

EPS

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*Public Finance
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REPORT

SPECIAL DISTRICT PLAN OF SERVICE AND FEASIBILITY ANALYSIS

Prepared for:

Sonoma County Water Agency

Prepared by:

Economic & Planning Systems, Inc.

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B E R K E L E Y

2501 Ninth Street, Suite 200
Berkeley, CA 94710-2515
www.epsys.com

phone: 510-841-9190
fax: 510-841-9208



S A C R A M E N T O

phone: 916-649-8010
fax: 916-649-2070

D E N V E R

phone: 303-623-3557
fax: 303-623-9049

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I. INTRODUCTION

The Sonoma County Water Agency (SCWA) retained Economic & Planning Systems (EPS) to assess the feasibility of the formation of a Community Services District (CSD) in the Mark West area to potentially provide a range of services, including lighting maintenance, road maintenance, enhanced levels of sheriff protection, solid waste management, parks and recreation, and water service. These services, with the exception of water service, are currently provided by the County of Sonoma. Revenues currently generated from lighting maintenance assessments, and from future potential refuse collection franchise fees, could accrue to the new CSD rather than the County for the purpose of funding services.

The formation of a CSD offers the community an opportunity to address community concerns and desires for enhanced levels of service, while also providing a forum for local management and direction. The formation of a CSD also establishes an entity that could manage the acquisition and operation of the local water system, if the community decided to pursue the cost and effort that would be required.

In a prior report to the SCWA, EPS evaluated the potential acquisition of the privately held water system that serves the Mark West area; the current report focuses on the other services that the new CSD could provide, but includes the potential costs associated with future water system acquisition as an option. A fundamental assumption of this study is that the proposed CSD will take over services currently provided by the existing Landscape and Lighting District; this provides partial funding and an initial governance and administrative structure. The entity subsequently could provide additional services, assuming approval by the Local Area Formation Commission (LAFCO); LAFCO is the governmental entity responsible for review and approval of governance changes. A majority voter approval will also be necessary to assure required funding.

This report represents an initial review of the feasibility of the new CSD. The report describes potential services, benefits and related costs. The examples of enhanced services are intended to illustrate a possible range of improved services; the actual mix, level and types of services would be determined by the community through the new CSD's elected Board of Directors, following approval by LAFCO of specific services. The new CSD, in turn, would need to negotiate with the County and private service providers to determine actual costs. Increased assessments and/or special taxes to fund the services would require voter approval.

CSD formation and authorized services will depend upon LAFCO review and approval. The process would be initiated by a petition to LAFCO for district formation or a resolution of application by the Board of Supervisors. The petition or resolution must include a list of services that the district be authorized to provide upon formation. LAFCO must determine that 1) a district can carry out its purposes, 2) have sufficient revenues to provide named services and 3) determine whether existing agencies can feasibly provide the needed service or services in a more efficient and accountable

manner. If the district is formed and, later on, the district board wants to provide services in addition to those authorized at formation, based on the community's needs, it must receive LAFCO approval for those "latent" powers.¹

Costs are based on a review of the County's budget, and discussions with County staff. Budgets of other small municipal entities were reviewed to help provide a basis for the new CSD operating costs. The actual costs will depend on a number of factors in addition to the services offered, including future salary costs and office rents, level and cost of professional services, and magnitude of initial startup costs. Future water service costs will depend upon numerous factors that could differ from the assumptions in the prior EPS report, including future rate changes, capital improvements and valuations of the water system, and costs associated with system acquisition.

SUMMARY OF FINDINGS

- 1. A new CSD providing lighting maintenance would require additional annual revenues of \$33 per parcel to pay for new CSD overhead and management in addition to the current \$30 annual assessment paid by properties within the existing Landscape and Lighting District (LLD).*

Properties in the new CSD and the existing LLD would pay both the existing \$30 assessment and the new \$33 charge. Other properties in the new CSD that do not benefit from lighting services would only pay the additional \$33 annually to fund the new CSD. The additional costs could be slightly higher in the initial year to cover start-up costs.

The additional revenues would fund management, administrative and overhead costs of the CSD. The new CSD could take responsibility for the existing LLD within its boundaries; however, the LLD cannot contribute significant additional revenues beyond those required for direct costs of lighting services and utilities.

- 2. If the new CSD also assumes responsibility for refuse collection, franchise fee revenue would largely offset the new CSD's management, administrative and overhead costs.*

The new CSD could assume responsibility for managing a contract with a refuse disposal company, which would pay franchise fees for the exclusive right to provide service. These revenues would eliminate the need for the additional \$33 annually to cover the new CSD's management and overhead costs, although the \$30 paid by properties within the existing LLD for lighting services would continue. The ability for the new CSD to charge a franchise fee requires that the new CSD be granted

¹ Extracted from a memorandum from Carole Cooper, Sonoma LAFCO, to Don Seymour, June 5, 2008.

the authority by LAFCO to acquire, construct, improve and maintain roads. The new CSD will also need consent from the County to the extent that the franchise operates over roads currently owned by the County.

3. The new CSD could also provide other services at an additional cost to residents, including increased sheriff patrol, park maintenance, and road maintenance.

The costs for these additional municipal services will depend on the specific level, type and extent of additional services, and additional capital costs that may be required, as well as contract negotiations with a service provider. As summarized in the **Table 1** examples of additional services, costs to residents could range from \$80 to \$240 per year. This cost would be in addition to the \$30 current assessment paid by properties within the existing LLD. As noted above, the costs for the management and overhead associated with additional services could be reduced if the new CSD also receives franchise fees for refuse collection. Assuming that formation of the new CSD is contingent on voter approval of the additional required funding, the new CSD could be feasible.

