

Mono County Local Agency Formation Commission

PO Box 347
Mammoth Lakes, CA 93546
760-924-1800
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PO Box 8
Bridgeport, CA 93517
760-932-5420
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Special Meeting Agenda

October 12, 2023- 3:30pm

Hybrid Meeting: Zoom & Dana Room
Dana Room-Mono County Civic Center
1290 Tavern Rd. (Dana Room on 2nd Floor) Mammoth Lakes, CA

Alternative meeting location with Commissioner
present 824 Burcham Flat Road
Coleville, CA 96107

The meeting may be joined by video at

<https://monocounty.zoom.us/j/82044084267?pwd=wJtBQoiYeRCzyY67Fzbh58FyGGuKuh.1>

or by telephone at: 669-900-6833 (**Meeting ID# is 820 4408 4267, password 5678**) where members of the public shall have the right to observe and offer public comment.

An alternate method to access the video meeting is <https://zoom.us/join> and enter **Meeting ID: 820 4408 4267, password 5678**)

1. **CALL TO ORDER/PLEDGE OF ALLEGIANCE**

2. **PUBLIC COMMENT**

3. **CONSENT ITEMS:**
 - A. Review and approve meeting minutes of June 1, 2023 (pg.1)

4. **3:30pm Public Hearing: Birchim Community Service District**
(pg. 3)
 - A. Birchim Community Service District 2023 MSR Update

 - B. Birchim Community Service District 2023 SOI Amendment

LAFCO COMMISSIONERS

Paul McFarland, Tom Cage, Sarah Rea, Amanda Rice, Jennifer Kreitz, Rhonda Duggan, Bruce Woodworth

C. Birchim Community Service District Annexation

5. LAFCO BUSINESS

- A. Status of County and Town of Mammoth Lakes MSR/SOI updates (pg. 50)
- B. Proposed Budget Amendment (pg. 52)

6. EXECUTIVE OFFICER'S REPORT

7. COMMISSIONER REPORTS

8. UPCOMING AGENDA ITEMS:

- A. County & Town of Mammoth Lakes MSR & SOI updates

9. ADJOURN to a regular scheduled meeting before April 11, 2024

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Draft Minutes

June 1, 2023 – 2:00 pm

1. **CALL TO ORDER/PLEDGE OF ALLEGIANCE:** Meeting called to order at 2:00 pm and the Commission lead the Pledge of Allegiance.
2. **PUBLIC COMMENT**
 - No public comment.
3. **CONSENT ITEMS:**
 - A. Review and approve meeting minutes of April 24, 2023
 - B. Appoint Brent Calloway as LAFCO Executive Officer effective July 1, 2023

MOTION: Approve consent items as presented.

Commissioner Kreitz Motioned; Commissioner Rice Seconded.

Vote – Ayes: Kreitz, Rea, Rice, Duggan, McFarland, Cage. (Passes 6-0)

*Commissioner Woodworth joined the meeting at 2:07 pm.

4. ADMINISTRATION

- A. Annual election of Chair and Vice Chair

MOTION: Elect Tom Cage to remain as Chair.

Commissioner Rea Motioned; Commissioner McFarland Seconded.

Vote – Ayes: Kreitz, Rea, Rice, Duggan, Woodworth, McFarland, Cage. (Passes 7-0)

MOTION: Elect Paul McFarland to remain as Vice Chair.

Commissioner Kreitz Motioned; Commissioner Cage Seconded.

Vote – Ayes: Kreitz, Rea, Rice, Duggan, Woodworth, McFarland, Cage. (Passes 7-0)

5. **2:00 PM PUBLIC HEARING: PROPOSED FISCAL YEAR (FY) 22-23 BUDGET AMENDMENT –**

- Receive staff report: Sugimura gave a presentation on the proposed changes to the 22-23 budget.
- Questions of staff
 - Cage brought up the interest earned on the budget spreadsheet in the proposed 22-23 amended budget was incorrect which was acknowledged by staff.
- Open the public hearing, receive any public comments, close public hearing
 - Public hearing opened at 2:26 pm.
 - No Public comment.
 - Public hearing closed at 2:27 pm.

MOTION: Adopt 22-23 budget amendment as presented with the desired modifications discussed during the staff report.

LAFCO COMMISSIONERS

Paul McFarland, Tom Cage, Sarah Rea, Amanda Rice, Jennifer Kreitz, Rhonda Duggan, Bruce Woodworth

Commissioner Rice Motioned; Commissioner McFarland Seconded.
Vote – Ayes: Kreitz, Rea, Rice, Duggan, Woodworth, McFarland, Cage. (Passes 7-0)

6. 2:15 PM PUBLIC HEARING: FY 2023-24 FINAL BUDGET ADOPTION

- Receive staff report: Sugimura gave a staff report on the proposed final budget.
- Questions of staff and Commission discussion:
 - Cage asked when the bill would take place for FY 22-23 and FY23-24.
 - Sugimura responded that FY 22-23 would be billed ASAP and FY23-24 would be billed after July 1st.
 - McFarland requested that for future MSR updates LAFCO implements a site visit to the special district to present the MSR to ensure service delivery and the functionality of these service districts, which in many places provides very meaningful service.
 - Sugimura requested that if any Commissioner has a certain special district, they think are a priority for LAFCO to meet with to please send an individual email to staff so that Staff can prioritize those districts that need special attention.
 - Sugimura spoke regarding the projected fund balance, completion of the MSR updates, and getting a regular schedule MSR going forward.
 - Sugimura addressed that the FY 23-24 budget is less then FY 22-23 which requires the Commission to find that the proposed budget still allows the LAFCO to fulfill the purposes and requirements of the Act.
- Open the public hearing, receive any public comments, close public hearing
 - Public hearing opened at 2:47 pm.
 - No Public comment.
 - Public hearing closed at 2:48 pm.

MOTION: Make the required findings contained in the staff report and adopt the FY 23-24 final budget with the minor dollar changes staff presented.

Commissioner Duggan Motioned; Commissioner Kreitz Seconded.

Vote – Ayes: Kreitz, Rea, Rice, Duggan, Woodworth, McFarland, Cage. (Passes 7-0)

7. RESERVE/FUND BALANCE POLICY WORKSHOP –

- Calloway presented a workshop on the Fund balance policy and asked direction from the Commission.

8. LAFCO BUSINESS

- A. Pending or new Applications: staff provided an update.
- B. Municipal Service Reviews (MSR) update: staff provided an update.

9. COMMISSIONER REPORTS

- No Commissioner reports.

10. EXECUTIVE OFFICER’S REPORT

- No Executive officer’s report.

11. UPCOMING AGENDA ITEMS:

- A. Adoption of MSR updates

12. ADJOURN at 3:13 pm to a future special meeting as needed.

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STAFF REPORT

October 12, 2023

TO: Mono LAFCO

FROM: Brent Calloway, Executive Officer
Kelly Karl, Planning Analyst

RE: Birchim Community Services District MSR Update, Sphere Amendment & Annexation

RECOMMENDATIONS

1. Adopt Resolution R23-01 adopting the Birchim Community Services District's 2023 Municipal Service Review & Sphere of Influence Report.
2. Adopt Resolution R23-02 approving a Sphere of Influence Amendment and Annexation to the Birchim Community Services District subject to all terms and conditions.

BACKGROUND

Municipal Service Reviews and LAFCO

The Cortese-Knox-Hertzberg (CKH) Local Government Reorganization Act of 2000 is LAFCO's governing law and requires Local Agency Formation Commissions (LAFCOs) to conduct comprehensive reviews of all municipal services in each county in California and to periodically update that information. Municipal Service Reviews (MSR) are conducted by the Commission documenting and analyzing the services in a particular geographic region or jurisdictional area pursuant to the requirements of Section 56430. The purpose of the MSR is to gather detailed information on public service capacities and issues in order to prepare written determinations pursuant to Section 56430 of the CKH.

Relationship Between MSRs and SOI's

The CKH requires LAFCOs to develop and determine the Sphere of Influence (SOI) for each applicable local governmental agency that provides services or facilities related to development. Government Code Section 56076 defines a SOI as: "a plan for the probable physical boundaries and service area of a local agency." Per CKH section 56425 SOIs must be reviewed and updated every five years. LAFCO can conduct MSRs before, or in conjunction with, but no later than the time it is considering an action to establish or update an SOI (§56430).

The information and determinations contained in an MSR are intended to guide and inform SOI decisions. MSRs enable LAFCO to determine SOI boundaries and to establish the most efficient service provider for areas needing new service and function as the basis for other government reorganizations.

The Birchim Community Services District's (BCSD) MSR is being conducted in response to, and in conjunction with, an update of the SOI for the district.

2023 MSR/SOI Update Process

County LAFCO's last comprehensive update of MSRs & SOIs for all Special Districts in Mono County occurred in 2009. Due to the length of time between updates, LAFCO is using a unique approach to update the MSRs and SOIs of sixteen Special Districts in unincorporated Mono County. The BCSD is the first District to undergo the 2023 MSR/SOI update process.

This work is partially funded by a California Development Block Grant (CDBG) awarded to the County by the California Department of Housing and Community Development (HCD) in February 2021. Resource Concepts, Inc. (RCI) was awarded the contract for this work through an RFP process approved by the Board of Supervisors on May 10, 2022. Phase one of the three-phase project includes outreach and coordination with sixteen special districts to gather information necessary to update their MSRs and SOIs.

A collaborative approach has been used throughout the preparation of this MSR/SOI update report. The draft 2023 MSR/SOI report was sent to the BCSD for their review and given a two-week review period to submit their comments, edits, and any additional input they desired to be included to LAFCO staff. Any comments received were considered, incorporated where appropriate, and finalized before releasing the final draft for a 21-day public review period.

PROJECT DESCRIPTION

The BCSD submitted an annexation application in June 2023 proposing to annex one undeveloped/uninhabited parcel (APN 062-040-022-000) in Sunny Slopes (see Figure 1). The parcel is approximately 1.08-acre in size and owned by the Long Valley Fire Protection District (LVFPD). A water line and fire hydrant have already been installed on the parcel, and the LVFPD intends to build a new fire station on that parcel. The BCSD wishes to annex this parcel into its District boundary to formally provide water to the new station which would be an overall benefit to the Sunny Slopes community.

DISCUSSION

While not a preferred course of action, due to the unusual circumstances of this application, an MSR update, SOI amendment, and annexation are proposed to be considered as one application. As a matter of procedure, the Commission will first consider Resolution R23-01 updating the MSR and amending the SOI parcel and then Resolution R23-02 approving annexation of the LVFPD's parcel (APN 062-040-022-000).

PUBLIC NOTICING

Per Government Code Section 56427, a public hearing is required to adopt, amend, or revise a sphere of influence. Notice shall be provided at least 21 days in advance and mailed notice shall be provided to each affected local agency or affected County, and to any interested party who has filed a written request for notice with the executive officer. Per Government Code Section 56014, an affected local agency means any local agency that overlaps with any portion of the subject agency boundary or SOI (included proposed changes to the SOI).

The affected local agencies for this MSR/SOI are:

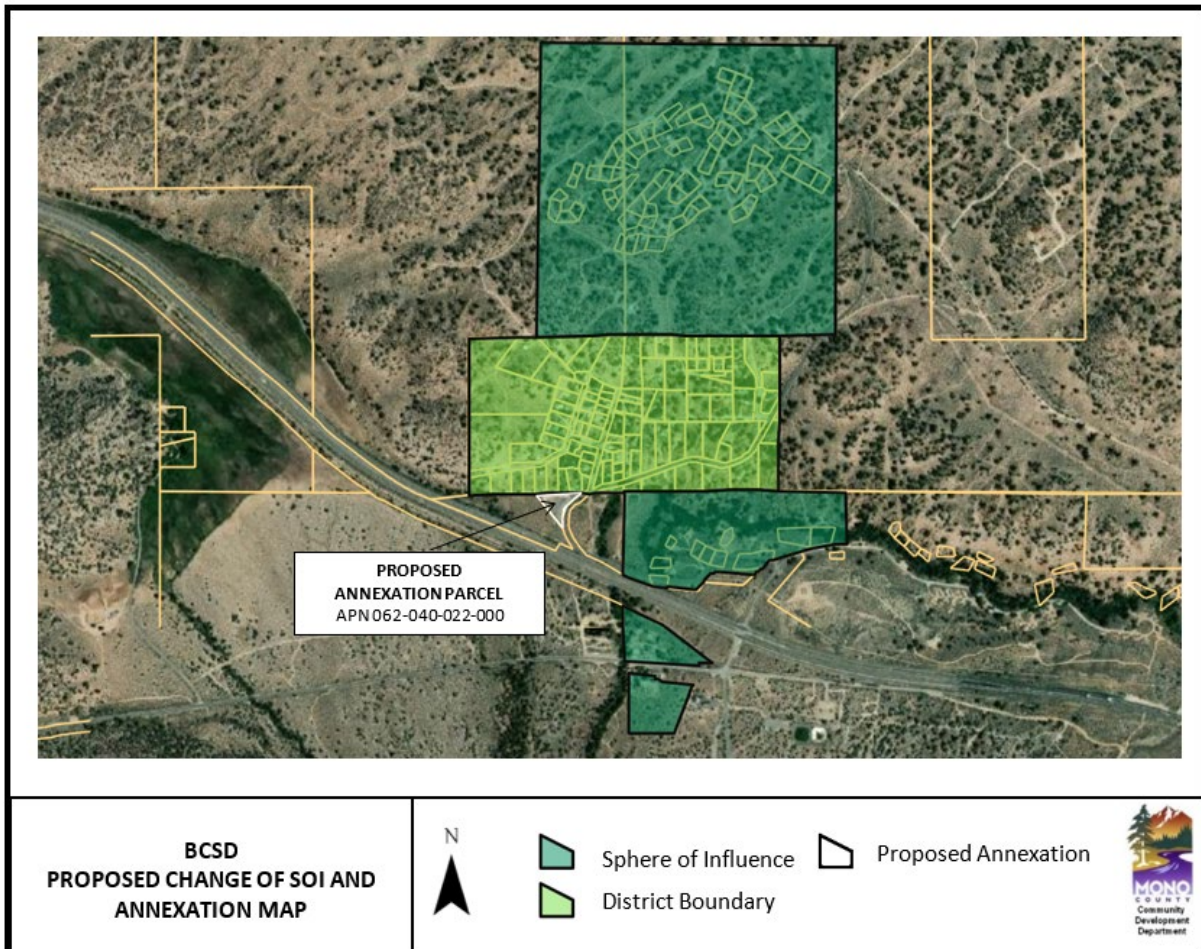
1. County of Mono
2. County Service Area #1
3. Countywide Service Area
4. Long Valley Fire Protection District
5. Mammoth Unified School District
6. Southern Mono Healthcare District

The final draft report and draft recommendations were formally issued for a 21-day public review period (September 20 – October 11) for comment by the public or any agency organization. The final draft report was also posted to the LAFCO webpage at the link below to further facilitate public outreach and review. <https://monocounty.ca.gov/lafco/page/lafco-documents>

A Public Hearing MSR/SOI Update report was then generated addressing any comments received during the public review process and scheduled for a noticed public hearing before the LAFCO Commission. Additional comments will be taken during the public hearing and addressed. Upon final action by the LAFCO Commission for the MSR and SOI recommendations/determinations, a Final Report incorporating any revisions and/or direction provided by the LAFCO Commission will be completed and published. Any SOI recommendations and/or determinations not adopted with the MSR will be brought back to the Commission at a subsequent public hearing for final SOI adoption.

The amendment of a Sphere of Influence requires a noticed public hearing. Notice was given in accordance with government code section 56150.

FIGURE 1 – BCSD PROPOSED CHANGE OF SOI AND ANNEXATION MAP

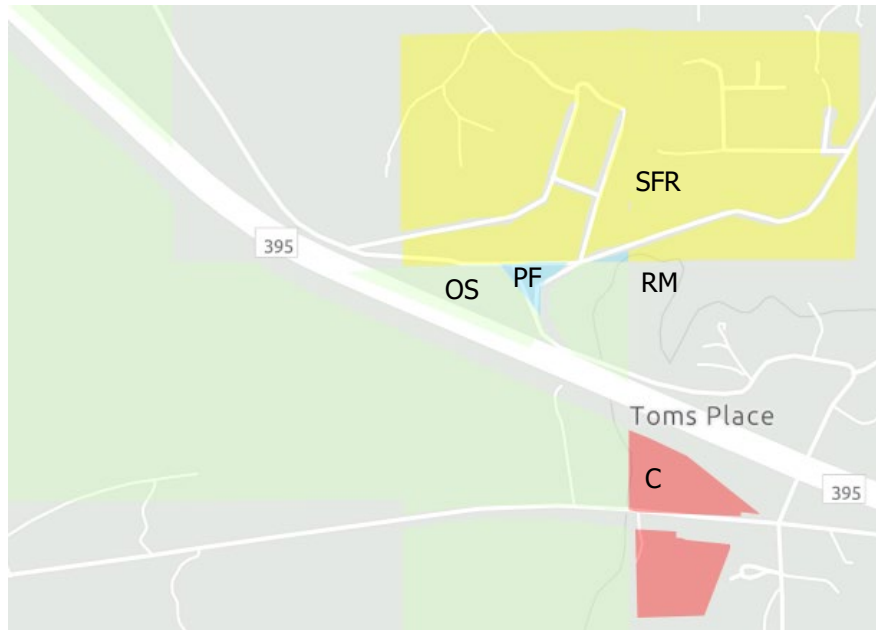


ANNEXATION VIA CKH SECTION 56668

Factors to be considered in the review of a proposal shall include, but not be limited to, all of the following:

(a) Population and population density; land area and land use; assessed valuation; topography, natural boundaries, and drainage basins; proximity to other populated areas; and the likelihood of significant growth in the area, and in adjacent incorporated and unincorporated areas, during the next 10 years.

