetch Hetchy Reservoir is the Tuolumne River. Big Creek Shaft and Second Garrote tap the underlying Hetch Hetchy Mountain Tunnel as the source of water for the GCSD area. This water is considered “pristine” since it originates from high in the Sierra Nevada Mountain Range and is protected in tunnels until it gets to the GCSD. The US Environmental Protection Agency and the Department of Public Health have approved the use of this water without filtering; however, both facilities treat the water from the Hetch Hetchy Mountain Tunnel. The GCSD treats the water with ultraviolet (UV) light disinfection and chloramines, prior to distribution to its customers. The water is then transmitted to the water distribution systems. The Big Creek Water Treatment Facility primarily serves Pine Mountain Lake, while the Second Garrote Water Treatment Facility serves Groveland and Big Oak Flat, with the two distribution systems capable of interconnecting between Water Storage Tanks 1 and 3.

From the treatment plants, the treated water travels to the GCSD’s distribution system through the underground piping mainly contained in road rights-of-way. The distribution system serves about 3,225 customers and contains 11 pressure zones, 17 pressure reducing facilities, 9 pressure relief valves, 3 intra-zone booster pumping stations, 5 water storage tanks and 70 miles of water transmission lines. The population served varies between about 3,500 in the winter months to about 9,000 on busy holiday weekends in the summer.

### **3.3 Water Storage**

The SFPUC system provides 265 million gallons of water per day of which the GCSD has a share of 0.4 million gallons per day. The GCSD operates two water treatment facilities, Big Creek Shaft and Second Garrote. The two facilities have a combined water storage capacity of 4 million gallons. In the distribution system, GCSD operates 5 storage tanks with a combined capacity of 2,650,000 gallons. The District reservoirs hold approximately 6.7 million gallons of water storage which is much more than current daily customer demands. The District plans to add another 500,000 gallon storage reservoir in the Big Oak Flat area in the near future to plan for possible drought/dry years. The GCSD has completed a *Water Supply Critical Dry Period Analysis* that shows even in dry and critical dry years, the GCSD has sufficient water storage to meet its customers’ daily demands through year 2034.

### **3.4 Water for Fire Flows**

The GCSD provides a minimum fire flow from hydrants of 500 gallons per minute. The District currently has 535 fire hydrants. Throughout most of the District, fire hydrants are spaced 300 feet apart. The Fire Department has the pumping capacity of over 3,000 gallons per minute from fire apparatus, which meets the Insurance Service Office (ISO) requirements.

### **3.5 Wastewater Facilities**

The GCSD provides sewer collection, treatment and storage services to approximately 1,500 full-time and seasonal customers. The District operates one sewage treatment plant with a nominal capacity of 250,000 gallons a day. The plant is owned and operated by GCSD. The treatment plant consists of primary and secondary treatment. On-site facilities consist of a mechanical shop, laboratory and offices.

GCSD's sewer system consists of 16 lift stations, 7 miles of force main, 35 miles of gravity lines, and a wastewater treatment plant, which serve the District's 1,500 customers. All of the lift stations are located in Pine Mountain Lake, except lift station 16, which serves Big Oak Flat.

### **3.6 Wastewater Effluent Disposal**

There are two reclaimed water storage reservoirs. Reservoir 1 has a storage volume of approximately 14 acre-feet. Reservoir 2 has a volume of about 170 acre-feet. Pine Mountain Lake Golf Course operates a small reservoir that blends a portion of the District's effluent with lake water for irrigation of the 110 acre golf course and landscaping. The golf course uses 135 acre-feet annually on average. The remainder of the District's reclaimed water is disposed of on the 14 acres of spray fields on District property.

### **3.7 Wastewater Regulatory Environment**

The GCSD operates under a permit issued by the California Regional Water Quality Control Board, Central Valley Region (CRWQCB). The permit regulates waste discharge requirements for the wastewater collection, treatment and reclamation system as well as the National Pollutant Discharge Elimination System (NPDES) permit. The California Regional Water Quality Control Board (RWQCB) adopted Cleanup and Abatement Order No. 5-01-713, in 2005, for the District's wastewater collection system. The requirements of this order include the regulation of effluent temperature, pH, and maximum dry weather discharge flows.

The District was served with a Notice of Proposed Enforcement Action by the California Water Quality Control Board (CWQCB) alleging various violations of water quality and reporting laws as a result of two sewer spills occurring in 2010 and 2011. Although the CWQCB proposed a penalty in the amount of \$1,109,000, a settlement is anticipated to result in a significant reduction of the proposed penalty.

### **3.8 Fire Protection and Emergency Services**

The GCSD is authorized to provide fire prevention services, fire suppression, paramedic or emergency medical response and search and rescue. The GCSD provides Mutual Aid to the Tuolumne County Fire Department, the California Department of Forestry and Fire Protection (CalFire) and the U.S. Forest Service. The Groveland Fire Department is a division of the GCSD, but is currently being managed by CalFire through a contract with the Tuolumne County Fire Department. The Groveland Fire Station is staffed on a full-time basis. The Fire Department is currently staffed with 5 full-time firefighters and 21 reserve fire fighters (7 of who also respond as volunteers). The fire department employees report directly to CalFire. The downtown Groveland Fire Station houses three Type 1 fire engines, one Type 3 fire engine, one rescue vehicle and one utility vehicle. The utility vehicle is also stocked with medical aid equipment. The Big Oak Flat Fire Station houses one fire engine. The Airport Fire Station houses one small fire engine.

In an effort to save on expenses, in December 2012, the Board of Supervisors approved an amendment to an existing agreement with CalFire for CalFire to manage the three fire stations in the GCSD District. Fire department employees report directly to CalFire and are paid by CalFire.

### **3.9 Parks and Recreational Services**

The GCSD owns and operates two parks: Mary Laveroni Community Park and Leon Rose Ball Field. There is an amphitheatre in the Mary Laveroni Community Park that consists of a grassy area, two stages (a small stage and a larger stage) and three sets of bleachers. In 2008, the County's Youth Center relocated to Mary Laveroni Community Park. The District also added a

skate park, basketball court and a “tot lot” to the Mary Laveroni Community Park. In 2012, the parking lot and lighting were upgraded at Mary Laveroni Community Park as a joint project with Tuolumne County. Funding was provided by the Groveland Lighting District. The GCSD hopes to do more improvements to Mary Laveroni Community Park as more Lighting District Funds become available.

The Leon Rose Ball Field is used for baseball and softball games, including practice and league play by the Tioga High School Boys Baseball Team and Girls Softball Team. The ball park has a snack bar, announcer’s stand, restrooms and lighting for night games. Playground equipment is also located at the Leon Rose Ball Field.

### **3.10 Community Facilities**

Community events are held at Mary Laveroni Community Park in the stage area. GCSD allows public meetings in its Board/Conference room, located at the District’s administrative offices on Ferretti Road. The District has been working with the Southside Senior Services, Inc. organization for several years for the eventual construction of a community activities center on District property. To date, the community activities center has not been constructed; however, the County now has a Youth Center at Mary Laveroni Park. There is also a library and museum that is operated by the Southern Tuolumne County Historical Society adjacent to the Mary Laveroni Park.

## **4.0 ZONING AND LAND USE**

The area encompassed by the district boundary of the GCSD contains property zoned R-1 (Single-family Residential), R-2 (Medium Density Residential), R-3 (Multiple-family Residential) RE-1 (Residential Estate, One Acre Minimum), RE-2 (Residential Estate, Two Acre Minimum), RE-3 (Residential Estate, Three Acre Minimum), RE-5 (Residential Estate, Five Acre Minimum), RE-10 (Residential Estate, Ten Acre Minimum), A-10 (General Agricultural, Ten Acre Minimum), A-20 (General Agricultural, Twenty Acre Minimum), AE-37 (Exclusive Agricultural, Thirty-Seven Acre Minimum), M-U (Mixed Use), C-O (Neighborhood Commercial), C-1 (General Commercial), C-2 (Heavy Commercial), C-K (Commercial Recreation), B-P (Business Park), M-1 (Light Industrial), K (General Recreation), O (Open Space) and P (Public).

The district contains properties with the Parks and Recreation (R/P), Public (P), Open Space (O), Low Density Residential (LDR), Medium Density Residential (MDR), High Density Residential (HDR), Estate Residential (ER), Homestead Residential (HR), Rural Residential (RR), Large Lot Residential (LR), Agricultural (AG), Neighborhood Commercial (NC), General Commercial (GC), Mixed-Use (MU), Business Park (BP), Light Industrial (LI) and Heavy Commercial (HC) General Plan Land Use designations as provided in the Tuolumne County General Plan. The GCSD contains a combination of residential, commercial, industrial and recreational land uses and densities. The area surrounding the GCSD and its Sphere of Influence does contain residential zoning which does allow for future development. The area surrounding the District is primarily rural residential, agricultural and forest.

## **5.0 MUNICIPAL SERVICE REVIEW**

The Cortese-Knox-Hertzberg Act identifies eleven factors, listed in Section 1.1, to be addressed when preparing a Municipal Service Review. For each factor, information is gathered and analyzed, with written determinations prepared for LAFCO’s consideration. This Service Review will be used as an information base to update the GCSD’s Sphere of Influence, including any annexation considerations, and provides a basis for the public, County and LAFCO to discuss changes to the Sphere of Influence.

## 5.1 Infrastructure Needs and Deficiencies

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

GCSD has adequate capacity to supply current and anticipated water needs in its service area. The District's two water treatment plants have been upgraded to meet new drinking water disinfection regulations. Aging water lines in Big Oak Flat will require the District to upgrade pipelines, as well as add a storage reservoir or tank. Upgrades to storage tanks and pipelines have already begun. These upgrades will allow the District to meet fire flows under all conditions in the future.

Given the level of development planned for the Big Oak Flat and Groveland area, improvements to the sewer and water systems may be required for build-out within the GCSD district boundaries and within the Sphere of Influence. Due to land availability, the GCSD should expect continued development within its boundaries.

The Tuolumne Oaks Subdivision, which is now being called the Long Gulch Ranch Subdivision consisting of 1,158± acres and 372 parcels, was approved by Tuolumne County in 1996; however, the subdivision has not been developed. This subdivision is located immediately east of the Pine Mountain Lake Subdivision. This area is not located within the Groveland Community Services District service area boundary; however the majority of the project site (all but 40 acres) is located within its Sphere of Influence. A condition of approval for the subdivision is that all lots must be connected to public water provided by the GCSD and that lots zoned R-1 (Single-family Residential) and RE-1 (Residential Estate, One Acre Minimum) must be served with public sewer provided by the GCSD. For development of this subdivision, an application requesting annexation would have to be considered by GCSD's Board of Directors. The process for evaluating the proposed annexation would involve an analysis of the capacity of GCSD's sewer and water facilities to accommodate the Long Gulch Ranch project.

The property owners of the Long Gulch Ranch Subdivision hired Consultants to prepare a *Preliminary Design Report Revision No. 1* on September 14, 2006, which evaluated the domestic water demands and wastewater generation for the proposed Long Gulch Ranch Subdivision. The study estimated that 124,600 gallons of water would be needed each day with an average daily flow of 87 gallons/minute, a maximum daily flow of 173 gallons/minute, and a maximum hourly flow of 260 gallons/minute. The study estimated that 96,000 gallons/day of wastewater would be generated with a peak flow of 421,700 gallons/day. The developers have not pursued completion of the annexation process. Thus far, the subdivision has not been developed and no annexation of the Long Gulch Ranch Subdivision property has occurred to the GCSD district.