- *Population and Population Density:* The current population of the territory is 0. The 2020 U.S. Census counted 37 households and 139 people residing in Sunny Slopes.
- *Land Area:* The total land area of the territory to be annexed is approximately 1.08-acres.
- *Land Use:* The parcel is designated PF which allows for a variety of public facilities and uses (Figure 2 and Table 1, below). The land use designation for most of the parcels in the Sunny Slopes community is Single-Family Residential (SFR) – ½ acre, there are two Public Facilities (PF) designated parcels (one owned by the BCSD and the other owned by LVFPD. Most of the land surrounding the community is part of the Inyo National Forest (designated Resource Management (RM)) or owned by the Los Angeles Department of Water and Power (designated Open Space (OS)).
- *Assessed Value, Tax Transfer:* The parcel has an assessed value of zero as it is owned by a public entity (Long Valley Fire Protection District). The BCSD has declined to negotiate a tax exchange resolution, so no transfer of property tax will occur.
- *Topography:* The topography is mostly flat.
- *Natural Boundaries & Drainage Basins:* The parcel is surrounded by existing paved (Owen’s Gorge Road) and unpaved roads (Crowley Lake Dam Road). No natural drainages or U.S. Geological Survey (USGS) blue-line streams exist on the parcel. Sunny Slopes has one USGS blue line stream, Lower Rock Creek.
- *Proximity to Other Populated Areas:* The community of Sunny Slopes is within Long Valley Planning Area which also includes the communities of Crowley Lake, Aspen Springs, and McGee Creek. As the nearest communities to Mammoth Lakes, they are heavily influenced by the County’s economic center.
- *Likelihood of significant growth in the area, and in adjacent incorporated and unincorporated areas, during the next 10 years:*
 - The population in Sunny Slopes is projected to increase to 146 by 2030. This growth is based on a 0.5% population increase year over year.
 - Per the Mono County Housing Element 2019-2027, the population growth in Mono County has slowed (compared to the significant growth from the 1970s - 1990s). From 2011 to 2017 the growth rate in the unincorporated County is approximately half of the rate seen in the previous decade. The Town of Mammoth Lakes continues to gain a greater proportion of County’s population.

FIGURE 2 – SURROUNDING LAND USE DESIGNATIONS**TABLE 1 – PUBLIC FACILITIES (PF) LAND USE DESIGNATION**

PERMITTED USES
<ul style="list-style-type: none"> • Grazing of horses, cattle, sheep and goats • Small-scale recreational uses (e.g., pack station) • Structure accessory to the above uses • Other uses permitted by the public landowner • Small-scale agriculture • Non-commercial composting facilities where the operation does not create a nuisance problem and has less than 100 cubic yards of material on site at any given time • Emergency homeless shelters
USES PERMITTED SUBJECT TO DIRECTOR REVIEW
<ul style="list-style-type: none"> • Transfer facilities for waste management • Collection, sorting and transportation of recyclables
USES PERMITTED SUBJECT TO USE PERMIT
<ul style="list-style-type: none"> • Large-scale recreational uses, including ski facilities, commercial concessions • Mining • Public utility buildings, structures and uses, including activity involved in the exploration, development, utilization and construction of hydroelectric and geothermal power plants • Other uses that may result in a potentially adverse environmental impact • Construction of an accessory building prior to construction of the main building • Waste processing, household hazardous waste management, and landfills • Cemeteries • Airports, heliports, taxiways, and landing strips for aircraft • Public facilities structures and uses, including but not limited to: County buildings, County road shops, community centers, parks, ball fields, schools, libraries, churches, museums, campground facilities • Research facilities • Group homes, juvenile facilities, schools and similar facilities • Commercial composting facilities

(b)(1) The need for organized community services; the present cost and adequacy of governmental services and controls in the area; probable future needs for those services and controls; and probable effect of the proposed incorporation, formation, annexation, or exclusion and of alternative courses of action on the cost and adequacy of services and controls in the area and adjacent areas.

(2)"Services," as used in this subdivision, refers to governmental services whether or not the services are services which would be provided by local agencies subject to this division, and includes the public facilities necessary to provide those services.

- Government Services, Availability, Adequacy and Structure: The subject territory is already being served by the BCSD. The BCSD has adequate capacity to deliver potable water and water for fire flow (via one new fire hydrant) to the subject territory. No other service provider offers water service in the area.
- Recent changes in State law have streamlined the regulations and simplified the process necessary to construct Accessory Dwelling Units (ADU). State law now allows for up to three housing units on residential land use designated parcels: a main residence, an ADU, and a Junior ADU. The implementation of these regulations in Sunny Slopes has the potential to increase the demand for residential water service. However, parcels in Sunny Slopes are smaller (less than 1/2-acre in size) and are constrained by topography in many areas as well as by the size and placement requirements associated with septic systems which would further limited implementation of ADUs in Sunny Slopes.

(c) The effect of the proposed action and of alternative actions, on adjacent areas, on mutual social and economic interests, and on the local governmental structure of the county.

- The proposed annexation is unlikely to have any negative impacts to adjacent areas, mutual social and economic interests and local governmental structure. However, the alternative of not approving the proposed annexation would result in negative impacts to social and economic interests in and around the community of Sunny Slopes because a new LVFPD fire station could not be implemented.

(d) The conformity of both the proposal and its anticipated effects with both the adopted commission policies on providing planned, orderly, efficient patterns of urban development, and the policies and priorities in Section 56377.

- The proposal complies with commission policies on providing planned, orderly, efficient development.
- Section 56377: The parcel's land use designation is PF which allows for an array of public uses and facilities. The parcel is not designated Open Space (OS) or Agriculture (AG) thus, the approval of this annexation would not reasonably be expected to induce, facilitate or lead to the conversion of existing open-space lands to uses other than open-space.

(e) The effect of the proposal on maintaining the physical and economic integrity of agricultural lands, as defined by Section 56016.

- Effects on Agriculture and Open-Space Lands: The proposal will not negatively impact agricultural or open space lands and will align the district boundary with existing land use designations that allow for community development.

(f) The definiteness and certainty of the boundaries of the territory, the nonconformance of proposed boundaries with lines of assessment or ownership, the creation of islands or corridors of unincorporated territory, and other similar matters affecting the proposed boundaries.

- Boundaries: The boundaries of this territory have been clearly defined; they align with property ownership and land use designation boundaries. The boundary creates a contiguous district around lands with designations that allow for development, which preserves the integrity of the Open Space (OP) and Resource Management (RM) designated lands surrounding the community.

(g) A regional transportation plan adopted pursuant to Section 65080.

- Sunny Slopes is part of Mono County's adopted Regional Transportation Plan.

(h) The proposal's consistency with city or county general and specific plans.

- The proposed annexation is consistent with the Mono County General Plan.

(i) The sphere of influence of any local agency that may be applicable to the proposal being reviewed.

- There are no other districts that provide water service in Sunny Slopes or in nearby communities with an overlapping SOI. Other districts with an SOI that covers Sunny Slopes are: LVFPD, Southern Mono Healthcare District, County Service Area #1, and the Countywide Service Area. However, none of these districts provide similar services.

(j) The comments of any affected local agency or other public agency.

- No comments from affected agencies, landowners or the public were received during the drafting of this report.

(k) The ability of the newly formed or receiving entity to provide the services that are the subject of the application to the area, including the sufficiency of revenues for those services following the proposed boundary change.

- Ability to provide services including revenues: BCSD has indicated it has the capacity to serve the parcel with the potential fire station and the water line and fire hydrant are existing on the parcel. The BCSD will provide service via the annual water fee collected with property taxes each year.

(l) Timely availability of water supplies adequate for projected needs as specified in Section 65352.5.

- Timely Availability of Water Supplies: There are no issues regarding water supply or delivery. The district is pursuing upgrades to existing, including an emergency backup generator that will improve water service availability.

(m) The extent to which the proposal will affect a city or cities and the county in achieving their respective fair shares of the regional housing needs as determined by the appropriate council of governments consistent with Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7.

- Regional Housing Needs: This proposal has a positive effect on regional housing needs increasing the service availability of the LVFPD to the community of Sunny Slopes (via the potential new fire station proposed on this parcel).
 - The Mono County Housing Element identifies two parcels in Sunny Slopes (totaling approximately 13-acres) as key housing sites with the potential to provide up to 11 additional units of future housing stock.
 - In addition, changes to State law may increase the residential units on existing developed parcels in Sunny Slopes (depending on parcel size, topographic and

septic system constraints) which would benefit from being served by a new community fire station.

(n) Any information or comments from the landowner or landowners, voters, or residents of the affected territory.

- No comments from affected agencies, landowners or the public were received during the drafting of this report.

(o) Any information relating to existing land use designations.

- See discussion in finding (a) above.

(p) The extent to which the proposal will promote environmental justice. As used in this subdivision, "environmental justice" means the fair treatment and meaningful involvement of people of all races, cultures, incomes, and national origins, with respect to the location of public facilities and the provision of public services, to ensure a healthy environment for all people such that the effects of pollution are not disproportionately borne by any particular populations or communities.

- *Environmental Justice*: This proposal will promote environmental justice as the future LVFPD fire station in Sunny Slopes will allow for better fire protection services for Sunny Slopes and nearby communities by decreasing emergency response time. Overall, the Sunny Slopes community would benefit from the future LVFPD station being proposed on the parcel for annexation by the BCSD.
- *Disadvantaged Unincorporated Communities (DUC)*: There are no disadvantaged unincorporated communities within or adjacent to the sphere of influence of the BCSD (utilizing California LAFCO's online DUC map and standards for this determination).

(q) Information contained in a local hazard mitigation plan, information contained in a safety element of a general plan, and any maps that identify land as a very high fire hazard zone pursuant to Section 51178 or maps that identify land determined to be in a state responsibility area pursuant to Section 4102 of the Public Resources Code, if it is determined that such information is relevant to the area that is the subject of the proposal.

- Sunny Slopes is not located in a very high fire severity zone. It is located in a State Responsibility Area (as is the majority of unincorporated Mono County).
- The 2019 Town of Mammoth Lakes and Mono County Multi-Jurisdictional Hazard mitigation notes the following:
 - "Some residences in this community are more than five miles from the nearest fire station. There is a good hydrant network in some parts of Sunny Slopes, but the hydrant network and the Sunny Slopes water supply does not service any of the USFS lease properties. There are several steep, narrow roads and some are little more than rough dirt tracks. This community has overhead power lines which may be a hazard to fire apparatus" (Page F53).

ENVIRONMENTAL REVIEW

1. *2023 BCSD MSR & SOI REPORT*: The update to the BCSD's MSR/SOI report qualifies for a categorical exemption under CEQA Guideline 15306, Information Collection. Class 6 consists of consists of basic data collection, research, experimental management, and resource evaluation activities which do not result in a serious or major disturbance to an environmental resource. These may be strictly for information gathering purposes, or as part of a study leading to an action which a public agency has not yet approved, adopted,

or funded. The MSR process does require LAFCOs to make determinations during this process but does not require LAFCO to initiate changes of organization based on MSR findings.

2. *SOI Amendment and Annexation:* The proposed SOI amendment and Annexation qualifies for a categorical exemption under CEQA Guideline §15301(b), Existing Facilities. Class 1 exemptions consist of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination. Examples include but are not limited to:
 - (b) Existing facilities of both investor and publicly owned utilities used to provide electric power, natural gas, sewerage, or other public utility services.

The proposed project falls within a Class 1 exemption because water infrastructure is already in place to serve the parcel and it has been receiving district services or managed as if within the district, the action will not result in a change to the existing conditions.

Additionally, the project is consistent with a Class 3 exemption (15303(d)). Class 3 consists of construction and location of limited numbers of new, small facilities or structures; installation of small new equipment and facilities in small structures; and the conversion of existing small structures from one use to another where only minor modifications are made in the exterior of the structure. The numbers of structures described in this section are the maximum allowable on any legal parcel. Examples of this exemption include, but are not limited to:

- (d) Water main, sewage, electrical, gas, and other utility extensions, including street improvements, of reasonable length to serve such construction.

This project qualifies as a Class 3 exemption because it consists of the installation of utility extensions (a water line and fire hydrant) which are specifically listed as exempt. Thus, the project is not expected to cause any significant environmental impacts.

ATTACHMENTS

1. Mono LAFCO Resolution R23-01 (MSR and SOI Report Update)
2. Mono LAFCO Resolution R23-TBD2 (SOI Amendment & Annexation)
3. 2023 MSR Update Birchim Community Service District

RESOLUTION R23-01
A RESOLUTION OF THE MONO LOCAL AGENCY FORMATION COMMISSION
ADOPTING THE 2023 MUNICIPAL SERVICE REVIEW & SPHERE OF INFLUENCE
REPORT FOR THE BIRCHIM COMMUNITY SERVICES DISTRICT

WHEREAS, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH) governs the organization and reorganization of cities and special districts by local agency formation commissions established in each county (LAFCO), as defined and specified in Government Code Sections 56000 et seq. (unless otherwise indicated all statutory references are to the Government Code); and

WHEREAS, the CKH requires LAFCOs to conduct comprehensive reviews of all municipal services in each county in California and to periodically update that information. The purpose of the Municipal Service Reviews (MSR) is to gather detailed information on public service capacities and issues; and

WHEREAS, the CKH requires LAFCOs to develop and determine the Sphere of Influence (SOI) for each applicable local governmental agency that provides services or facilities related to development. Government Code Section 56076 defines an SOI as “a plan for the probable physical boundaries and service area of a local agency;” and

WHEREAS, MSRs must be completed prior to the establishment or update of an SOI (§56430[a]). SOIs must be reviewed and updated as necessary, but not less than once every five years (§56425); and

WHEREAS, a comprehensive update to the Birchim Community Services District’s (BCSD) MSR and SOI report has not been completed since 2009; and

WHEREAS, Mono County LAFCO (Commission) with the assistance of contract staff conducted a comprehensive update process for the BCSD’s MSR and SOI report; and

WHEREAS, staff has reviewed the update and determined that it does not have the potential to cause a significant effect on the environment, and is therefore not subject to the California Environmental Quality Act (CEQA) in accordance with CEQA Guidelines §15306 (Class 6 Exemption for Information Collection) and, based thereon, the Executive Officer will file a Notice of Exemption; and

WHEREAS, the Executive Officer set a public hearing for January 28, 2021, for consideration of the draft MSR/SOI update and caused notice thereof to be posted, published, and e-mailed at the times and in the manner required by law at least twenty-one (21) days in advance of the date; and

WHEREAS, in accordance with Government Code §56425, the Commission did hold a public hearing on October 12, 2023, to consider adopting this proposed MSR and updated SOI report for the BCSD at 3:30 p.m. in the Mono County Civic Center, Dana Room (2nd Floor), 1290 Tavern Road in Mammoth Lakes; and

WHEREAS, at that time, an opportunity was given to all interested persons, organizations, and agencies to present oral or written testimony and other information concerning the proposal and all related matters; and

WHEREAS, the Commission received, heard, discussed, and considered all oral and written testimony related to the BCSD’s 2023 MSR and SOI report, including but not limited to protests and objections, the Executive Officer's report and recommendations, the environmental determinations, and the MSR.

NOW, THEREFORE, BE IT RESOLVED that, following the close of the public hearing based upon the findings contained in the staff report, the Commission adopts and approves the “2023 BCSD MSR and SOI report” (Exhibit A).

NOW, THEREFORE, BE IT FURTHER RESOLVED that the Commission directs that a categorical exemption be filed and approves the updated MSR and SOI report for the BCSD.