In addition to the Long Gulch Ranch Subdivision, the District must plan for the additional water and sewer needs resulting from the eventual build out of Pine Mountain Lake (PML), Units 14 and 16, downtown Groveland, Big Oak Flat and other projects which may occur in the Groveland/Big Oak Flat area, such as the Yosemite Gateway Plaza. There are currently 1,141 undeveloped parcels inside the district boundary of the GCSD.

### 5.1.1 **Water Infrastructure Needs and Deficiencies**

The GCSD water system is in good condition. The 2012 Annual Report to the Drinking Water Program for the year ending December 31, 2012 indicated that there were no plant problems, process failures, or major shutdowns that were experienced in 2012. In 2012, the GCSD served 3,316 connections, which includes residential connections, commercial connections and irrigation

(agricultural and residential) connections.

A total of 25 complaints were filed with the GCSD regarding the water system in 2012. The complaints were related to taste and odor (4 complaints), color (10 complaints), turbidity (1 complaint), suspended solids (1 complaint) and other (9 complaints). To resolve the taste and odor complaints, samples were taken and an investigation was performed. A problem was found with the customer's plumbing. For all of the other complaints, the customers' service connections were flushed to resolve the problem. Currently, the District has an active flushing program, which has significantly reduced the number of complaints over the past several years. GCSD personnel are certified and licensed to operate the treatment plants and the distribution system.

The water treatment and distribution system is under the jurisdiction of the State of California Department of Health Services. The GCSD maintains its water system. The GCSD maintains two water treatment plants with a total capacity of 2,100 gallons/minute per day to serve the District customers. The GCSD water system ranges in age from 35 years to over 50 years. In the future, replacement of infrastructure may be necessary due to age and changes in drinking water regulations.

### **5.1.2 Wastewater Infrastructure Needs and Deficiencies**

The GCSD currently has approximately 1,831 customers who receive sewer services (324 of which are sewer standby only). The use of the property within the GCSD consists of both full-time and seasonal households, and commercial properties. Many properties are second homes, primarily in the Pine Mountain Lake Subdivision and are seasonally occupied.

The GCSD's collection system consists of 16 lift stations, 7 miles of force main, 35 miles of gravity lines and a wastewater treatment plant. All the lift stations are located in Pine Mountain Lake, except Lift Station 16, which serves Big Oak Flat. Lift Station 7 was upgraded in 2007 by the use of bond obligation financing. The District is currently seeking grant funding to upgrade Lift Station 16. Aging pipelines and infrastructure may need to be replaced or upgraded in the near future.

The GCSD has one sewer treatment plant, consisting of primary and secondary treatment. The sewage treatment plant normally operates at 250,000 gallons/day. The plant is permitted an average dry-weather flow of 400,000 gallons per day and a wet-weather flow of 500,000 per day. The plant is currently operating at approximately half capacity. On site facilities consist of a mechanical shop, laboratory and offices. There are two reclaimed water storage reservoirs, with a total capacity of about 182 acre-feet. GCSD personnel hold licenses and certifications to operate the wastewater treatment plant, sewage collection system and the reclaimed water system. The GCSD wastewater collection and treatment system is adequate for the existing customers and for the future build out of the Pine Mountain Lake Subdivision.

### **5.1.3 Fire Protection and Emergency Services Needs and Deficiencies**

The GCSD currently provides fire protection services and emergency response to a population of about 3,500 in the winter months to about 9,000 on busy holiday weekends in the summer. There are three fire stations within the District. The GCSD provides Mutual Aid to the Tuolumne County Fire Department, CalFire and the U.S. Forest Service. The Groveland Fire Department is managed and staffed on a full-time basis through a contract with CalFire. The fire department staff consists of 5 full time firefighters and 21 reserve fire fighters (7 of who also respond on a volunteer basis). The downtown Groveland Fire Station houses three Type 1 fire engines, one Type 3 fire engine, one rescue vehicle and one utility vehicle. The utility vehicle is also stocked with medical aid equipment. The Big Oak Flat Fire Station houses one fire engine. The Pine Mountain Lake Airport Fire Station houses one small fire engine.

GCSD completed a Fire Department Master Plan in 2007. This document recommended that the department expand its fire fighting force from a two-person shift to a three-person shift. The Fire Department was funded by a combination of property taxes and a fire department parcel assessment. The fire department parcel assessment was not continued by the voters and as a result the District was struggling to fund the fire department. In December 2012, the Board of Supervisors approved an amendment to an existing agreement with CalFire so that CalFire now manages the three fire stations in the District. The fire employees now report directly to CalFire and are paid by CalFire.

#### **5.1.4 Parks & Recreation Needs and Deficiencies**

The GCSD owns and operates two parks: Mary Laveroni Community Park and Leon Rose Ball Field. These facilities are being maintained each year and improvements added regularly with funding from the Groveland Lighting District, grants and donations.

#### **5.1.5 Community Facilities and Deficiencies**

The GCSD allows community events at the two stage areas in Mary Laveroni Community Park. Public meetings are also allowed in the Board/Conference room, located at the District's administrative offices. The GCSD continues to work with the Southside Senior Services, Inc. organization toward the eventual construction of community activities center on District property.

#### **5.1.6 Written Determinations Regarding Infrastructure Needs and Deficiencies:**

##### **5.1.6.1 Water Infrastructure Needs and Deficiencies**

1. The GCSD's water system is adequate to serve the existing and future population until at least 2034.
2. The GCSD maintains two water treatment plants with a total capacity of 2,100 gallons/minute to serve the customers of the district.
3. Most of the GCSD's water delivery infrastructure is between 35 and 50 years in age. Portions located in the Big Oak Flat area are older.
4. In the future, replacement of infrastructure may be necessary due to age and changes in regulations.

##### **5.1.6.2 Wastewater Infrastructure Needs and Deficiencies**

1. The GCSD wastewater treatment and collection system is adequate for existing sewer customers and for the build out of Pine Mountain Lake.
2. The wastewater treatment plant has a daily operating average of 250,000 gallons per day. The plant is rated at 400,000 gallons per day for dry-weather conditions and 500,000 gallons per day for wet-weather conditions.
3. Portions of the GCSD's wastewater treatment and collection system are approximately 35 to 50 years in age. Portions of the system are older.
4. In the future, replacement of infrastructure may be necessary due to age and changes in

State regulations.

#### **5.1.6.3 Fire Protection Needs and Deficiencies**

1. The Fire Department provides Automatic Aid to the Tuolumne County Fire Department, the California Department of Forestry and Fire Protection (CalFire) and the U.S. Forest Service.
2. The Groveland Fire District is staffed with 5 full-time firefighters and 21 reserve fire fighters (7 of who also respond on a volunteer basis).
3. The Groveland Community Services District's main fire station contains three Type 1 fire engines, one Type 3 fire engine, one rescue vehicle and one utility vehicle. The utility vehicle is also stocked with medical aid equipment. The Big Oak Flat Fire Station houses one fire engine. The Airport Fire Station houses one small fire engine.
4. Due to the loss of the fire department parcel assessment and increasing difficulty for the District to fund fire services, in December 2012, the Board of Supervisors approved an amendment to an existing agreement with CalFire so that CalFire now manages the three fire stations in the District. The fire employees now report directly to CalFire and are paid by CalFire.

#### **5.1.6.4 Parks and Recreation Needs and Deficiencies**

1. The services provided by the GCSD are adequate for the community.
2. The GCSD operates two public park facilities, including Mary Laveroni Community Park and Leon Rose Ball Field.
3. The Groveland Youth Center is now located within Mary Laveroni Community Park. The District has an MOU with Tuolumne County for the operation of the Youth Center.

#### **5.1.6.5 Community Facilities Needs and Deficiencies**

1. The community services currently provided by GCSD are adequate. Community events are held at Mary Laveroni Community Park at two stage areas. The District's Board/Conference room is also available for public meetings.
2. The District is working on a joint community facility project with the Southside Senior Services, Inc. organization to further meet the needs of the community.

### **5.2 Growth and Population**

**Purpose: To evaluate service needs based upon existing and anticipated growth patterns and population projections.**

#### **5.2.1 Growth and Population in Big Oak Flat and Groveland**

According to the Tuolumne County Assessor's records, within the GCSD Sphere of Influence boundaries there are 4,750 total parcels, of which 1,307 are undeveloped. Within the GCSD

District boundaries there are 4,465 total parcels, of which 1,141 are undeveloped.

Construction of the Long Gulch Subdivision could result in as many as 372 additional residential units, which would result in a 10 percent increase in the number of water services and a 25 percent increase in the number of sewer service connections.

The 2010 United States Census indicates that there were 3,316 year-round residents in April of 2010 in the Groveland/Big Oak Flat area. The communities of Groveland and Big Oak Flat have year round and seasonal households. Many properties in the Pine Mountain Lake Subdivision contain second homes which are only seasonally occupied.

The 2012 Annual Report to the Drinking Water Program indicates that the GCSD provides water service to a permanent population of 3,316 individuals and the seasonal daily maximum of individuals that the District provided water to is 9,000 (July 4<sup>th</sup> weekend being the most popular).

### **5.2.2 Written Determinations on Growth and Population**

1. There is a likelihood of growth occurring in the Groveland Community Services District.
2. In the Groveland Community Service District, parcels can be divided or discretionary permits issued to allow additional development and the need for GCSD services.

### **5.3 Financial Constraints and Opportunities**

**Purpose: To evaluate factors that affect the financing of needed improvements.**

#### **5.3.1 Financial Constraints and Opportunities for Groveland Community Services District**

The Groveland Community Service District service boundary and Sphere of Influence boundary are not the same. The GCSD is surrounded mainly by land zoned for agricultural and rural residential uses and public lands (lands managed by the U.S. Forest Service and Bureau of Land Management). The Sphere of Influence boundaries are farther reaching than the current District service boundaries. There is residential development potential in the Sphere of Influence which could require annexation to the District boundary in the future.

#### **Water Rates:**

The current water fees for the GCSD include a fixed rate charge, a usage rate and a district-wide debt service charge. The fixed rate charge is dependent upon the size of the meter. The fixed rate starts at \$30.06 (for a 5/8" x 3/4" meter) and increases to \$234.47 (for a 4" meter).

The next charge is a *Usage (Variable) Rate* and the cost per gallon depends on the number of gallons of water that are used in a month. A residence using between 0 and 4,000 gallons of water is charged \$0.00190 per gallon. A residence using between 4,001 and 7,000 gallons of water a month is charged \$0.00379 per gallon. A use between 7,001 and 12,000 is charged \$0.00569 per gallon. A use greater than 12,001 gallons of water per month is charged \$0.00757 per gallon. As is indicated by the figures above, the per gallon price of water increases as the amount of water usage increases.

In addition to monthly rates, all water customers are required to pay a *1996-1998 Capital Facilities*



*Bond Fee* of \$9.83 and a *2007 Water Debt Service Fee* of \$10.75 for each water service connection, per month, to pay off water system improvement loans incurred in 1997 and 2007. These loans will be paid off in March 2026 and July 2027, respectively.