APPROVED and **ADOPTED** this 12th day of October 2023, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Paul McFarland, Vice Chair
Mono County LAFCO

Heidi Willson
Secretary to LAFCO

APPROVED AS TO FORM

Chris Beck, LAFCO Counsel

RESOLUTION R23-02
A RESOLUTION OF THE MONO LOCAL AGENCY FORMATION COMMISSION (LAFCO)
APPROVING AND ORDERING A SPHERE OF INFLUENCE AMENDMENT AND
ANNEXATION TO THE BIRCHIM COMMUNITY SERVICES DISTRICT

WHEREAS, the Birchim Community Services District (BCSD) adopted a resolution of application to initiate proceedings before the Mono County Local Agency Formation Commission (Commission) pursuant to Part 3, Division 3, Title 5 of the California Government Code (commencing with section 56000, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000), to annex property located within the County of Mono, identified by Mono County Assessor's Parcel Number (APN) 062-040-022-000 (owned by the Long Valley Fire Protection District (LVFPD)); and

WHEREAS, the BCSD currently provides water and fire flow service to properties within its District Boundaries; and

WHEREAS, a water line and fire hydrant are already existing on APN 062-040-022-000; and

WHEREAS, the principal reason for the proposed annexation is to allow BCSD to provide water service to one uninhabited and undeveloped parcel currently located outside its District Boundaries; and

WHEREAS, BCSD is not requesting any property tax exchange in connection with the proposed annexation; and

WHEREAS, a map of the territory included in proposed annexation is set forth in Exhibit A, attached hereto and incorporated herein; and

WHEREAS, the Executive Officer set a public hearing for October 12, 2023, for consideration of the proposed SOI amendment and annexation and caused notice thereof to be posted, published, and e-mailed at the times and in the manner required by law at least twenty-one (21) days in advance of the date; and,

WHEREAS, the Commission did hold a public hearing on October 12, 2023, to consider approval of the proposed annexation of one parcel to the BCSD at 3:30 p.m. in the Mono County Civic Center, Dana Room (2nd Floor), 1290 Tavern Road in Mammoth Lakes; and

WHEREAS, at that time, an opportunity was given to all interested persons, organizations, and agencies to present oral or written testimony and other information concerning the proposal and all related matters; and,

WHEREAS, the Commission received, heard, discussed, and considered all oral and written testimony related to the SOI amendment and annexation, including but not limited to protests and objections, the Executive Officer's report and recommendations, the environmental determinations, and the MSR.

NOW, THEREFORE, BE IT RESOLVED that the Commission hereby determines the following:

1. The territory proposed for annexation, as described in Exhibit A, is uninhabited and is approximately 1.08-acres in size.
2. In reviewing this application, this Commission has considered each of the factors required by Government Code Section 56668 and LAFCO's adopted policies.

3. The LAFCO Executive Officer's Staff Report including attachments and recommendation for approval of the proposal is hereby incorporated by reference and hereby adopted.
4. The Commission finds that this annexation is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Sections 15301(b) and 15303(d).

NOW, THEREFORE, BE IT FURTHER RESOLVED that the Commission directs that a categorical exemption be filed under CEQA guidelines 15301(b) and 15303(d) and approves the annexation subject to the following terms and conditions:

1. BPUD shall be required to reimburse Mono LAFCO all fees and costs relating to annexation filing with the California Board of Equalization.

A PPROVED and ADOPTED this 12th day of October 2023, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

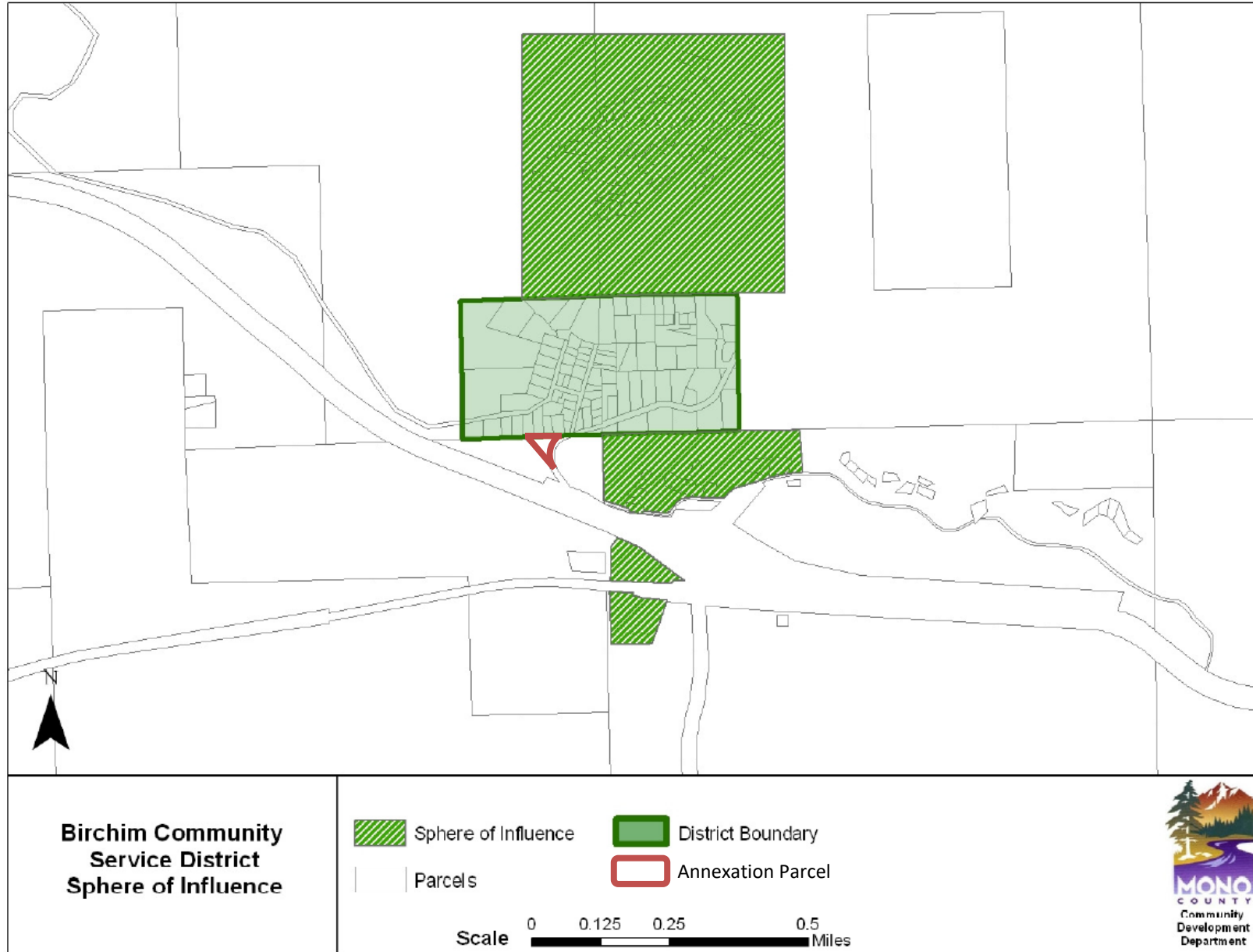
Paul McFarland, Vice Chair
Mono County LAFCO

Heidi Willson
Secretary to LAFCO

APPROVED AS TO FORM

Chris Beck, LAFCO Counsel

EXHIBIT A



**MUNICIPAL SERVICE REVIEW
AND
SPHERE OF INFLUENCE RECOMMENDATION**

BIRCHIM COMMUNITY SERVICES DISTRICT

FINAL REPORT | OCTOBER 2023

PREPARED FOR:

Mono County Local Agency Formation
Commission
PO Box 347
Mammoth Lakes, CA 93546
(760) 924-1800
<https://monocounty.ca.gov/lafco>

PREPARED BY:

Mono County LAFCO Staff:
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Resource Concepts Inc.
Bauer Planning and Environmental Services, Inc.

TABLE OF CONTENTS

LIST OF ACRONYMS.....	3
LIST OF FIGURES & TABLES	3
I. EXECUTIVE SUMMARY	4
II. INTRODUCTION.....	9
III. DISTRICT OVERVIEW	13
IV. SERVICE REVIEW ANALYSIS AND DETERMINATIONS.....	15
V. SPHERE OF INFLUENCE DETERMINATIONS.....	28
VI. SPHERE OF INFLUENCE RECOMMENDATION	30
VII. REORGANIZATION RECOMMENDATION.....	30
VIII. REFERENCES.....	32

LIST OF ACRONYMS

ACS – American Community Survey
 BCSD – Birchim Community Services District
 BPES, Inc. – Bauer Planning and Environmental Services, Inc.
 CaLAFCO – California Local Agency Formation Commission
 CDBG – California Development Block Grant
 CKH – Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000
 CDP – Census Designated Place
 COI – Community of interest
 DOF – California Department of Finance
 DUCs – Disadvantaged Unincorporated Communities
 DWR – California Department of Water Resources
 HCD – California Department of Housing and Community Development
 LAFCO – Local Agency Formation Commission
 LVFPD – Long Valley Fire Protection District
 MSR – Municipal Service Review
 OPR - Governor’s Office of Planning and Research
 RCI – Resource Concepts Inc.
 SOI – Sphere of Influence

LIST OF FIGURES & TABLES

FIGURE 1: BCSD’S CURRENT DISTRICT BOUNDARIES
 FIGURE 2: MAP OF LAND USE DESIGNATIONS
 FIGURE 3: CALAFCO STATEWIDE DUC MAP
 FIGURE 4: BCSD’S SOI
 TABLE 1: BCSD OVERVIEW
 TABLE 2. BCSD 2022-2023 BUDGET
 TABLE 3. STATEMENT OF NET POSITION
 TABLE 4. STATEMENT OF ACTIVITIES
 TABLE 5. BCSD BOARD ROSTER
 TABLE 6. WEBSITE COMPLIANCE CHECKLIST

I. EXECUTIVE SUMMARY

MUNICIPAL SERVICE REVIEW RECOMMENDED DETERMINATIONS

1. GROWTH AND POPULATION PROJECTIONS FOR THE AFFECTED AREA

- ✓ The BCSD provides service to a population of approximately 139 people and 37 households over a geographical area of approximately 80-acres in the Sunny Slopes community. The population in Sunny Slopes is projected to increase to 146 by 2030. This growth is based on a 0.5% population increase year over year. This figure was used as a conservative estimate based on the population declining slightly between 2010 and 2020.
- ✓ Future development in Sunny Slopes will likely be limited to small-scale residential uses and a new LVFPD fire station. The Mono County Housing Element identifies two large parcels in Sunny Slopes (totaling approximately 13-acres) as key housing sites with the potential to provide up to 11 additional units of future housing stock.
- ✓ Recent changes to State law create a potential for increased density on SFR parcels in Sunny Slopes (up to three units: a main residence, an ADU and JADU). These changes have the potential to increase the demand for BCSD water service, however, the small average parcel size, topography, as well as the space required for septic system installation will likely further limit the potential increase in residential density and demand.

2. LOCATION & CHARACTERISTICS OF ANY DISADVANTAGED UNINCORPORATED COMMUNITIES IN OR CONTIGUOUS TO THE SPHERE OF INFLUENCE.

- ✓ No part of Sunny Slopes, nor any area contiguous to it, is designated as a DUC per the CaLAFCO statewide DUC map.
- ✓ Communities in Mono County are geographically isolated from one another, so it is rare for communities to be located within or adjacent to the SOI of service-providing district and not receive services from such district.

3. PRESENT AND PLANNED CAPACITY OF PUBLIC FACILITIES, ADEQUACY OF PUBLIC SERVICES, AND INFRASTRUCTURE NEEDS OR DEFICIENCIES INCLUDING NEEDS OR DEFICIENCIES RELATED TO SEWERS, MUNICIPAL AND INDUSTRIAL WATER, AND STRUCTURAL FIRE PROTECTION IN ANY DISADVANTAGED, UNINCORPORATED COMMUNITIES WITHIN OR CONTIGUOUS TO THE SPHERE OF INFLUENCE.

- ✓ BCSD has a Ten-Year Master Plan (2013-2023) that assesses future infrastructure and service needs and identified projects to meet those needs. A fee increase implemented in 2007 by the BCSD was calculated to meet loan obligations as well as anticipated infrastructure and service needs until 2017. The BCSD is currently discussing developing a new Ten-Year Master Plan.
- ✓ There are no service deficiencies related to DUCs as there are no DUCs within or contiguous to the BCSD.

4. FINANCIAL ABILITY OF AGENCIES TO PROVIDE SERVICES.

- ✓ BCSD has a Ten-Year Master Plan (2013-2023) that assesses future infrastructure and service needs and identified projects to meet those needs. The BCSD is currently discussing developing a new Ten-Year Master Plan.

- ✓ BCSD's future financing will continue to rely heavily on the annual water use fee that is collected with property tax. The last fee increase was in 2007 and was anticipated to meet loan obligations as well as anticipated infrastructure and service needs until 2017.
- ✓ BCSD's most recent audit showed a net position of \$505,955 in FY 20/21 and \$510,968 in FY 19/20 and a decrease in net position of \$5,014 (see Tables 4 & 5). An agency's "Net Position" as reported in its audited financial statements represents the amount by which assets (e.g., cash, capital assets, other assets) exceed liabilities. A positive Net Position generally provides an indicator of financial soundness over the long-term.
- ✓ The district participates in cost sharing through participation in the Rural Special Districts Services Association.
- ✓ There are a number of small service providers in Long Valley that have administrative costs associated with the overall management of those organizations. There could be some duplication of services among the service providers, particularly in areas such as personnel management, insurance, risk management, financial management services, fleet maintenance, etc. Further studies would be necessary to determine whether there are opportunities to reduce costs among the service providers.
- ✓ BCSD has applied for and received grant funding. Most recently, the BCSD was awarded \$214,000 in grant funding from DWR for an emergency backup generator. The district continues to apply for all applicable grant funding.

5. STATUS OF, AND OPPORTUNITIES FOR, SHARED FACILITIES.

- ✓ There are currently no opportunities for shared facilities, due to the limited facilities and equipment owned by BCSD and the distance between Sunny Slopes and other communities in Long Valley.
- ✓ The Long Valley area includes other special district service providers, as well as the County, that require facilities to support their services. A future opportunity for shared facilities may arise with the potential construction of a new LVFPD fire station in Sunny Slopes. Further studies would be necessary at that time to determine whether there would be opportunities to reduce costs by sharing facilities.

6. ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS, INCLUDING GOVERNMENTAL STRUCTURE AND OPERATIONAL EFFICIENCIES.

- ✓ BCSD is governed by a five-member Board of Directors and staffing is limited to two personnel.
- ✓ The district has an Annual Budget and has a current Ten-Year Master Plan (2013-2023) that assesses future infrastructure and service needs and identified projects to meet those needs. The BCSD is currently discussing developing a new Ten-Year Master Plan.
- ✓ As a CSD, the District is authorized to provide a variety of services including sewage collection and disposal, snow removal/road maintenance, mosquito abatement, water treatment and distribution, fire protection, parks and recreational services, etc. At the present time, the BCSD provides only water service and fire hydrants to the Sunny Slopes community.
- ✓ The BCSD currently conducts outreach to its customers predominately via mailers/inserts mailed out the bills, posting on a local bulletin board, and notices are delivered to each residence when needed. The district also maintains an extensive email list to notify and communicate with residents. Digital outreach tools (including a formal website) may allow for a more efficient and wider distribution of timely information about the District.

- ✓ The BCSD currently lacks a website, LAFCO encourages the District to consider establishing a website to enhance public outreach and transparency. If a website is established, LAFCO also encourages the District to post budgets, audits, meeting agendas and minutes on the site to increase ease of access for residents. Additional resources to assist in the endeavor are cited in this report.
- ✓ BCSD does not comply with the minimum requirements for open meetings and public records. Resources to bring the BCSD into compliance are available and cited in this MSR.
- ✓ LAFCO recommends the BCSD review and utilize the additional resources and recommendations in the forthcoming CIP to implement additional efficiency measures.
- ✓ No alternative government structure options are considered superior to the current structure at this time. However, as more development occurs within the greater Long Valley area, a regional Community Services District with separate service areas throughout the Long Valley communities (including Sunny Slopes) might best provide sewer and water services for the greater area.

7. ANY OTHER MATTER RELATED TO EFFECTIVE OR EFFICIENT SERVICE DELIVERY, AS REQUIRED BY COMMISSION POLICY.

- ✓ There are no relevant recommendations from the BCSD's 2009 MSR that have not been implemented.
- ✓ Currently, the LVFPD is moving forward with constructing a new fire station on their parcel in Sunny Slopes. The LVFPD's parcel (062-040-022-000) is currently outside of the BCSD's district boundary and SOI. A water line and hydrant have already been installed to provide service to the parcel.
- ✓ A LAFCO application from the BCSD is currently in process to annex the LVFPD parcel into its District boundary.