### **Sewer Rates:**

The sewer fees consist of a monthly fixed rate service charge and a monthly usage (variable) charge. The monthly fixed rate for sewer service is \$53.10 for both residential and commercial properties. The monthly volume usage charge is \$0.00698 per gallon of metered water for residential use, and \$0.01121 per gallon of metered water for commercial use. Users who water for significant landscape irrigation may apply to establish a flat sewer usage charge which shall be based on the average amount of water used during January, February and March, or 3,100 gallons, whichever is greater.

A *2007 Wastewater Debt Service Fee* of \$10.75 is required to be paid for each sewer service connection per month. In addition, there is a district-wide Debt Service Charge of \$25.75 for all accounts tributary to Lift Station 7, which serves parcels in the Pine Mountain Lake Subdivision. This debt was incurred in 2007 for State mandated upgrades to the District's sixteen sewer lift stations. This debt will be paid off in July 2027.

The Total Fixed Monthly Rate for water service is \$50.64. The Total Fixed Monthly Rate for sewer service is \$78.85. For properties that have both services, the Total Fixed monthly charge is \$129.49. The GCSD generates adequate revenue through its connection and service charges to keep up with its operation and maintenance costs.

### **Public Debt and Bonds**

The GCSD has incurred outstanding public debt for purchases, upgrades or replacement of capital improvements such as storage tanks, water and sewer lines, and water treatment facilities. The most significant source of debt is from the capital facilities projects.

In 1996, bonds totaling \$4,600,000 were issued to be used for the acquisition, construction and improvement of water storage and treatment facilities for the District. Increased population and State Health Department standards necessitated the addition of storage and water treatment capacity to be provided by the construction of two new storage tanks with related water treatment facilities. The project financing included the acquisition of land for one water storage site as well as engineering costs and costs of issuance of the securities. This bond was refinanced in 1998 (*1998 Refunding Bonds*) to acquire a lower interest rate and is expected to be paid off in March 2026. Each water service customer pays \$9.83 per month to help pay off this debt.

In 2007, the District issued \$9,560,000 in bond/debt for various water and sewer capital projects as follows:

The *2007 Water Installment Sale Agreement---La Salle Bank National Association*, debt of \$5,031,000 was incurred in May 2007 to pay for Federal and State mandated upgrades to the two water treatment plants, construction of an emergency water supply system, and upgrade to the radio telemetry and control system (SCADA). The GCSD is collecting a \$10.75 per month *Water Debt Service Fee* from each customer to help repay this debt. This debt is expected to be paid off in July 2027.

The *2007 Sewer Installment Sale Agreement—La Salle Bank National Association*, debt of \$4,529,000 was incurred in June 2007 to pay for State mandated upgrades to the District's sixteen sewer lift stations. A monthly *Wastewater Debt Service Fee* of \$25.75 is charge to all wastewater

customers tributary to Lift Station 7 to help repay this debt. Lift Station 16, which serves Big Oak Flat, was not included as a part of this indebtedness and was not upgraded. The District is currently seeking grant funding to perform this upgrade.

In 2008, a Commercial Loan, from Rabobank in the amount of \$35,586 was incurred as a business loan to finance vehicle replacement and will be paid off in September 2013.

Most of the District's debt was incurred to upgrade facilities and infrastructure improvements as mandated by regulating Federal and State authorities. The water projects included the upgrade of disinfection systems at the District's two water treatment plants and the construction of an alternative water supply system that takes water from Pine Mountain Lake in emergencies. These projects account for a 2007 bond sale of \$5,031,000. The wastewater projects include the upgrade of lift stations to meet the RWQCB Cleanup and Abatement Order, and the repair of sewer lines in Big Oak Flat and downtown Groveland. These projects account for the 2007 bond sale of \$4,529,000.

The debts are repaid through a per lot water stand by fee, debt service charge, general property taxes and special assessments added to the tax roll. The GCSD has never defaulted on repayment of any bonds or other debt.

### **Reserve Funds**

The GCSD's reserve funds, categorized in the Operational Policies and Procedures Manual (The Manual) adopted by the Board in October of 2010, are Designated Reserve for capital improvements, Designated Reserve for operating and other contingencies, and Restricted Debt Service Reserve. The Manual defines the Operational Reserve as funds allocated for the purpose of paying the costs and expenses associated with unanticipated events including but not limited to: temporary cash flow shortages, repair/replacement of facilities, equipment, supplies or infrastructure resulting from a catastrophic event, or expenditures required to respond to an emergency which threatens public health and safety. Funds allocated to the Operational Reserve may also be used to pay damage claims against the District which are not covered by insurance. The Board of Directors may authorize expenditure of the funds allocated to the Operational Reserve on any expenses that may be incurred during the fiscal year for which no specific appropriation has previously been made.

The Manual also stipulates that in a State of Emergency, or in a local emergency as defined by Government Code Section 8558, the Board of Directors may temporarily transfer funds from the Operational Reserve to the District's General Fund to fund those costs necessary to respond to such emergencies. The Board of Directors shall restore any such funds to the designated reserve from which such funds were drawn as soon as feasible pursuant to the requirements of Government Code Section 61112.

#### **5.3.2 Written Determinations on Financing Constraints and Opportunities**

1. The GCSD will be required to improve/upgrade existing facilities to accommodate more growth in the GCSD boundaries and to meet changing Federal and State Regulations in the future.
2. If the Long Gulch Ranch Subdivision is annexed into the District and developed, the wastewater treatment plant and sewage collection system will need to be expanded. Funding is expected from the developer for project-related infrastructure improvements.
3. The GCSD prepares a budget annually. The basic water fixed rate starts at \$30.06 (for

a 5/8" x 3/4" meter) and increases to \$234.47 (for a 4" meter). The basic monthly fixed rate for sewer service is \$53.10 for both residential and commercial properties.