SPHERE OF INFLUENCE RECOMMENDED DETERMINATIONS

1. THE PRESENT AND PLANNED LAND USES IN THE AREA, INCLUDING AGRICULTURAL AND OPEN-SPACE LANDS.

- ✓ BCSD is not an authorized land use planning authority. Mono County is responsible for land use planning.
- ✓ Present land uses in the area served by the BCSD are primarily single-family residential uses. There are no commercial uses. The planned land uses for community areas throughout Long Valley, including Sunny Slopes, are similar to existing uses with future development concentrated primarily within and adjacent to existing development.
- ✓ Recent changes to State law creates a potential for increased density on SFR parcels in Sunny Slopes (up to three units: a main residence, an ADU and JADU). These changes have the potential to increase the demand for BCSD water service, however, the small average parcel size, topography, as well as the space required for septic system installation will likely further limit the potential increase in residential density and demand.

2. THE PRESENT AND PROBABLE NEED FOR PUBLIC FACILITIES AND SERVICES IN THE AREA.

- ✓ The BCSD area has a present need for water services for domestic and fire flow uses. Current facilities and services are adequate to support the service area.
- ✓ The BCSD's boundaries are anticipated to change and will likely include the LVFPD's parcel (proposed location of a new fire station in Sunny Slopes).
- ✓ Regulatory requirements for small water systems may create a need for additional infrastructure within the BCSD.
- ✓ The build-out allowed by the General Plan will create additional demand for water services in the future.
- ✓ BCSD has a Ten-Year Master Plan (2013-2023) that assesses future infrastructure and service needs and identified projects to meet those needs. The BCSD is currently discussing developing a new Ten-Year Master Plan.

3. THE PRESENT CAPACITY OF PUBLIC FACILITIES AND ADEQUACY OF PUBLIC SERVICES THAT THE AGENCY PROVIDES OR IS AUTHORIZED TO PROVIDE.

- ✓ The BCSD currently provides an adequate level of service but has identified a need to improve its facilities in order to serve additional development and to improve services to existing development.
- ✓ As a CSD, the district is authorized to provide a wide array of services, including water treatment and distribution, fire protection, parks and recreational services, etc.

4. THE EXISTENCE OF ANY SOCIAL OR ECONOMIC COMMUNITIES OF INTEREST IN THE AREA IF THE COMMISSION DETERMINES THAT THEY ARE RELEVANT TO THE AGENCY.

- ✓ The BCSD serves the community of Sunny Slopes which is part of two larger/regional-level communities of interest (COI) (Suburban South County COI and The Highway 395 COI) identified in the 2021 Mono County Redistricting effort. The boundaries of these COIs roughly align with the Long Valley Planning Area and include several different special districts and private mutual water companies (mostly in the Crowley Lake community).
- ✓ The Long Valley communities share social and economic interests with each other but are geographically distinct and isolated from one another. These shared interests promote a coordinated approach to service provision in the Long Valley area, however, services are provided by individual Special Districts and/or private mutual water companies to each distinct community within Long Valley.
- ✓ The BCSD's SOI boundaries are mostly consistent with the boundaries of the communities of Sunny Slopes and Tom's Place as well as the U.S. Forest Service lease areas (including Pine Glade and Lower Rock Creek Tracts), surrounding Sunny Slopes.
- ✓ A LAFCO application from the BCSD is currently in process to annex one parcel owned by the LVFPD parcel (062-040-022-000) which is outside of the BCSD's boundaries.

5. FOR AN UPDATE OF A SPHERE OF INFLUENCE OF A CITY OR SPECIAL DISTRICT THAT PROVIDES PUBLIC FACILITIES OR SERVICES RELATED TO SEWERS, MUNICIPAL AND INDUSTRIAL WATER, OR STRUCTURAL FIRE PROTECTION, THAT OCCURS PURSUANT TO SUBDIVISION (G) ON OR AFTER JULY 1, 2012, THE PRESENT AND PROBABLE NEED FOR THOSE PUBLIC FACILITIES AND SERVICES OF ANY DISADVANTAGED UNINCORPORATED COMMUNITIES WITHIN THE EXISTING SPHERE OF INFLUENCE.

- ✓ The BCSD provides domestic water and fire flow services to Sunny Slopes. However, there are no DUCs, as defined by statute, within or adjacent to the existing SOI, nor does the District provide any of those services identified.

SPHERE OF INFLUENCE RECOMMENDATION

Currently the boundaries include privately owned land within the community of Sunny Slopes and U.S. Forest Service lease areas (including Tom’s Place as well as Pine Glade and Lower Rock Creek cabin tracts) (see Figure 6). Mono County LAFCO recommends expanding the SOI, encompassing LVFPD’s parcel (APN 062-040-022-0000 to facilitate annexation of the parcel and development of an additional fire station in Sunny Slopes.

REORGANIZATION RECOMMENDATION

Currently, the BCSD provides adequate services within its boundaries. In the future, a regional water and sewer provider with separate service areas throughout the Long Valley communities might best provide sewer and water services for the region. At that time, a reorganization study should be conducted to determine what governmental structure would best provide services for the region. Such a reorganization should occur only with the concurrence of the involved Districts’ Boards of Directors.

II. INTRODUCTION

MUNICIPAL SERVICE REVIEWS AND LAFCO

The Cortese-Knox-Hertzberg (CKH) Local Government Reorganization Act of 2000 is LAFCO’s governing law and requires Local Agency Formation Commissions (LAFCOs) to conduct comprehensive reviews of all municipal services in each county—or other appropriate area designated by the commission—in California and to periodically update that information. Municipal Service Reviews (MSR) are conducted by the commission documenting and analyzing the services in a particular geographic region or jurisdictional area pursuant to the requirements of Section 56430. The purpose of the MSR is to gather detailed information on public service capacities and issues in order to prepare written determinations pursuant to Section 56430 of the CKH.

The formation of local agency boundaries fits into the state’s larger goal of encouraging orderly growth and development. Section 56001 of the CKH recognizes that:

“the logical formation and determination of local agency boundaries is an important factor in promoting orderly development and in balancing that development with sometimes competing state interests of discouraging urban sprawl, preserving open-space and prime agricultural lands, and efficiently extending government services.”

RELATIONSHIP BETWEEN MUNICIPAL SERVICE REVIEWS AND SPHERES OF INFLUENCE

The CKH requires LAFCOs to develop and determine the Sphere of Influence (SOI) for each applicable local governmental agency that provides services or facilities related to development. Government Code Section 56076 defines a SOI as: *“a plan for the probable physical boundaries and service area of a local agency.”* CaLAFCO further describes the purpose of the SOI is:

“a planning boundary outside of an agency’s legal boundary (such as the city limit line) that designates the agency’s probable future boundary and service area. Factors considered in a sphere of influence review focus on the current and future land use, the current and future need and capacity for service, and any relevant communities of interest. With the passage of the CKH Act, spheres for all cities and special districts are reviewed every five years.

“... to ensure the provision of efficient services while discouraging urban sprawl and the premature conversion of agricultural and open space lands by preventing overlapping jurisdictions and duplication of services. Commissions cannot tell agencies what their planning goals should be. Rather, on a regional level, LAFCOs coordinate the orderly development of a community through reconciling differences between agency plans so that the most efficient urban service arrangements are created for the benefit of area residents and property owners.”

Per CKH section 56425, SOIs must be reviewed and updated every five years. LAFCO can conduct MSRs before, or in conjunction with, but no later than the time it is considering an action to establish or update an SOI (§56430). The information and determinations contained in an MSR are intended to guide and inform SOI decisions. MSRs enable LAFCO to determine SOI boundaries and to establish the most efficient service provider for areas needing new service and function as the basis for other government reorganizations.

The Birchim Community Services District's (BCSD) MSR is being conducted in response to, and in conjunction with, an update of the SOI for the district.

REVISED MSR REQUIREMENTS

California Senate Bill 244, passed in 2011 and in effect since 2012, significantly revised the requirements for MSRs. Since the previous MSR for the BCSD dates to 2009, this is the first review written to the new requirements.

The 2003 Local Agency Formation Commission Municipal Service Review Guidelines detailed nine determinations necessary to an MSR, each consisting of between five and forty-nine elements.ⁱⁱ These requirements have been streamlined. The new requirements, pared down to a list of seven, still review land use, demographics, present and future service needs as compared with capacity, and the financial ability of agencies to provide services. They additionally require agencies to give special consideration to Communities of Interest and Disadvantaged Unincorporated Communities (DUCs) during the review.

2023 MSR/SOI UPDATE PROCESS AND APPROACH

The last comprehensive update of the MSRs & SOIs for all Special Districts in Mono County occurred in 2009. Due to the length of time between updates, LAFCO is using a unique approach to update the MSRs and SOIs of sixteen Special Districts in unincorporated Mono County (list below).

- | | |
|---|---|
| 1. Antelope Valley Fire Protection District | 9. Lee Vining Fire Protection District |
| 2. Birchim Community Services District | 10. Lee Vining Public Utility District |
| 3. Bridgeport Fire Protection District | 11. Long Valley Fire Protection District |
| 4. Bridgeport Public Utility District | 12. Mono City Fire Protection District |
| 5. Chalfant Valley Fire/Community Services District | 13. Paradise Fire Protection District |
| 6. Hilton Creek Community Services District | 14. Wheeler Crest Community Services District |
| 7. June Lake Fire Protection District | 15. Wheeler Crest Fire Protection District |
| 8. June Lake Public Utility District | 16. White Mountain Fire Protection District |

This work is partially funded by a California Development Block Grant (CDBG) awarded to the County by the California Department of Housing and Community Development (HCD) in February 2021. Resource Concepts, Inc. (RCI) was awarded the contract for this work through an RFP process approved by the Board of Supervisors on May 10, 2022. CDBG grant funding is being used to better understand the infrastructure limitations of local special districts which are a potential barrier to housing production in unincorporated Mono County. This work will include outreach and coordination with sixteen special districts to gather information necessary to update their MSRs and SOIs. Additional project phases will also include a needs assessment of each special district, and a potential Capital Improvement Plan. The deadline for grant funds to be expended is June 30, 2024.

The remaining eleven Special Districts in both the unincorporated County and the Town of Mammoth Lakes will be completed via a contract with Bauer Planning and Environmental Services, Inc. (BPES, Inc.) and LAFCO staff time (as needed). BPES, Inc.'s MSR/SOI template has been utilized for the BCSD MSR/SOI update.

- | | |
|--|---|
| 1. Mammoth Community Water District | 7. County Service Area #1 |
| 2. Mammoth Lakes FPD | 8. County Service Area #2 |
| 3. Mammoth Lakes Mosquito Abatement District | 9. County Service Area #5 |
| 4. Southern Mono Hospital District | 10. Countywide CSA |
| 5. Town of Mammoth Lakes | 11. Antelope Valley Water District (to be completed by LAFCO Staff) |
| 6. Mammoth Lakes Community Service Area | |

A collaborative process was used throughout the preparation of this MSR/SOI update report. An introductory letter was sent to each District advising them of the upcoming MSR/SOI process. RCI coordinated with and gathered any necessary information directly from each district. All necessary updates were outlined in a summary table which Mono County LAFCO staff then used to guide the initial update of the District's MSR/SOI report.

The administrative draft report was then sent to the District for a two-week review period during which they could submit comments, edits, and any additional input they desired to be included in the final draft report. Any comments received were considered, incorporated where appropriate, and finalized by LAFCO staff. The final draft report and draft recommendations were formally issued for a 21-day public review period via a published notice and email notifications were sent via our LAFCO listserv and to the affected agencies. The draft report was also posted on the LAFCO website at the following link (<https://monocounty.ca.gov/lafco/page/lafco-documents>).

A public hearing for formal review and potential approval by Mono County LAFCO was scheduled and a 21-day notice was published in the local newspaper of record. Additional comments received before and during the public hearing were addressed and incorporated into the document as necessary. Upon final action by LAFCO for the MSR and SOI recommendations and determinations, a Final Approved Report incorporating any revisions and/or direction provided by the LAFCO was completed and published. Any SOI recommendations and/or determinations not adopted with the MSR will be brought back to the Commission at a subsequent public hearing for final SOI adoption.

AFFECTED AGENCIES

Per Government Code Section 56427, a public hearing is required to adopt, amend, or revise a sphere of influence. Notice shall be provided at least 21-days in advance and mailed notice shall be provided to each affected local agency or affected County, and to any interested party who has filed a written request for notice with the executive officer. Per Government Code Section 56014, an affected local agency means any local agency that overlaps with any portion of the subject agency boundary or SOI (included proposed changes to the SOI).

The affected local agencies for this MSR/SOI are:

County/Cities:

- Town of Mammoth Lakes
- County of Mono**
- County of Madera

K-12 School Districts:

- Eastern Sierra Unified School District
- Mammoth Unified School District**

Special Districts:

- | | |
|--|---|
| <input type="checkbox"/> Antelope Valley Fire Protection District | <input type="checkbox"/> June Lake Public Utility District |
| <input type="checkbox"/> Antelope Valley Water District | <input type="checkbox"/> Lee Vining Fire Protection District |
| <input checked="" type="checkbox"/> Birchim Community Services District | <input type="checkbox"/> Lee Vining Public Utility District |
| <input type="checkbox"/> Bridgeport Fire Protection District | <input checked="" type="checkbox"/> Long Valley Fire Protection District |
| <input type="checkbox"/> Bridgeport Public Utility District | <input type="checkbox"/> Mammoth Lakes Community Water District |
| <input type="checkbox"/> Chalfant Valley Fire/Community Services District | <input type="checkbox"/> Mammoth Lakes Fire Protection District |
| <input checked="" type="checkbox"/> County Service Area #1 | <input type="checkbox"/> Mammoth Lakes Mosquito Abatement District |
| <input type="checkbox"/> County Service Area #2 | <input type="checkbox"/> Mono City Fire Protection District |
| <input type="checkbox"/> County Service Area #5 | <input type="checkbox"/> Paradise Fire Protection District |
| <input checked="" type="checkbox"/> Countywide Service Area | <input checked="" type="checkbox"/> Southern Mono Healthcare District |
| <input type="checkbox"/> Hilton Creek Community Services District | <input type="checkbox"/> Wheeler Crest Community Services District |
| <input type="checkbox"/> June Lake Fire Protection District | <input type="checkbox"/> White Mountain Fire Protection District |

COMMUNITY SERVICES DISTRICTS

OVERVIEW

A Community Services District (CSD) is a Special District, a form of local government created by a local community to meet a specific need or needs. Unlike most special districts that provide a single service, CSD's are formed via California Government Code §61000 (originally passed in 1951 and commonly referred to as "Community Services District Law") and can provide multiple services to a community. In fact, CSD's can provide up to 32 different services, such as water, garbage collection, wastewater management, security, fire protection, public recreation, street lighting, mosquito abatement services, library services, etc. CSD's are governed by a board of five directors, elected by resident voter to four-year terms. CSD's are particularly helpful as a local government option for communities in the unincorporated areas of California.

FINANCING TOOLS

California Government Code §61115, grants CSD's the authority to establish rates or other charges for services and facilities that the district provides. Charges can be either collected on the tax roll in the same manner as property taxes or collected with the rates or charges for any other services and facilities provided by the district.

CSD's have two financing tools, the first is fees or charges for services provided by the district and the second are special assessments based on the specific benefit each parcel receives from the improvements. Assessments are a levy against district lands that receive special benefits from operation of the district works. The approval of Proposition 218 in 1997 requires any new or increased assessments may be imposed only if proportional to the special benefits provided supported by a detailed engineer's report, and approved by a majority vote of the affected landowners.

MONO COUNTY CSD'S

Mono County has five CSDs (listed below), four that provide services to the unincorporated communities of Sunny Slopes, Chalfant Valley, Crowley Lake, and Swall Meadows and one that provides service to the incorporated Town of Mammoth Lakes.

1. Birchim CSD
2. Chalfant Valley CSD & Fire
3. Hilton Creek CSD
4. Wheeler Crest CSD
5. Mammoth Lakes CSD

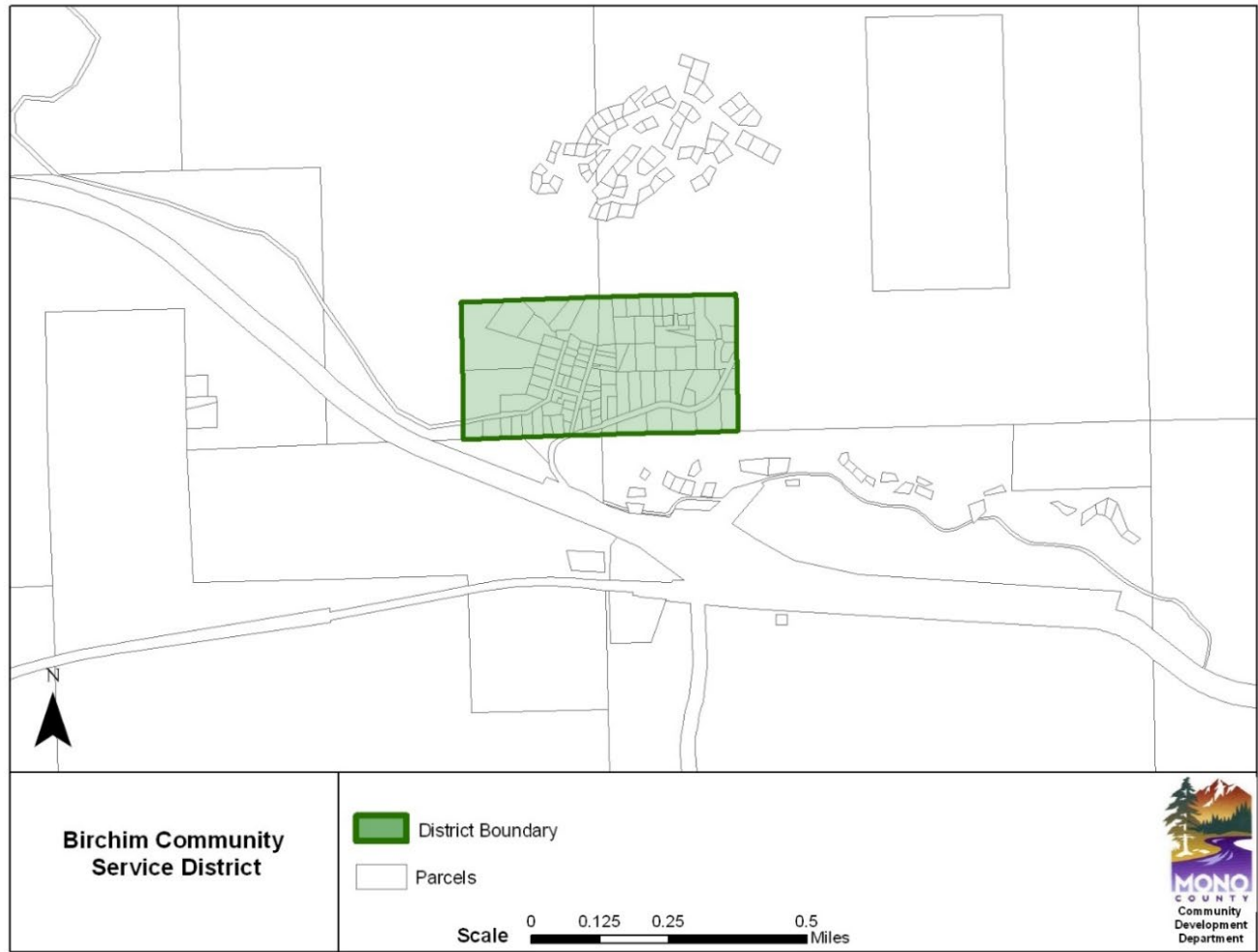
III. DISTRICT OVERVIEW

TABLE 1: BCSD OVERVIEW

GENERAL INFORMATION	
Agency Type	Community Services District (CSD)
Date Formed	1963
Location/Community	The BCSD boundaries include approximately 80-acres of land in the community of Sunny Slopes (see Figure 1), approximately 7 miles south of Crowley Lake.
Population Served	139 ⁱⁱⁱ
Last MSR/SOI Update	2009
Services Provide	The District provides water for domestic use and fire flow protection to Sunny Slopes. The BCSD boundaries include approximately 80 acres of land in the community of Sunny Slopes (see Figure 1), approximately 7 miles south of Crowley Lake.
Other Services	As a CSD, the BCSD is authorized to provide a wide array of services.
Contact Information	Phone: 760-935-4140 Physical Address: 636 Owens Gorge Rd
Contact(s)	Linda Monreal, BCSD Secretary
Website	None
WATER SERVICE OVERVIEW	
Water Distribution	BCSD provides water for domestic use and fire flow protection (11 hydrants) to district residents. Water is obtained from 3 wells on district owned land. Untreated well water is distributed to 71 dwelling units through a combination of 4-inch and 6-inch transite pipes.
Water Use	Water usage varies by year. In 2020, BCSD's annual water demand was 14,354,604 gallons. BCSD implements water conservation measures, including restrictions on the timing of irrigation within the district. The BCSD anticipates adding another 21 connections in the future. The BCSD distributes water conservation materials annually.
Planned Land Uses	Additional development allowed in Sunny Slopes would be single-family residential development and a fire station for the Long Valley Fire Protection District. The Mono County Housing Element identifies two parcels in Sunny Slopes (totaling approximately 13-acres) as key housing sites with the potential to provide up to 11 additional units of future housing stock. ^{iv}
District Planning	BCSD has a Ten-Year Master Plan (2013-2023) that assesses future infrastructure and service needs and identified projects to meet those needs. The BCSD is currently discussing developing a new Ten-Year Master Plan.
GOVERNANCE & STAFFING	
Independent/Dependent	Independent
Total Staff	Two
Special District Personnel	1. Scott Wing-Hartlein (District Manager, Certified Water Distribution Operator) 2. Linda Monreal (Secretary, Part-Time)

Special District Members	Five-Member Board with a President, Vice-President, and a Treasurer.
District Issues/Concerns	BCSD has indicated several concerns, including: <ul style="list-style-type: none">• The long-term availability of groundwater in the area.• Regulatory requirements for small water systems that require the installation of individual water meters.• Updating infrastructure—providing updated pipelines, a backup storage tank, shut-off valves, and individual water meters.

FIGURE 1: BCSD'S CURRENT DISTRICT BOUNDARIES



IV. SERVICE REVIEW ANALYSIS AND DETERMINATIONS

In order to prepare and to update SOIs in accordance with California Senate Bill 244, CKH §56425 & §56430(a) require the commission to conduct a service review of the municipal services provided in the county or other appropriate area designated by the commission. The Commission shall include in the area designated for service review the county, the region, the subregion, or any other geographic area as is appropriate for an analysis of the service or services to be reviewed, and shall prepare a written statement of its determinations with respect to each of the following:

1. **Growth and population projections** for the affected area.
2. Location & characteristics of any **disadvantaged unincorporated communities** in or contiguous to the sphere of influence.
3. Present and planned **capacity of public facilities, adequacy of public services, and infrastructure** needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.
4. **Financial ability of agencies** to provide services.
5. Status of, and **opportunities for, shared facilities**.
6. Accountability for **community service needs, including governmental structure and operational efficiencies**.
7. **Any other matter** related to effective or efficient service delivery, as required by commission policy.

These seven factors are listed below and analyzed in the discussions that follow.

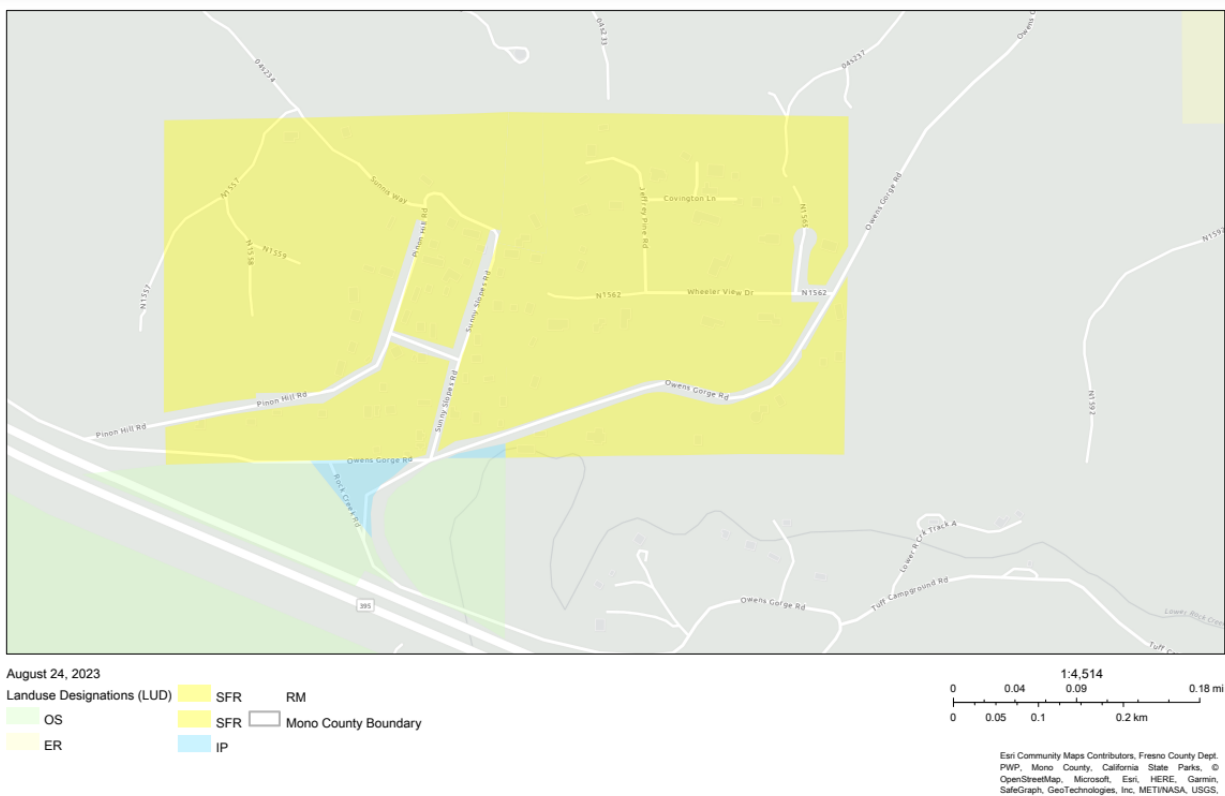
1. GROWTH AND POPULATION PROJECTIONS FOR THE AFFECTED AREA.

EXISTING AND ANTICIPATED RESIDENTIAL GROWTH PATTERNS IN SUNNY SLOPES

Sunny Slopes is a single-family residential community with a limited land base. Mono County GIS estimates that there are 100 parcels in Sunny Slopes, including 69 developed parcels (residential parcels valued at \$10,000 or more). The 2020 U.S. Census counted 37 households and 139 people residing in Sunny Slopes.^v This is a decrease from the 2000 U.S. Census counted 76 households and 156 people residing in Sunny Slopes.^{vi} The population in Sunny Slopes is projected to increase to 146 by 2030. This growth is based on a 0.5% population increase year over year.^{vii} This figure was used as a conservative estimate based on the population declining slightly between 2010 and 2020.

Figure 2 shows land use designations surrounding the Sunny Slopes community. The land use designation for most of the parcels in the Sunny Slopes community is Single-Family Residential (SFR) – ½ acre, there are two Public Facilities (PF) designated parcels (one owned by the BCSD and the other owned by Long Valley Fire Protection District (LVFPD)). Most of the land surrounding the community is part of the Inyo National Forest (designated Resource Management (RM)) or owned by the Los Angeles Department of Water and Power (designated Open Space (OS)). Thus, additional development would occur within the Sunny Slopes community which would be limited mostly to single-family residential development and a new fire station for the LVFPD. The Mono County Housing Element identifies two parcels in Sunny Slopes (totaling approximately 13-acres) as key housing sites with the potential to provide up to 11 additional units of future housing stock.^{viii}

FIGURE 2: MAP OF LAND USE DESIGNATIONS



In response to the State-wide housing crisis, recent changes in State law have streamlined the regulations and simplified the process necessary to construct Accessory Dwelling Units (ADU). A new type of dwelling unit, a Junior Accessory Dwelling Unit (JADU) has been established in State law that would allow on residential land use designated parcels to construct a total of three housing units: a main residence an ADU, and a JADU. Mono County General Plan Land Use Element, Chapter 16 – Accessory Dwelling Units reflects these changes and defines a JADU and ADU as:

“Junior accessory dwelling unit” means a unit that is no more than 500 square feet in size and contained entirely within an existing single-family structure. A junior accessory dwelling unit may include separate sanitation facilities, or may share sanitation facilities with the existing structure. The junior accessory dwelling unit must contain cooking facilities.”

“Accessory Dwelling Unit” (also referred to as “dependent,” “Secondary Housing,” or “granny unit”) means residential occupancy of a living unit located on the same parcel as the primary residential unit. It provides complete, independent living facilities for one or more persons including permanent provisions for living, sleeping, eating, cooking, and sanitation on the same parcel as the primary unit is situated. An Accessory Dwelling Unit shall meet the minimum regulations for an efficiency dwelling unit in the California Building Code.”

The implementation of these regulations in Sunny Slopes has the potential to increase the demand for residential water service. However, parcels in Sunny Slopes are smaller (less than ½-acre in size) and are constrained by topography in many areas as well as by the size and placement requirements associated with septic systems which would further limited implementation of ADUs in Sunny Slopes.

RECOMMENDED DETERMINATIONS

- ✓ The BCSD provides service to a population of approximately 139^{ix} people and 37 households over a geographical area of approximately 80-acres in the Sunny Slopes community. The population in Sunny Slopes is projected to increase to 146 by 2030. This growth is based on a 0.5% population increase year over year. This figure was used as a conservative estimate based on the population declining slightly between 2010 and 2020.
- ✓ Future development in Sunny Slopes will likely be limited to small-scale residential uses and a new LVFPD fire station. The Mono County Housing Element identifies two large parcels in Sunny Slopes (totaling approximately 13-acres) as key housing sites with the potential to provide up to 11 additional units of future housing stock.^x
- ✓ Recent changes to State law create a potential for increased density on SFR parcels in Sunny Slopes (up to three units: a main residence, an ADU and JADU). These changes have the potential to increase the demand for BCSD water service, however, the small average parcel size, topography, as well as the space required for septic system installation will likely further limit the potential increase in residential density and demand.

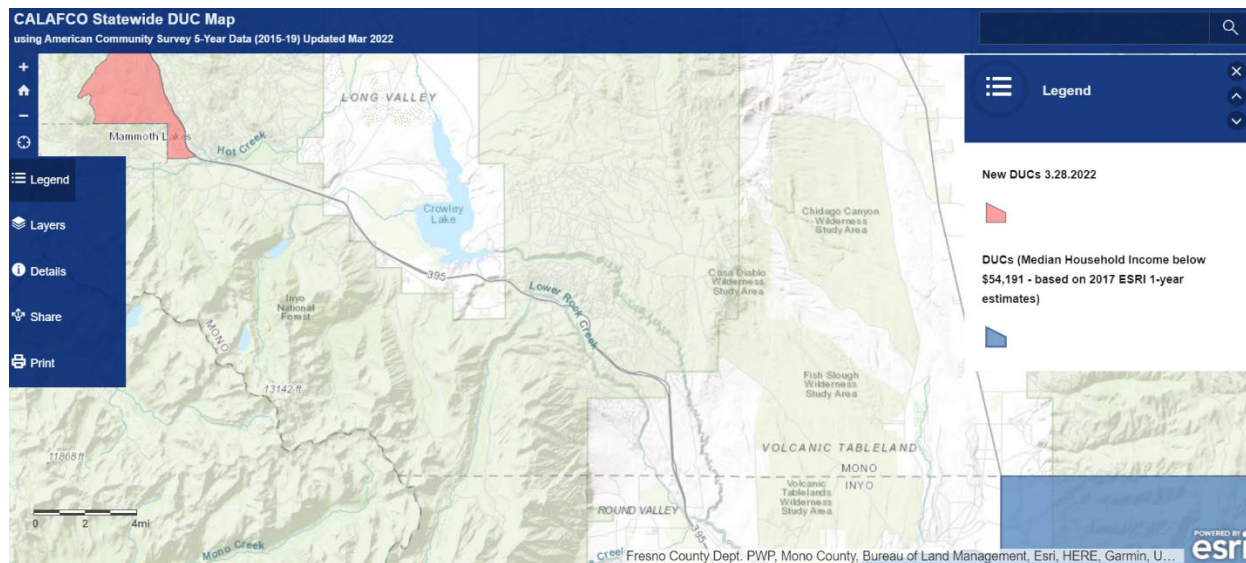
2. THE LOCATION AND CHARACTERISTICS OF ANY DISADVANTAGED UNINCORPORATED COMMUNITIES WITHIN OR CONTIGUOUS TO THE SPHERE OF INFLUENCE.