4. The Total Fixed Monthly Rate for water service is \$50.64. The Total Fixed Monthly Rate for sewer service is \$78.85. For properties that have both services, the Total Fixed monthly charge is \$129.49. The GCSD board policy is to avoid raising water and sewer rates.
5. The GCSD follows the Governmental Accounting Standings Board (GASB) 34 accounting standards.
6. The GCSD has incurred outstanding public debt for purchases, upgrades or replacement of capital improvements such as storage tanks, water and sewer lines, and water treatment facilities. The most significant source of debt is from the capital facilities projects. The debts are repaid through a per lot water stand by fee, debt service charge, general property taxes and special assessments added to the tax roll. The GCSD has never defaulted on repayment of any bonds or other debt.
7. The funding sources for water and wastewater are from user rates. The fire and park funds are special revenue funds and are funded with general property taxes. A fire services special parcel assessment was not continued by the voters, and as a result fire services in the GCSD are now administered by CalFire.

#### **5.4 Cost Avoidance Opportunities**

Purpose: To identify practices or opportunities that may help eliminate unnecessary costs.

##### **5.4.1 Cost of Operations for Groveland Community Service District**

The GCSD employs various cost-avoidance practices in its daily operations and practices. The GCSD has taken numerous actions in the last five years to save money and lower expenses. These actions include moving from reactive maintenance programs to pro-active and preventative maintenance programs, cross training personnel to reduce the need for additional employees, better computer tracking of operations, maintenance and finance, seeking grant funding opportunities, project performance tracking, and developing a 5-year running budget.

In the future, the GCSD plans to continue to take actions to save money and lower expenses through quicker turn around for the meter reading-utility billing-payment cycle through automation and automatic bill paying, as well as accepting septic tank and RV wastes at the wastewater treatment plant. Due to financial constraints, and the payment of SRWQCB fines relating to the accidental release of sewage into nearby waters of the State, the GCSD may consider negotiating with their employees to reduce pay and benefit packages. The current contract with their employee's union ends in June of 2013.

The GCSD has adopted service fees to be paid by water and/or sewer service customers. The fees vary for residential and commercial uses and are based upon the size of the meter. The service fees include a fixed monthly rate and a variable usage rate based upon the number of gallons used. There is also a district wide debt service charge for water usage, and debt charges for sewer service.

According to planned land uses in the GCSD's service area and its Sphere of Influence, infrastructure/water and treatment plants may require improvements due to age, to accommodate

growth and/or to meet new regulations.

#### **5.4.2 Written Determinations on Cost Avoidance Opportunities**

1. The GCSD takes advantage of cost avoidance opportunities, including moving from reactive maintenance programs to pro-active and preventative maintenance programs, cross-training personnel, better computer tracking of operations, maintenance and finance, seeking grant funding, project performance tracking and developing a 5-year running budget
2. The five member Board of Directors are paid a fee per meeting. The per meeting fee is determined at the first meeting of the Fiscal year in July.
3. The GCSD employs 23 full-time employees, and 1 contract employee. Seven positions are currently vacant.
4. The Fire Department was reorganized in 2012. There are 5 full-time firefighters and 21 part-time firefighters (7 of who also respond on a volunteer basis). Due to the loss of the fire services special parcel assessment, CalFire is now managing the three fire stations in the District through an agreement with Tuolumne County. Fire employees report directly to CalFire and are paid by CalFire.

#### **5.5 Opportunities for Rate Restructuring**

**Purpose:** To identify opportunities to positively impact rates without decreasing service levels.

##### **5.5.1 Rates for Groveland Community Service District**

It is the GCSD board's policy to strive to keep rates for water and sewer as low as possible. The GCSD charges a fixed rate charge, a usage rate and a district-wide debt service charge as discussed in Section 5.3.1. Other sources of revenue are sought to off-set customer water and sewer rates, such as charging for septic tank waste dumping, RV waste dumping and seeking grant funding.

##### **5.5.2 Written Determinations on Opportunities for Rate Restructuring**

1. There is an adequate amount of parcels within the GCSD to pay the current operating costs for providing water and sewer services.
2. It is likely that additional parcels will be annexed, improved or divided in the future to allow the collection of more water and sewer fees.

#### **5.6 Opportunities for Shared Facilities**

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

##### **5.6.1 Opportunities for Groveland Community Service District to Share Facilities**

The GCSD maintains several mutual aid and automatic aid agreements. Mutual Fire Aid is

provided to all other fire protection agencies in the County, the California Department of Forestry and Fire Protection (CalFire) and the US Forest Service.

GCSD has an agreement with the Tuolumne Utilities District to respond to calls for mutual water and sewer service aid in case of emergency situations.

The GCSD has a Memorandum of Understanding (MOU) with Tuolumne County for operation of the Groveland Youth Center which is now located within the Mary Laveroni Community Park.

In December 2012, the Board of Supervisors approved an amendment to an existing agreement for CalFire to operate the three fire stations in the GCSD district. Fire department employees now report directly to CalFire and are paid by CalFire.

The Groveland Lighting District was created in 1919 to place electric lights in the downtown Groveland area of Tuolumne County. Lighting Districts are commonly used by local governments to pay for the costs of lighting in public areas. Many Districts funding can also be used to finance improvements such as parks, auditoriums or other public infrastructure. Each Lighting District receives its own ad valorem property tax allocations which pays for its expenses. The County of Tuolumne currently operates the Groveland Lighting District. To obtain new lighting in the Mary Laveroni Park, or in downtown Groveland, the request must be approved by the County Administrator.