Senate Bill 244, passed in 2011, requires LAFCO identify Disadvantaged Unincorporated Communities (DUCs) when making MSR determinations (Government Code section 56430(a)), SOI determinations (Government Code section 56425(e)(5)) and certain city annexations. DUCs are defined in the bill as “a fringe, island, or legacy community in which the median household income is 80 percent or less than the statewide median household income.”^{xi}

CaLAFCO created an online map identifying DUCs in every California county based on the most recent requirements and the most accurate household income data released by the Census Bureau on December 10, 2020.^{xii} The purpose of CaLAFCO’s DUC Map is to enable any LAFCO that has not already identified DUCs within their respective county to use map as the source of the most recent household income data and DUC designations.^{xiii} Mono County LAFCO is utilizing the CaLAFCO map for DUC determination due lack of accuracy of certain population data sets (which are particularly inaccurate for Mono County’s small unincorporated communities) in order to ensure the most accurate thresholds/requirements (which change frequently) are being followed for this determination. No part of the Sunny Slopes, nor any area contiguous to it, is designated as a DUC (See Figure 3, below)

The intent of SB 244 is “to encourage investment in these communities and address the complex legal, financial, and political barriers that contribute to regional inequity and infrastructure deficits within disadvantaged unincorporated communities.” As communities in Mono County are geographically isolated from one another, it is rare for communities to be located within or adjacent to the SOI of a service-providing district and not receive services from such district.

FIGURE 3: CALAFCO STATEWIDE DUC MAP^{xiv}



RECOMMENDED DETERMINATIONS

- ✓ No part of Sunny Slopes, nor any area contiguous to it, is designated as a DUC per the CaLAFCO statewide DUC map.^{xv}
- ✓ Communities in Mono County are geographically isolated from one another, so it is rare for communities to be located within or adjacent to the SOI of service-providing district and not receive services from such district.

3. PRESENT AND PLANNED CAPACITY OF PUBLIC FACILITIES, ADEQUACY OF PUBLIC SERVICES, AND INFRASTRUCTURE NEEDS OR DEFICIENCIES INCLUDING NEEDS OR DEFICIENCIES RELATED TO SEWERS, MUNICIPAL AND INDUSTRIAL WATER, AND STRUCTURAL FIRE PROTECTION IN ANY DISADVANTAGED, UNINCORPORATED COMMUNITIES WITHIN OR CONTIGUOUS TO THE SPHERE OF INFLUENCE.

FACILITIES & INFRASTRUCTURE

BCSD provides water for domestic use and fire flow protection to district residents (11 hydrants in total). Water is obtained from 3 wells on district owned land. Untreated well water is distributed to 71 dwelling units through a combination of 4-inch and 6-inch transite pipes. In 2022, the BCSD indicated the intent to apply for California Department of Water Resources (DWR) grant funding to install a backup generator to improve the reliability of the existing water system. A Director Review (DR 22-010) was approved in 2022 for a 5' stream setback reduction to allow placement of a backup generator and reroute the existing overhead power connection on the District's parcel in Sunny Slopes. On August 19, 2023, BCSD received notification from DWR that the BCSD had been granted \$214,000 for an emergency backup generator.^{xvi}

SERVICE ADEQUACY & FACILITIES/INFRASTRUCTURE NEEDS

Water usage varies by year, in 2020 BCSD's annual water demand was 14,354,604 gallons. BCSD implements water conservation measures, including restrictions on the timing of irrigation, and

distributes water conservation materials annually. The BCSD anticipates adding another 21 connections in the future.

BCSD has a Ten-Year Master Plan (2013-2023) that assesses future infrastructure and service needs and identified projects to meet those needs. The BCSD is currently discussing developing a new Ten-Year Master Plan. A fee increase implemented in 2007 by the BCSD was calculated to meet loan obligations as well as anticipated infrastructure and service needs until 2017. The BCSD has identified several concerns that focus on service quality and infrastructure needs for future development in the area:

- Long-term sustainability of the water table.
- Regulatory requirements and associated impacts on the district’s infrastructure (e.g. requirements for individual water meters).
- Financial constraints to meeting service needs require prioritizing infrastructure improvements.
- Specific infrastructure needs include: updated pipelines, a second backup storage tank, shut-off valves, and water meters.

RECOMMENDED DETERMINATIONS

- ✓ BCSD has a Ten-Year Master Plan (2013-2023) that assesses future infrastructure and service needs and identified projects to meet those needs. A fee increase implemented in 2007 by the BCSD was calculated to meet loan obligations as well as anticipated infrastructure and service needs until 2017. The BCSD is currently discussing developing a new Ten-Year Master Plan.
- ✓ There are no service deficiencies related to DUCs as there are no DUCs within or contiguous to the BCSD.

4. FINANCIAL ABILITY OF AGENCIES TO PROVIDE SERVICES

FINANCING CONSTRAINTS AND OPPORTUNITIES

BCSD depends on an annual fee for water use that is collected by the County with property taxes as its main source of revenue. Each district customer pays an annual flat rate water fee for water use that is based on the type of use (single-family unit, multi-family unit, undeveloped lot) and new construction is assessed a connection fee. The district periodically reviews and adjusts its fees to ensure that the district is collecting sufficient funds to cover its operating costs.

The last fee increase was in 2007 and was substantial and calculated to meet current loan obligations as well as anticipated infrastructure and service needs until 2017. The BCSD also has a financial strategic plan that was developed in cooperation with the USDA as part of a loan-grant package received in 2007 for the construction of a new well. The BCSD has two USDA rural Development loans:

1. \$119,215 – USDA Rural Development Loans (\$81,893 remaining as of June 30, 2021).^{xvii} Due September 1, 2039, interest at 5%, two semi-annual payments, one of interest only, and one of interest and principal.
2. \$250,000 – USDA Rural Development Loan (\$198,966 remaining as of June 30, 2021).^{xviii} Due September 1, 2046, interest at 4.25%, two semi-annual payments, one of interest only, and one of interest and principal.

The district has sought and obtained grant funding for its major capital improvements. Most recently, the BCSD was awarded \$214,000 in grant funding from DWR for an emergency backup generator.^{xix} BCSD has also sought and received government funding under the Reimbursement of State Mandated Costs Program. BCSD applies for all grants that are relevant. Grant money is a one-time source that is useful in funding certain special projects but may be too unreliable or variable for ongoing expenses or recurring needs.

BUDGET & INDEPENDENT AUDIT INFORMATION

The FY2022-2023 budget anticipates \$72,689.60 in revenues, \$68,159 in expenditures, and \$54,000 in reserves (see Table 2). Per BCSD's last independent audit of the two previous fiscal years (FY 19/20 & FY 20/21), total operating revenues decreased from \$88,923 in 19/20 to \$87,461 in 20/21 and total operating expenses increased from \$76,913 in 19/20 to \$84,249 in FY20/21.^{xx} BCSD's most recent audit showed a net position of \$505,955 in FY 2021 and \$510,968 in FY 2020 and a decrease in net position of \$5,014 (see Tables 4 & 5).^{xxi} An agency's "Net Position" as reported in its audited financial statements represents the amount by which assets (e.g., cash, capital assets, other assets) exceed liabilities. A positive Net Position generally provides an indicator of financial soundness over the long term.

TABLE 2. BCSD 2022-2023 BUDGET

INCOME		EXPENSES	
Single \$841.00 X 78=	65,598.00	Edison	\$9,600.00
1/2 Unit \$450.50 X 7=	3,153.50	District Manager	\$14,400.00
Acres \$10.00 X 28=	\$290.00	Secretary	\$6,500.00
Quarterly Interest 1st (09-30)	\$690.33	Office Supplies	\$350.00
2nd (12-31)	\$566.47	Mono Co Health SVC	\$648.00
3rd (03-31)	TBD	Audit	\$500.00
4th (6-30)	TBD	IRS	\$4,000.00
ERAF	\$2,391.30	EDD	\$100.00
TOTAL	\$72,689.60	Insurance	\$4,500.00
RESERVE		Water Analysis	\$550.00
Prudent Reserve	\$25,000.00	USDA #1	\$7,000.00
Unexpected Reserve	\$5,000.00	USDA #2	\$12,700.00
Future Capital	\$20,000.00	USFS Land Rental	\$200.00
Reserve for Projects	\$4,000.00	State Fund comp	\$1,800.00
TOTAL	\$54,000.00	CA Rural Water	\$230.00
		VT&P	\$475.00
		Race 25.50 mo.	\$306.00
		Repairs \$4,000.00	\$4,000.00
		Sierra Controls Yrly	\$300.00
		TOTAL	\$68,159.00

TABLE 3. STATEMENT OF NET POSITION^{xxii}

BIRCHIM COMMUNITY SERVICES DISTRICT STATEMENT OF NET POSITION JUNE 30, 2021 AND 2020		
	2021	2020
ASSETS		
Current Assets:		
Cash and investments	\$ 242,711	\$ 228,849
Total current assets	242,711	228,849
Capital assets, net of accumulated depreciation	553,148	576,318
TOTAL ASSETS	795,859	805,167
LIABILITIES		
Current liabilities:		
Accounts payable	4,862	2,185
Accrued interest	4,184	4,225
Long-term debt - current portion	7,245	6,929
Total current liabilities	16,291	13,339
Non-current liabilities:		
Due in more than one year	273,614	280,859
TOTAL LIABILITIES	289,905	294,198
NET POSITION		
Invested in capital assets, net	272,289	288,530
Unrestricted	233,666	222,438
TOTAL NET POSITION	\$ 505,955	\$ 510,968

TABLE 4. STATEMENT OF ACTIVITIES^{xxiii}

BIRCHIM COMMUNITY SERVICES DISTRICT STATEMENT OF ACTIVITIES FOR THE YEARS ENDED JUNE 30, 2021 AND 2020		
	2021	2020
Operating revenues:		
Assessments	\$ 87,461	\$ 88,923
Total operating revenues	87,461	88,923
Operating expenses:		
Salaries and benefits	22,973	18,231
Services & supplies	38,106	35,512
Depreciation	23,170	23,170
Total operating expenses	84,249	76,913
Operating income	3,212	12,010
Non-operating revenues and (expenses):		
Interest expense	(12,668)	(12,722)
Interest income	2,767	4,652
Other revenues	1,675	2,193
Total non-operating revenues and (expenses)	(8,226)	(5,877)
Change in net position	(5,014)	6,132
Beginning net position	510,969	504,836
Ending net position	\$ 505,955	\$ 510,968

COST AVOIDANCE OPPORTUNITIES

Cost avoidance opportunities are defined as actions to eliminate unnecessary costs derived from, but not limited to, duplication of service efforts, higher than necessary administration/operation cost ratios, use of outdated or deteriorating infrastructure and equipment, underutilized equipment or buildings or facilities, overlapping/inefficient service boundaries, inefficient purchasing or budgeting practices, and lack of economies of scale.

Generally, in Mono County each community area is a discrete geographic area and, as a result, there is no duplication of service efforts or overlapping or inefficient service boundaries. Long Valley is a discrete geographic area in the county, with a number of small residential areas. While these residential areas are physically separate from each other, they are often all located within the larger boundaries of local special districts. Sunny Slopes is within the boundaries of several special districts (i.e.: BCSD, LVFPD, County Service Area #1, Countywide Service Area, and the Southern Mono Healthcare District).

In addition, there are a number of small service providers operating within the Long Valley communities. The existence of several small service providers could result in the duplication of some services, particularly in such areas as personnel management, insurance, risk management, financial management services, fleet maintenance, purchasing/budgeting, economies of scale, etc. Further studies would be necessary to determine whether there are opportunities to reduce costs among the service providers.

The district previously developed a long-term plan and participates in cost-sharing by purchasing insurance at a group rate through the Rural Special Districts Services Association.

RECOMMENDED DETERMINATIONS

- ✓ BCSD has a Ten-Year Master Plan (2013-2023) that assesses future infrastructure and service needs and identified projects to meet those needs. The BCSD is currently discussing developing a new Ten-Year Master Plan.
- ✓ BCSD's future financing will continue to rely heavily on the annual water use fee that is collected with property tax. The last fee increase was in 2007 and was anticipated to meet loan obligations as well as anticipated infrastructure and service needs until 2017.
- ✓ BCSD's most recent audit showed a net position of \$505,955 in FY 20/21 and \$510,968 in FY 19/20 and a decrease in net position of \$5,014 (see Tables 4 & 5). An agency's "Net Position" as reported in its audited financial statements represents the amount by which assets (e.g., cash, capital assets, other assets) exceed liabilities. A positive Net Position generally provides an indicator of financial soundness over the long-term.
- ✓ The district participates in cost sharing through participation in the Rural Special Districts Services Association.
- ✓ There are a number of small service providers in Long Valley that have administrative costs associated with the overall management of those organizations. There could be some duplication of services among the service providers, particularly in areas such as personnel management, insurance, risk management, financial management services, fleet maintenance, etc. Further studies would be necessary to determine whether there are opportunities to reduce costs among the service providers.
- ✓ BCSD has applied for and received grant funding. Most recently, the BCSD was awarded \$214,000 in grant funding from DWR for an emergency backup generator.^{xxiv} The district continues to apply for all applicable grant funding.

5. STATUS OF, AND OPPORTUNITIES FOR, SHARED FACILITIES.

Sharing facilities and resources can result in a more efficient and cost-effective delivery of resources. Currently, the BCSD does not share any facilities. The only facilities BCSD owns are a water storage tank on federally leased land, three wells, and fire hydrants installed in Sunny Slopes. Due to the distance between Sunny Slopes and other communities in Long Valley, it would be impractical to share these facilities.

The Long Valley area includes other special district service providers, as well as the County, that require facilities to support their services. A future opportunity for shared facilities may arise with the potential construction of a new LVFPD Fire Station in Sunny Slopes. Further studies would be necessary at that time to determine whether there would be opportunities to reduce costs by sharing facilities.

RECOMMENDED DETERMINATIONS

- ✓ There are currently no opportunities for shared facilities, due to the limited facilities and equipment owned by BCSD and the distance between Sunny Slopes and other communities in Long Valley.
- ✓ The Long Valley area includes other special district service providers, as well as the County, that require facilities to support their services. A future opportunity for shared facilities may arise with the potential construction of a new LVFPD fire station in Sunny Slopes. Further studies would be necessary at that time to determine whether there would be opportunities to reduce costs by sharing facilities.

6. ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS, INCLUDING GOVERNMENTAL STRUCTURE AND OPERATIONAL EFFICIENCIES.

LOCAL ACCOUNTABILITY AND GOVERNANCE

BCSD is governed by a five-member Board, elected at large to four-year staggered terms. The BCSD Board meets every first Thursday of the month at 7:00 pm at 168 Pinon Hill Road. The District’s Board of Directors consists of a President, a Vice-President, a Treasurer and two members. There are no current vacancies on the Board. Meeting notices and agendas are posted on the local bullet board located on Owens Gorge Road. The district currently does not post minutes anywhere, nor does it have a website. The district uses inserts with the billing to disseminate information to its customers and maintains an extensive email list to notify and communicate with residents (104 email addresses and only eight contacts occur through mail only).^{xxv} Specific information is also posted on the local bulletin board and notices are delivered to each residence when needed.

TABLE 5. BCSD BOARD ROSTER

BOARD MEMBER	POSITION	TERM EXPIRES
Steve Toups	President	11/30/2024
Patricia Corto	Vice-President	11/30/2026
Joan Stern	Treasurer	11/30/2026
Robin Davis	Member	11/30/2024
Mike Martyr	Member	11/30/2026

Special Districts are required to comply with a variety of local, State, and Federal requirements, including:

1. Adopting budgets at open public meetings;
2. Filing budgets with the County Auditor;
3. Annual or biennial independent audits;
4. Ralph M. Brown Act for meetings, agendas and minutes; and
5. Public Records Act.

Table 6 (below) is the “California Website Compliance Checklist” from the Golden State Risk Management Authority that outlines the various State and Federal transparency requirements.^{xxvi} Complying with the minimum open meeting and information requirements is not sufficient to allow an adequate amount of visibility and accountability. Outreach efforts, including convenient meeting times, additional notice of meetings and dissemination of district information, are desirable.

TABLE 6. WEBSITE COMPLIANCE CHECKLIST

PUBLIC RECORDS ACT

YES NO **SB 929 – THE SPECIAL DISTRICT HAS CREATED AND MAINTAINS A WEBSITE**

- Passed in 2018, all independent special districts must have a website that includes contact information (and all other requirements) by Jan. 2020.
- Hardship exemptions are allowed but they are limited.^{xxvii}

YES NO **SB 272 – THE SPECIAL DISTRICT’S ENTERPRISE SYSTEM CATALOG IS POSTED ON THEIR WEBSITE**

- All local agencies must publish a catalog listing all software that meets specific requirements—free tool at getstreamline.com/sb272www

YES NO **AB 2853 (OPTIONAL) - THE SPECIAL DISTRICT POSTS PUBLIC RECORDS TO THE WEBSITE.**

- This bill allows Districts to refer PRA requests to your site, if the content is displayed there, potentially saving time and money.

THE BROWN ACT

YES NO **AB 392: AGENDAS ARE POSTED TO OUR WEBSITE AT LEAST 72 HOURS IN ADVANCE OF REGULAR MEETINGS, 24 HOURS IN ADVANCE OF SPECIAL MEETINGS.**

- This 2011 update to the Act, originally created in 1953, added the online posting requirement .

YES NO **AB 2257: A LINK TO THE MOST RECENT AGENDA IS ON OUR HOME PAGE, AND AGENDAS ARE SEARCHABLE, MACHINEREADABLE AND PLATFORM INDEPENDENT.**

- Required by Jan. 2019— text-based PDFs meet this requirement, Microsoft Word docs do not.

STATE CONTROLLER REPORTS

YES NO **FINANCIAL TRANSACTION REPORT: A LINK TO THE CONTROLLER’S “BY THE NUMBERS” WEBSITE IS POSTED ON OUR WEBSITE.**

- Report must be submitted within seven months after the close of the fiscal year. Districts can add the report to their website annually, but posting a link is easier.

YES NO

COMPENSATION REPORT: A LINK TO THE CONTROLLER'S PUBLICPAY WEBSITE IS POSTED IN A CONSPICUOUS LOCATION ON OUR WEBSITE

- Report must be submitted by April 30 of each year. Districts can also add the report to their website annually, but posting a link is easier.

HEALTHCARE DISTRICT WEBSITES

YES NO N/A

AB 2019: IF THE SPECIAL DISTRICT IS A HEALTHCARE DISTRICT, A WEBSITE IS MAINTAINED THAT INCLUDES ALL ITEMS ABOVE, PLUS ADDITIONAL REQUIREMENTS.

- Including budget, board members, MSR, grant policy and recipients, and audits.

OPEN DATA

YES NO

AB 169: ANYTHING POSTED ON THE SPECIAL DISTRICT'S WEBSITE THAT IS CALLED "OPEN DATA" MEETS THE REQUIREMENTS FOR OPEN DATA.

- Defined as "retrievable, downloadable, indexable, and electronically searchable; platform independent and machine readable" among other things.

SECTION 508 ADA COMPLIANCE

YES NO

CA GOV CODE 7405: STATE GOVERNMENTAL ENTITIES SHALL COMPLY WITH THE ACCESSIBILITY REQUIREMENTS OF SECTION 508 OF THE FEDERAL REHABILITATION ACT OF 1973

- Requirements were updated in 2018—Districts can test their site for accessibility at achecker.ca

EVALUATION OF MANAGEMENT EFFICIENCIES

As defined by the Governor's Office of Planning and Research (OPR), the term "management efficiency," refers to the organized provision of the highest quality public services with the lowest necessary expenditure of public funds. An efficiently managed entity (1) promotes and demonstrates implementation of continuous improvement plans and strategies for budgeting, managing costs, training and utilizing personnel and customer service and involvement, (2) has the ability to provide service over the short and long term, (3) has the resources (fiscal, manpower, equipment, adopted service or work plans) to provide adequate service, (4) meets or exceeds environmental and industry service standards, as feasible considering local conditions or circumstances, (5) and maintains adequate contingency reserves. "Management Efficiency" is generally seen as organizational efficiency including the potential for consolidation.

The purpose of management is to effectively carry out the principal function and purpose of an agency. Good management will ensure that the agency's mission is accomplished and that the agency's efforts are sustainable into the future. Unfortunately, "good management" is a relatively subjective issue, and one that is hard to quantify.

The BCSD is managed by an unpaid elected Board of Directors. The district has an Annual Budget and has a current Ten-Year Master Plan (2013-2023) that assesses future infrastructure and service needs and identified projects to meet those needs. The BCSD is currently discussing developing a new Ten-Year

Master Plan. The Board of Directors regularly donates services to the district beyond their service as board members, such as emergency repairs, maintenance, and minor construction projects.

RCI is currently finalizing a Capacity Improvement Plan (CIP) for local special districts as part of Phase 3 of the CDBG Grant and the anticipated completion date is June 2024. The CIP will provide community focused and countywide recommendations related to capacity issues and opportunities for special districts. LAFCO recommends the BCSD review and utilize the additional resources and recommendations in the forthcoming CIP to implement additional efficiency measures.

GOVERNMENT STRUCTURE OPTIONS

Government Code §56001 declares that it is the policy of the State to encourage orderly growth and development essential to the social, fiscal, and economic well-being of the State. The Code further states that “this policy should be effected by the logical formation and modification of the boundaries of local agencies, with a preference granted to accommodating additional growth within, or through the expansion of, the boundaries of those local agencies which can best accommodate and provide necessary governmental services.”

For local agency consolidations to occur there has to be significant (and popularly desired) cost savings or an increase in service.

A number of local agencies provide services to Sunny Slopes, including:

1. **BCSD** – Water services and fire hydrants within Sunny Slopes.
2. **LVFPD** – Fire protection and emergency medical services for the Long Valley communities.
3. **County Service Area #1** – Television services for the Long Valley communities.
4. **Mono County** – Regional services including Assessor, Clerk Recorder, Community Development, Courts, District Attorney, Law Enforcement, Parks and Recreation, Public Health, Probation, Public Works, Social Services, Treasurer/Tax Collector.
5. **Southern Mono Healthcare District** – Medical services and acute care hospital services.

Several of the districts in the area are small with limited physical and financial resources. LAFCO policy generally promotes the consolidation of districts where they overlap. The BCSD’s boundaries do not overlap with districts that provide similar services nor with any private mutual water companies (which are predominately in the Crowley Lake community).

There are two government structure options applicable to the BCSD at this time:

1. Maintain the status quo - BCSD’s government structure currently in place is sufficient to provide the appropriate governance structure for the services provided. The District maintains a small staff and is efficient in delivery of services as possible. Therefore, the District’s current structure should be maintained for the time being.
2. Long Valley Regional CSD - In the future, as more development occurs within the greater Long Valley area, a regional CSD with separate service areas throughout the Long Valley communities might best provide sewer and water services for the area. BCSD is currently opposed to these services being provided by a regional CSD.

RECOMMENDED DETERMINATIONS

- ✓ BCSD is governed by a five-member Board of Directors and staffing is limited to two personnel.

- ✓ The district has an Annual Budget and has a current Ten-Year Master Plan (2013-2023) that assesses future infrastructure and service needs and identified projects to meet those needs. The BCSD is currently discussing developing a new Ten-Year Master Plan.
- ✓ As a CSD, the District is authorized to provide a variety of services including sewage collection and disposal, snow removal/road maintenance, mosquito abatement, water treatment and distribution, fire protection, parks and recreational services, etc. At the present time, the BCSD provides only water service and fire hydrants to the Sunny Slopes community.
- ✓ The BCSD currently conducts outreach to its customers predominately via mailers/inserts mailed out the bills, posting on a local bulletin board, and notices are delivered to each residence when needed. The district also maintains an extensive email list to notify and communicate with residents. Digital outreach tools (including a formal website) may allow for a more efficient and wider distribution of timely information about the District.
- ✓ The BCSD currently lacks a website, LAFCO encourages the District to consider establishing a website to enhance public outreach and transparency. If a website is established, LAFCO also encourages the District to post budgets, audits, meeting agendas and minutes on the site to increase ease of access for residents. Additional resources to assist in the endeavor are cited in this report.
- ✓ BCSD does not comply with the minimum requirements for open meetings and public records. Resources to bring the BCSD into compliance are available and cited in this MSR.
- ✓ LAFCO recommends the BCSD review and utilize the additional resources and recommendations in the forthcoming CIP to implement additional efficiency measures.
- ✓ No alternative government structure options are considered superior to the current structure at this time. However, as more development occurs within the greater Long Valley area, a regional Community Services District with separate service areas throughout the Long Valley communities (including Sunny Slopes) might best provide sewer and water services for the greater area.

7. ANY OTHER MATTER RELATED TO EFFECTIVE OR EFFICIENT SERVICE DELIVERY, AS REQUIRED BY COMMISSION POLICY.

RECOMMENDED DETERMINATIONS

- ✓ There are no relevant recommendations from the BCSD's 2009 MSR that have not been implemented.
- ✓ Currently, the LVFPD is moving forward with constructing a new fire station on their parcel in Sunny Slopes. The LVFPD's parcel (062-040-022-000) is currently outside of the BCSD's district boundary and SOI. A water line and hydrant have already been installed to provide service to the parcel.
- ✓ A LAFCO application from the BCSD is currently in process to annex the LVFPD parcel into its District boundary.

V. SPHERE OF INFLUENCE DETERMINATIONS

California Senate Bill 244 §56425 requires the commission to consider and prepare a written statement of its determinations with respect to the following five factors:

1. The **present and planned land uses** in the area, including agricultural and open-space lands.
2. The present and probable **need for public facilities** and services in the area.
3. The **present capacity of public facilities** and adequacy of public services that the agency provides or is authorized to provide.
4. The **existence of any social or economic communities of interest in the area** if the commission determines that they are relevant to the agency.
5. For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to subdivision (g) on or after July 1, 2012, **the present and probable need for those public facilities and services of any disadvantaged unincorporated communities** within the existing sphere of influence.

These five factors are listed below and analyzed in the discussions that follow.

1. THE PRESENT AND PLANNED LAND USES IN THE AREA, INCLUDING AGRICULTURAL AND OPEN-SPACE LANDS.

RECOMMENDED DETERMINATIONS

- ✓ BCSD is not an authorized land use planning authority. Mono County is responsible for land use planning.
- ✓ Present land uses in the area served by the BCSD are primarily single-family residential uses. There are no commercial uses. The planned land uses for community areas throughout Long Valley, including Sunny Slopes, are similar to existing uses with future development concentrated primarily within and adjacent to existing development.
- ✓ Recent changes to State law creates a potential for increased density on SFR parcels in Sunny Slopes (up to three units: a main residence, an ADU and JADU). These changes have the potential to increase the demand for BCSD water service, however, the small average parcel size, topography, as well as the space required for septic system installation will likely further limit the potential increase in residential density and demand.

2. THE PRESENT AND PROBABLE NEED FOR PUBLIC FACILITIES AND SERVICES IN THE AREA.

RECOMMENDED DETERMINATIONS

- ✓ The BCSD area has a present need for water services for domestic and fire flow uses. Current facilities and services are adequate to support the service area.
- ✓ The BCSD's boundaries are anticipated to change and will likely include the LVFPD's parcel (proposed location of a new fire station in Sunny Slopes).

- ✓ Regulatory requirements for small water systems may create a need for additional infrastructure within the BCSD.
- ✓ The build-out allowed by the General Plan will create additional demand for water services in the future.
- ✓ BCSD has a Ten-Year Master Plan (2013-2023) that assesses future infrastructure and service needs and identified projects to meet those needs. The BCSD is currently discussing developing a new Ten-Year Master Plan.

3. THE PRESENT CAPACITY OF PUBLIC FACILITIES AND ADEQUACY OF PUBLIC SERVICES THAT THE AGENCY PROVIDES OR IS AUTHORIZED TO PROVIDE.

RECOMMENDED DETERMINATIONS

- ✓ The BCSD currently provides an adequate level of service but has identified a need to improve its facilities in order to serve additional development and to improve services to existing development.
- ✓ As a CSD, the district is authorized to provide a wide array of services, including water treatment and distribution, fire protection, parks and recreational services, etc.

4. THE EXISTENCE OF ANY SOCIAL OR ECONOMIC COMMUNITIES OF INTEREST IN THE AREA IF THE COMMISSION DETERMINES THAT THEY ARE RELEVANT TO THE AGENCY.

The California Constitution, Article XXI, §2(d)(4) defines a community of interest as:

“a contiguous population which shares common social and economic interests that should be included within a single district for purposes of its effective and fair representation.

Examples of such shared interests are those common to an urban area, a rural area, an industrial area, or an agricultural area, and those common to areas in which the people share similar living standards, use the same transportation facilities, have similar work opportunities, or have access to the same media of communication relevant to the election process.

Communities of interest shall not include relationships with political parties, incumbents, or political candidates.”^{xxviii}

RECOMMENDED DETERMINATIONS

- ✓ The BCSD serves the community of Sunny Slopes which is part of two larger/regional-level communities of interest (COI) (Suburban South County COI and The Highway 395 COI) identified in the 2021 Mono County Redistricting effort.^{xxix} The boundaries of these COIs roughly align with the Long Valley Planning Area and include several different special districts and private mutual water companies (mostly in the Crowley Lake community).
- ✓ The Long Valley communities share social and economic interests with each other but are geographically distinct and isolated from one another. These shared interests promote a coordinated approach to service provision in the Long Valley area, however, services are provided by individual Special Districts and/or private mutual water companies to each distinct community within Long Valley.

- ✓ The BCSD's SOI boundaries are mostly consistent with the boundaries of the communities of Sunny Slopes and Tom's Place as well as the U.S. Forest Service lease areas (including Pine Glade and Lower Rock Creek Tracts), surrounding Sunny Slopes.
- ✓ A LAFCO application from the BCSD is currently in process to annex one parcel owned by the LVFPD parcel (062-040-022-000) which is outside of the BCSD's boundaries.

5. FOR AN UPDATE OF A SPHERE OF INFLUENCE OF A CITY OR SPECIAL DISTRICT THAT PROVIDES PUBLIC FACILITIES OR SERVICES RELATED TO SEWERS, MUNICIPAL AND INDUSTRIAL WATER, OR STRUCTURAL FIRE PROTECTION, THAT OCCURS PURSUANT TO SUBDIVISION (G) ON OR AFTER JULY 1, 2012, THE PRESENT AND PROBABLE NEED FOR THOSE PUBLIC FACILITIES AND SERVICES OF ANY DISADVANTAGED UNINCORPORATED COMMUNITIES WITHIN THE EXISTING SPHERE OF INFLUENCE.

RECOMMENDED DETERMINATIONS

- ✓ The BCSD provides domestic water and fire flow services to Sunny Slopes. However, there are no DUCs, as defined by statute, within or adjacent to the existing SOI, nor does the District provide any of those services identified.

VI. SPHERE OF INFLUENCE RECOMMENDATION

Currently the boundaries include privately owned land within the community of Sunny Slopes and U.S. Forest Service lease areas (including Tom's Place as well as Pine Glade and Lower Rock Creek cabin tracts) (see Figure 6). Mono County LAFCO recommends expanding the SOI, encompassing LVFPD's parcel (APN 062-040-022-0000) to facilitate annexation of the parcel and development of an additional fire station in Sunny Slopes.

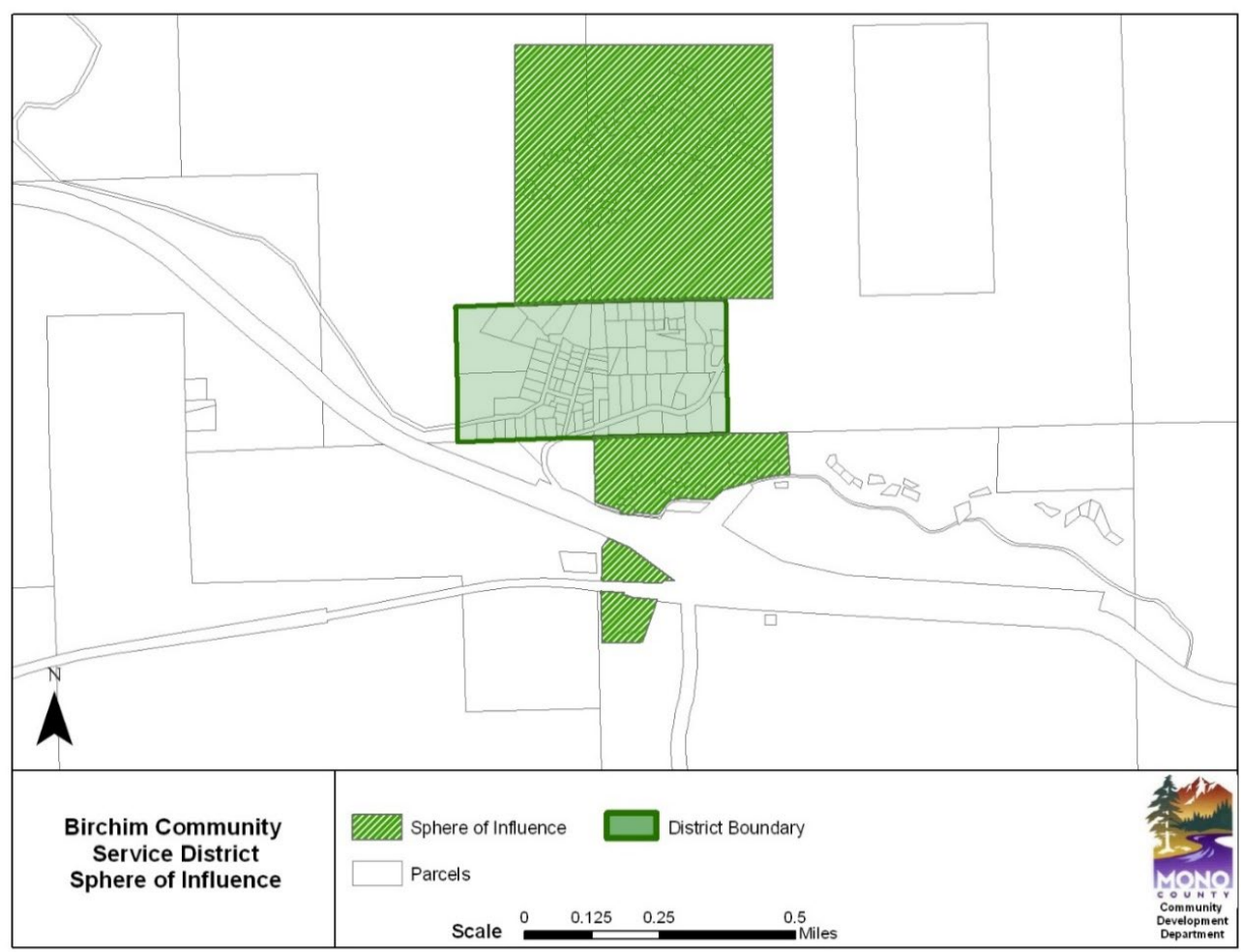
VII. REORGANIZATION RECOMMENDATION

Section 56001 of the California Government Code states that:

"The Legislature also finds that, whether governmental services are proposed to be provided by a single-purpose agency, several agencies, or a multipurpose agency, responsibility should be given to the agency or agencies that can best provide government services."