The Groveland Community Services District boundaries overlap the boundaries of the Groveland Lighting District. A Grand Jury Report completed in 2011 recommended that a manager be hired to manage and oversee the County's Lighting Districts. The Groveland Lighting District could reorganize to be a part of the Groveland Community Services District. The GCSD would then be responsible to maintain lighting, add lighting and fund public improvements related to lighting.

### **5.6.2 Written Determination on Opportunities for Shared Facilities**

1. In December 2012, the Board of Supervisors approved an amended agreement with CalFire to operate the three fire stations in the GCSD district. Fire department employees now report directly to CalFire and are paid by CalFire.
2. The Groveland Lighting District could be reorganized to be a part of the GCSD. The GCSD would then be responsible to maintain lighting, add lighting, make public improvements related to lighting. This would also increase funding opportunities for the GCSD.

### **5.7 Government Structure Options**

**Purpose: To consider the advantages and disadvantages of various government structures that could provide public services.**

#### **5.7.1. Groveland Community Services District Governmental Structure**

One of the most critical elements of LAFCO's responsibilities is in setting logical service boundaries for communities based on their capability to provide services to affected lands.

There are not many government structure options available in the Groveland/Big Oak Flat area. The community is unincorporated with the planning jurisdiction in the hands of Tuolumne County. The GCSD does provide water, wastewater, fire protection, emergency, community facilities and

park and recreation services. Law enforcement is provided by the County of Tuolumne. Since neither Groveland or Big Oak Flat are incorporated cities, public service districts, such as the GCSD, appear to be an excellent way to keep owner control and public participation high while at the same time maintaining consistent and adequate service levels. Consolidating these services into a Community Services District is an efficient way to provide these services.

The Groveland Lighting District could be reorganized to be a part of the Groveland Community Services District.

### **5.7.2 Written Determinations on Government Structure Options**

1. There are very few government structure options currently available to the Communities of Groveland and Big Oak Flat and the GCSD.
2. Changing the governmental structure in GCSD is generally not feasible. The CSD is an efficient way to provide public services, such as water and sewer, to the area.
3. Landowners within the GCSD service area are adequately provided water, wastewater, fire protection, emergency, community facilities, and parks and recreation services.
4. In the future, the Groveland Lighting District could be reorganized to be a part of the Groveland Community Services District.

### **5.8 Management Efficiencies**

**Purpose: To evaluate the management capabilities of the organization.**

#### **5.8.1 Groveland Community Service District Management**

In evaluating the GCSD's capability to serve the existing and proposed Sphere of Influence area, LAFCO can examine the GCSD's ability to maintain management and budget efficiencies over the existing lands.

The Groveland Community Services District has reduced its staff from 33 full time employees in 2007, to 23 full time employees in 2012. The GCSD now employees 23 full time employees and 1 contract employee. The Fire Department employees are now managed and paid by CalFire. At the top of the Groveland Community Services District Organizational Chart are the five members of the elected Board of Directors: President Steve Perreira, Vice-President Herman Schaap, and Directors John Armstrong, Joe Riley and Virgil McVicker. The Board of Directors oversees the General Manager of the GCSD, who is a contract employee responsible for administration of the day to day operations of the GCSD. The Board of Directors also oversees the District Secretary, Jennifer Flores and District Counsel, David McMurchie.

The GCSD strives for maximum budget efficiency through the budget preparation process and maintains a balanced budget. Capital improvements are planned for during the budget process. The General Manager oversees three departments: the Administrative-Finance Department, Operations and Maintenance Department and Engineering Department.

#### **5.8.2 Written Determinations on Management Efficiencies**

1. The Groveland Community Services District has reduced its staff from 33 full time employees in 2007, to 23 full time employees in 2012. The GCSD now employees 23

full time employees and 1 contract employee. There are 5 full-time firefighters and 21 part-time firefighters who are now managed and paid directly by CalFire.

2. It is reasonable to conclude that management is efficient.

## **5.9 Local Accountability and Governance**

**Purpose: To evaluate the accessibility and levels of public participation associated with the agency's decision-making and management processes.**

### **5.9.1 Groveland Community Service District Public Participation**

LAFCO may consider the agency's record of local accountability in its management of community affairs.

The GCSD maintains customer-oriented programs including maintenance of a website and publication of articles about District activities in local publications. The GCSD solicits customer feedback and comments from property owners within the District. The GCSD holds monthly meetings of the Board of Directors. The meetings are held the first Thursday of each month at 10:00 a.m. The agendas for the meetings are posted at several public places at least 72 hours prior to a Board Meeting and are published in a local newspaper. Meeting agendas and minutes are also available at the front desk in the GCSD office and on the District's web site.

### **5.9.2 Written Determinations on Local Accountability and Governance**

1. The GCSD's outreach program includes distribution of articles about the District and maintaining a website.
2. The GCSD conducts business during the regularly scheduled monthly meetings that are open to the public.
3. There is an e-mail address on the website maintained by the GCSD where customers can send comments and/or request information.
4. The GCSD solicits customer feedback and comments from property owners within the District.

### **5.9.3 Disadvantaged Unincorporated Communities (DUC)**

Section 56430(a)(2) of the Government Code requires that LAFCO include in a Municipal Service Review, a description of the location and characteristics of any disadvantaged unincorporated communities within or contiguous to the Sphere of Influence. Section 56425(e)(2) further requires LAFCO to adopt additional determinations for an update of a Sphere of Influence of a Special District that provides public facilities and services related to sewer, water and fire protection.

Section 65302.10(a) defines a Disadvantaged Unincorporated Community as a fringe, island or legacy community in which the median household income is 80% or lower than the Statewide median household income. An unincorporated legacy community is a geographically isolated community that is inhabited and has existed for at least 50 years.