Currently, the BCSD provides adequate services within its boundaries. In the future, a regional water and sewer provider with separate service areas throughout the Long Valley communities might best provide sewer and water services for the region. At that time, a reorganization study should be conducted to determine what governmental structure would best provide services for the region. Such a reorganization should occur only with the concurrence of the involved Districts' Boards of Directors.

FIGURE 4: BCSD'S SOI



VIII. REFERENCES

- ⁱ CALAFCO. <https://calafco.org/lafco-law/faq/what-are-sphere-influence-studies>
- ⁱⁱ CALAFCO. <https://calafco.org/sites/default/files/resources/MSRGuidelines-FINAL.pdf>
- ⁱⁱⁱ U.S. Census. 2020 Decennial Census. Sunny Slopes Profile. https://data.census.gov/profile/Sunny_Slopes_CDP,_California?g=160XX00US0676040
- ^{iv} Mono County Housing Element 2019-2027, “Long Valley Community Profile – Key Sites,” Pg 71.
- ^v Sunny Slopes CDP, US Census/2020 U.S. Decennial Census. https://data.census.gov/profile/Sunny_Slopes_CDP;_California?g=160XX00US0676040
- ^{vi} Sunny Slopes CDP, US Census/2020 U.S. Decennial Census. https://data.census.gov/profile/Sunny_Slopes_CDP;_California?g=160XX00US0676040
- ^{vii} RCI. Data Summary Table. Estimated growth rate extrapolated from unincorporated Mono County growth rate included in California State Department of Finance data.
- ^{viii} Mono County Housing Element 2019-2027, “Long Valley Community Profile – Key Sites,” Pg 71.
- ^{ix} Sunny Slopes CDP, US Census/2020 U.S. Decennial Census. https://data.census.gov/profile/Sunny_Slopes_CDP;_California?g=160XX00US0676040
- ^x Mono County Housing Element 2019-2027, “Long Valley Community Profile – Key Sites,” Pg 71.
- ^{xi} Senate Bill 244, California Legislative Information: https://leginfo.ca.gov/faces/billTextClient.xhtml?bill_id=201120120SB244
- ^{xii} RSG, contractor to CaLAFCO. “Methodology For Identifying Statewide Disadvantaged Unincorporated Communities Using American Community Survey 5-Year Data (2015-19)” Methodology for Identifying Statewide Disadvantaged Unincorporated Communities Using American Community Survey 5-Year Data (2015-19).” <https://www.arcgis.com/apps/View/index.html?appid=4319a8066745442cbe7de6af1d13f98a>
- ^{xiii} RSG, contractor to CaLAFCO. “Methodology For Identifying Statewide Disadvantaged Unincorporated Communities Using American Community Survey 5-Year Data (2015-19)” Methodology for Identifying Statewide Disadvantaged Unincorporated Communities Using American Community Survey 5-Year Data (2015-19).” <https://www.arcgis.com/apps/View/index.html?appid=4319a8066745442cbe7de6af1d13f98a>
- ^{xiv} CaLAFCO Statewide DUC Map using ACS 5-Year Data (2015-19) Updated March 2022. <https://www.arcgis.com/apps/View/index.html?appid=4319a8066745442cbe7de6af1d13f98a>
- ^{xv} CaLAFCO Statewide DUC Map using ACS 5-Year Data (2015-19) Updated March 2022. <https://www.arcgis.com/apps/View/index.html?appid=4319a8066745442cbe7de6af1d13f98a>
- ^{xvi} Linda Monreal/BCSD. September 7, 2023, email correspondence with edits and additional information for incorporation into the final MSR/SOI report.
- ^{xvii} Fletcher & Company Certified Public Accountants. “Birchim Community Services District – Independent Auditor’s Report (June 30, 2021 and June 30, 2020),” Page 14.
- ^{xviii} Fletcher & Company Certified Public Accountants. “Birchim Community Services District – Independent Auditor’s Report (June 30, 2021 and June 30, 2020),” Page 14.
- ^{xix} Linda Monreal/BCSD. September 7, 2023, email correspondence with edits and additional information for incorporation into the final MSR/SOI report.
- ^{xx} Fletcher & Company Certified Public Accountants. “Birchim Community Services District – Independent Auditor’s Report (June 30, 2021 and June 30, 2020)”.
- ^{xxi} Fletcher & Company Certified Public Accountants. “Birchim Community Services District – Independent Auditor’s Report (June 30, 2021 and June 30, 2020)”.
- ^{xxii} Fletcher & Company Certified Public Accountants. “Birchim Community Services District – Independent Auditor’s Report (June 30, 2021 and June 30, 2020),” Page 4.
- ^{xxiii} Fletcher & Company Certified Public Accountants. “Birchim Community Services District – Independent Auditor’s Report (June 30, 2021 and June 30, 2020),” Page 3.
- ^{xxiv} Linda Monreal/BCSD. September 7, 2023, email correspondence with edits and additional information for incorporation into the final MSR/SOI report.

^{xxv} Linda Monreal/BCSD. September 7, 2023, email correspondence with edits and additional information for incorporation into the final MSR/SOI report.

^{xxvi} Golden State Risk Management Authority “California Website Compliance Checklist”

<https://cdn2.hubspot.net/hubfs/4515944/website-compliance-8.5x11-single-side.pdf>

^{xxvii} Golden State Risk Management Authority “California Website Compliance – SB 929” <https://gsrma.org/news-and-information/california-website-compliance-sb-929/>

^{xxviii} §2(d)(4) of Article XXI: <https://leginfo.legislature.ca.gov/>

^{xxix} <https://redistricting.monocounty.ca.gov/pages/background>

Mono County Local Agency Formation Commission

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October 12, 2023

To: Mono LAFCO

From: Brent Calloway, Executive Officer

RE: Status of the Comprehensive Countywide MSR Updates

Recommendation:

Receive staff report and provide direction.

Background:

Comprehensive revisions to the Cortese Knox Hertzberg Act (CKH) in the year 2000 resulted in the requirement that LAFCOs periodically perform service reviews of municipal services (CKH section 56540). These service reviews, which became commonly referred to as Municipal Service Reviews, or MSRs, require LAFCOs to prepare seven written statements of determination for each MSR. The MSRs are tools that aid in the 5 year, or as needed, review and update of the Spheres of Influence (SOIs) required by CKH section 56425(g), however there is no requirement that MSRs are updated on a specific timeframe.

In 2009 Mono LAFCO utilized a consultant to draft individual MSR documents for each of the 27 special districts and with adoption on the MSRs, fulfilled the required review and update of the SOIs. Starting in 2013, and as required by CKH section 56425(g), Mono LAFCO reviewed and updated the SOIs of all 27 special districts and found that, in almost all cases, the 2009 MSRs were still relevant and provided appropriate review of services to perform the required review and update of the SOIs. In some cases, an update to the 2009 MSR was warranted and all MSRs were prioritized for future updates. Where warranted, after review by the Commission, the SOI boundaries were corrected and memorialized within an online mapping application specifically built for Mono LAFCO rather than paper documents.

There is little guidance within the CKH itself as to the format and content of the MSRs beyond the required written determinations. LAFCOs have developed different strategies to streamline the process and meet the requirements of the CKH. For example, there is nothing in the CKH that limits or discourages grouping of districts within a single MSR. A common strategy for MSR development is to group districts that provide the same service into a single Countywide MSR that reviews a single service category such as Fire Protection. There is also nothing that limits or discourages geographic areas from utilizing a comprehensive MSR that reviews all services within the geographic area, such as an incorporated city boundary. Additionally, there is no requirement that MSRs be standalone documents so long as the requirements of CKH section 56540 are met. In 2015, Mono LAFCO decided to move forward with a new approach to MSR updates, a staff report excerpt from the May 6, 2015, meeting follows:

As discussed at the June 2014 meeting of the Mono LAFCO commission, the Municipal Service Reviews (MSR) are being converted to an online format while being simplified to include only the

legal requirements of the CKH regulations. Supporting data and information that is used to inform the required MSR findings and Sphere of Influence recommendations will be available either through links in the mapping application to outside data sources or directly incorporated into the mapping application. The hope is to reduce the redundancy of the current MSRs and create an automatically-updating foundation of data and background information that will enable the commission to periodically review and update MSR and Sphere findings and recommendations as required by law, without staff intensive updates of the hard documents.

As Mono LAFCO staff fluctuated, this effort to update the MSRs including a new online format was discontinued and the 2009 MSRs continued to be utilized to inform Mono LAFCO decisions. In 2021 Mono LAFCO began to discuss a comprehensive update of the 2009 MSRs including identifying potential funding sources. By 2022 Mono LAFCO decided to move forward with a strategy to update all of the 2009 MSRs utilizing consultants and Mono LAFCO staff. A significant reserve fund was identified in the Mono LAFCO budget, and the commission decided to utilize this reserve fund to partially fund the comprehensive MSR updates. Additionally, a Community Development Block Grant (CDBG) focused on housing policy was identified as an opportunity to gather data needed for the MSR updates. Utilizing the Mono LAFCO reserve fund, the consulting firm Bauer Environmental Services has initiated MSR updates of the 5 districts that serve Mammoth Lakes and the 4 County Service Areas (CSAs). Working within the CDBG framework, the consulting firm Resource Concepts Inc. began compiling data to enable staff updates of the MSRs for the 13 additional special districts throughout the County.

Staff has prioritized MSR updates based on the potential for future Mono LAFCO actions. The highest priority MSR update is Birchim Community Service District (BCSD) based on an imminent annexation application. A 2023 draft BCSD MSR was released for review in September 2023. Additional high priority MSR updates include Mammoth Lakes Fire Protection District, Mammoth Lakes Mosquito Abatement District, Paradise Fire Protection District and Bridgeport Public Utility District. Drafts of all 26 additional MSRs are expected to be released for review in 2024. The comprehensive 2023-24 Update of the MSRs will create a much-needed update to the baseline availability of services throughout Mono County and build a strong foundation for future SOI reviews, SOI updates and inform LAFCO actions for many years. After this comprehensive update is complete, Mono LAFCO staff would like to explore returning to the concept originally initiated in 2015 that would incorporate the MSRs into an online mapping tool, with the intent of creating an MSR format that meets the requirements of the CKH, allows for timely review and update of the SOIs, while reducing the need for time-consuming and costly comprehensive updates to the MSRs.

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October 12, 2023

To: Mono LAFCO

From: Brent Calloway, Executive Officer

RE: Proposed FY 23-24 Budget Amendment

Recommendation:

Receive staff report and approve or deny budget amendment.

Discussion:

Staff is proposing a minor amendment to the Adopted FY 23-24 budget. When trueing up the 22-23 budget actuals, only \$9,820.61 was withdrawn from the reserve fund to cover the contract services line item in FY 22-23 budgeted at \$15,000 for Bauer Environmental's Municipal Service Review (MSR) update work. This left a reserve fund balance of \$11,745.64 rather than the projected balance of \$6,459.42.

Since less of Bauer's contract was expended in FY 22-23 than budgeted, the actual remaining amount of the contract must be budgeted in FY 23-24 and the actual reserve can be trued up. Therefore, staff proposes to update the budget to the actual reserve amount of \$11,745.64, and increase the proposed withdrawal from the reserve line item to cover the remainder of Bauer's contract, which would be an increase from \$5,000 to \$7,878.91. This amendment will result in a fund balance of \$4,024.73, an amount greater than the projected (adopted FY 23-24) of \$1,609.42.

In addition, this amendment proposes to move the contract services line item into Salary/Benefits. This change is intended to simplify payment within the budgeting software utilized by the County. Bauer Environmental is technically contracting with Mono County Community Development rather than directly with LAFCO, and as such, is acting as staff rather than contract services. This change would reduce the contract services line item to \$0, and increase the Salary/Benefits line item to \$15,414.91. The change would increase the total expenditures for FY 23-24 from the adopted amount of \$17,144 to the amended amount of \$20,014.91.

According to the Mono LAFCO bylaws, the Commission may unilaterally amend its budget at any time on or before June 10. If approved, staff will notify the Board of Supervisors and work with the Mono County Finance Department to make the required changes.

Attachments:

1. Budget Amendment Spreadsheet

Mono County Local Agency Formation Commission (LAFCO)
FY 23-24 Proposed Amendment - October 12, 2023

Revenue	FY 22-23 YTD Actual	FY 22-23 Budget	FY 22-23 True Up	FY 23-24 Adopted Budget	FY 23-24 Proposed Amendment
TOML Contribution	\$ 3,714.67	\$ 3,714.67	\$ -	\$ 3,714.67	\$ 3,714.67
Mono Co Contribution	\$ 3,714.67	\$ 3,714.67	\$ -	\$ 3,714.67	\$ 3,714.67
Health District Contribution	\$ 1,857.33	\$ 1,857.33	\$ -	\$ 1,857.33	\$ 1,857.33
MCWD Contribution	\$ 1,857.33	\$ 1,857.33	\$ -	\$ 1,857.33	\$ 1,857.33
Application Fees	\$ 495.00	\$ 1,000.00	\$ (505.00)	\$ 1,000.00	\$ 1,000.00
Withdrawal from Reserves	\$ 9,820.61	\$ 15,000.00	\$ (5,179.39)	\$ 5,000.00	\$ 7,870.91
Total	\$ 21,459.61	\$ 27,144.00	\$ (5,684.39)	\$ 17,144.00	\$ 20,014.91
Expenditures	FY 22-23 YTD Actual	FY 22-23 Budget		FY 23-24 Adopted Budget	FY 23-24 Proposed Amendment
Salary/Benefits	\$ 6,953.85	\$ 6,000.00	\$ (953.85)	\$ 6,000.00	\$ 15,414.91
Bauer/MSRs	\$ 12,129.09		\$ (12,129.09)		
Membership Fees	\$ 1,245.00	\$ 1,200.00	\$ (45.00)	\$ 1,300.00	\$ 1,300.00
Publications & Legal Notices	\$ 226.00	\$ 300.00	\$ 74.00	\$ 300.00	\$ 300.00
Travel and Training	\$ 905.67	\$ 2,000.00	\$ 1,094.33	\$ 3,000.00	\$ 3,000.00
Contract Services	\$ -	\$ 17,644.00	\$ 17,644.00	\$ 6,544.00	\$ 0
Contribution to Reserve	\$ -	\$ -	\$ -	\$ -	
Total	\$ 21,459.61	\$ 27,144.00	\$ 5,684.39	\$ 17,144.00	\$ 20,014.91
Fund Balance Reserve	FY 22-23 YTD Actual	FY 22-23 Budget		FY 23-24 Adopted Budget	FY 23-24 Proposed Amendment
Beginning Balance	\$ 21,134.20	\$ 21,134.20	\$ 21,134.20	\$ 6,459.42	\$ 11,745.64
Contributions to Reserves	\$ -	\$ -	\$ -	\$ -	
Interest earned	\$ 432.05	\$ 325.22	\$ 432.05	\$ 150.00	\$ 150.00
Withdrawal from Reserve	\$ (9,820.61)	\$ (15,000.00)	\$ (9,820.61)	\$ (5,000.00)	\$ -7870.91
Ending Balance	\$ 11,745.64	\$ 6,459.42	\$ 11,745.64	\$ 1,609.42	\$ 4,024.73