#### **5.9.4 Disadvantaged Unincorporated Communities within the GCSD**

The GCSD service area encompasses the community of Groveland, including the Pine Mountain Lake Subdivision, and Big Oak Flat. The Communities of Groveland and Big Oak Flat are located approximately 25 miles southeast of Sonora on State Highway 120. Property owners within the District boundaries receiving general services such as water, sewer, park/recreation, community fire protection and emergency services, are considered customers of the District. The Fire Department in the GCSD routinely provides fire suppression and rescue response outside the District boundaries under an Automatic and Mutual Aid Agreement Local Operating Plan between the Tuolumne County Fire Department, Mariposa County Fire Department and the Groveland Community Services District. Mutual Fire Aid is provided to all other fire protection agencies in the County, the California Department of Forestry and Fire Protection, and the U.S. Forest Service.

The Groveland/Big Oak Flat area is a legacy community because it is inhabited and is over 50 years in age. The 2010 Census indicates that the Groveland community is a Census designated place has a median household income of \$31,587 per year. Pine Mountain Lake is also a Census designated place that has a median household income of \$54,200 per year. The Census further indicates that the median household income for the State of California is \$61,632 per year. 80% of the State wide median income is \$49,306 per year. Since the median household income of the Groveland community is less than 80% of the Statewide median household income, the Groveland community is a disadvantaged unincorporated community; however, the Pine Mountain Lake Subdivision is not a disadvantaged unincorporated community.

#### **5.9.5 Present and Planned Capacity of Public Facilities in Disadvantaged Unincorporated Communities**

Section 56425(e)(2) requires LAFCO to adopt additional determinations for an update of a Sphere of Influence of a Special District that provides public facilities and services related to sewer, water and fire protection. The GCSD provides sewer, water, fire protection, park and recreation services to the disadvantaged unincorporated community of Groveland, including the communities of Big Oak Flat. The GCSD also provides services to the Pine Mountain Lake Subdivision. These services and facilities are provided to the community in an efficient manner to all property owners, residents and visitors of the area regardless of income.

Senate Bill 1087 requires that water use projection of an Urban Water Management Plan include projected water use for single-family and multi-family residential housing for lower income households as identified in the housing element of any city, county or other applicable General Plan. Housing Elements rely on the Regional Housing Needs Assessment generated by the State Department of Housing and Community Development (HCD) to allocate the regional need for housing for incorporation into housing element updates. Tuolumne County last updated Chapter 3, the Housing Element of the Tuolumne County General Plan in July 2010. The County's Housing element identifies the target number of low income households from 2007 to 2014 as 17 percent of the population and very low income as 22 percent of the population.

Pursuant to Government Code Section 65589.7, it is the GCSD policy to grant a priority to proposed developments seeking water or sewer service that includes housing units affordable to lower income households. To further this policy, the GCSD adopted the following procedures:

GCSD will not deny or condition the approval of an application for services to, or reduce the amount of service by a proposed development that includes housing units affordable to lower income households unless GCSD makes a specific written finding that the denial, condition, or reduction is necessary due to the existence of one or more of the following:



1. GCSD does not have “sufficient water supply” as defined in paragraph (2) of subdivision (a) of Government Code Section 66473.7, or is operating under a water shortage emergency as defined in Section 350 of the California Water Code, or does not have sufficient water treatment or distribution capacity to serve the needs of the proposed development, as demonstrated by a written engineering analysis and report.
2. GCSD is subject to a compliance order issued by the State Department of Health Services that prohibits new water connections.
3. The proposed development is seeking sewer service, and GCSD does not have sufficient collection, treatment, or reclamation capacity, as demonstrated by a written engineering analysis and report on the condition of the collection, treatment, or reclamation works, to serve the needs of the proposed development.
4. The proposed development is seeking sewer service, and GCSD is under an order issued by a Regional Water Quality Control Board (RWQCB) that prohibits new sewer connections.
5. The applicant failed to agree to reasonable terms and conditions relating to the provision of service generally applicable to development projects seeking service from GCSD, including but not limited to the requirements of local, state, or federal laws, and regulations or payment of a fee or charge.

**5.9.6 Written Determinations Regarding Disadvantaged Unincorporated Communities:**

1. The community of Groveland/Big Oak Flat has been identified as a Disadvantaged Unincorporated Community.
2. The Groveland Community Services District (GCSD) provides water, sewer, structural fire protection, park and recreational services within its District.
3. The GCSD provides services and facilities to property owners, residents and visitors within its District in an efficient manner.

## **6.0 REFERENCES**

Tuolumne County, Tuolumne County General Plan, December 26, 1996.

Tuolumne County, 2002 Tuolumne County Recreation Master Plan.

Tuolumne County, 2002 Tuolumne Community Cultural Resources Survey.

Tuolumne County Transportation Council, 2010 Regional Transportation Plan.

Tuolumne County, General Plan Housing Element, June 2010

Tuolumne County, Tuolumne County Uniform Zoning Ordinance.

State of California – Health and Human Services Agency – Department of Health Services, 2012 Annual Report to the Drinking Water Program for Year Ending in December 2011.

California Government Code, Sections 56425 - 56434

Local Agency Formation Commission:

1980 “Sphere of Influence for Tuolumne County”

1985 “Updated Sphere of Influence for Tuolumne County”

2007 Municipal Service Review for the Groveland Community Services District

Request for Information for Municipal Service Review prepared by GCSD, December 2012

GCSD Organizational Chart

GCSD Bonds/Debt and Water & Sewer Rate Information

GCSD 2010 Urban Water Management Plan

Groveland Community Services District Basic Financial Statements, June 30, 2010

Groveland Community Services District Basic Financial Statements, June 30, 2011

GCSD FY 2012-2013 Final Budget

County of Tuolumne:

Community Resources Agency

Auditor-Controller

Elections Office