4. A new CSD could provide an organizational structure for future efforts to acquire the current private water system serving the Mark West area.

The new CSD would have the authority, with voter approval, to institute a special tax to fund the costs associated with the acquisition of the private water company serving the area. As described in a prior feasibility analysis (EPS, March 2007), acquisition costs could range from \$500 to \$600 per year per household (\$42 to \$50 per month) in addition to then-current water rates and any other charges associated with the additional services as noted above.

5. A new CSD would have the opportunity to provide enhanced service levels in an efficient manner comparable to existing providers with greater local accountability.

The locally elected representatives on the new CSD Board of Directors is presumed to be motivated to seek the most efficient and cost-effective manner of providing enhanced levels of service to the community. This may be achieved through negotiated contracts with current providers, or through competitive bidding to private contractors. However, this new public entity will incur management and overhead costs that likely would result in new charges to residents, in addition to the cost of enhanced services.

Table 1
CSD Budget Summary
Mark West District Plan of Service and Feasibility Analysis; EPS #17135

Item	ADDITIONAL SERVICES PROVIDED BY THE NEW CSD					
	Lighting Maintenance Manages services of the existing lighting district	Solid Waste Management Assumes contract service at current refuse collection rates	Sheriff Protection Assumes one deputy for an eight hour shift	Parks and Recreation Assumes operations and maintenance of up to 13 acres for a neighborhood park	Road Maintenance Assumes net additional cost of rehabilitation of 50% of the roadways over 20 years	Water Service [1] Assumes the new CSD is able to acquire the water system
REVENUES						
Current Assessment Revenue	\$30,900	\$30,900	\$30,900	\$30,900	\$30,900	--
Current Service Charges	N/A	\$725,760	N/A	N/A	N/A	--
Franchise Fees (2)	\$0	\$72,576	\$0	\$0	\$0	--
Required Additional Annual Revenue (3)	\$80,105	\$7,529	\$364,105	\$191,996	\$570,105	--
Per Taxable Unit/Year (3)	\$33	\$3	\$152	\$80	\$238	\$500 to \$600 <i>(\$42-\$50/month)</i>
Total Revenues	\$111,005	\$836,765	\$395,005	\$222,896	\$601,005	--
ADMINISTRATION AND MANAGEMENT						
Administrative Staff	\$40,942	\$40,942	\$40,942	\$40,942	\$40,942	--
Contract Services	\$7,280	\$7,280	\$7,280	\$7,280	\$7,280	--
Building/ Office Expenses	\$16,560	\$16,560	\$16,560	\$16,560	\$16,560	--
Misc. Supplies and Services	\$3,200	\$3,200	\$3,200	\$3,200	\$3,200	--
Total Administration and Management	\$67,982	\$67,982	\$67,982	\$67,982	\$67,982	--
SERVICE COSTS						
Lighting Maintenance	\$36,225	\$36,225	\$36,225	\$36,225	\$36,225	--
Additional Service	N/A	\$725,760	\$284,000	\$111,891	\$490,000	--
Total Service Costs	\$36,225	\$761,985	\$320,225	\$148,116	\$526,225	--
OTHER COSTS	\$6,798	\$6,798	\$6,798	\$6,798	\$6,798	--
Total Expenses	\$111,005	\$836,765	\$395,005	\$222,896	\$601,005	--
START-UP COSTS	\$28,625	\$28,625	\$28,625	\$28,625	\$28,625	--

(1) Full analysis of water operations costs was not included in this study. The cost per parcel is based on a previous EPS feasibility study of the formation of a community services district (March 2007). Cost per parcel depends on water system acquisition cost.

(2) Potential franchise fees from agreement with private haulers for trash collection.

(3) Additional revenue required to fund additional services provided by the CSD (in addition to existing assessments paid by parcels within existing LLD). Rates may vary by land use.

Sources: Sonoma County, Economic & Planning Systems.

II. SERVICE AREA

For purposes of this study, it is assumed that the area served by the new CSD (the “CSD Service Area”) will be coincident with the local water service area. The water system, owned and operated by California American Water (Cal-Am), serves about 2,350 connections in an unincorporated area on the eastern side of the Santa Rosa Valley, approximately four miles north of Santa Rosa. The service area, as shown in **Figure 1**, also includes portions of the smaller areas served by an existing LLD.

The existing LLD, Community Service Area 41, Zone 5, serves five distinct areas in the Airport Larkfield Wikiup area as shown in **Figure 1**. The LLD’s boundaries include approximately 1,030 parcels. Four of the five separate LLD areas are entirely included within the Cal-Am service area and the new CSD Service Area evaluated in this report. The fifth area, which serves the Airport Business Park to the west of Hwy. 101, is outside the Cal-Am service area. This portion of the existing LLD could be served by the new CSD via an Outside Service Area Agreement between the new CSD and the County, depending on determinations by LAFCO regarding the efficiency and cost effectiveness of service by the new CSD. Although the current analysis shows revenues from the Airport Business Park portion of the existing LLD, exclusion of these revenues and corresponding costs would not have a significant impact on the conclusions of this analysis.

The Cal-Am boundary is used for initial evaluation since it generally encompasses the community of Mark West, and because eventual operation of water services could be one of the potential services provided by the new CSD. The actual boundaries would be refined following review by the County, other affected agencies, residents of the area and LAFCO.

For purposes of this report, the 2,350 water system connections (rounded up to 2,400 in the projected cash flow analysis) within the potential boundary are assumed to be subject to the new CSD’s special tax, to the extent additional revenue is required. The actual amount of the special tax may vary by land use depending on the services provided.

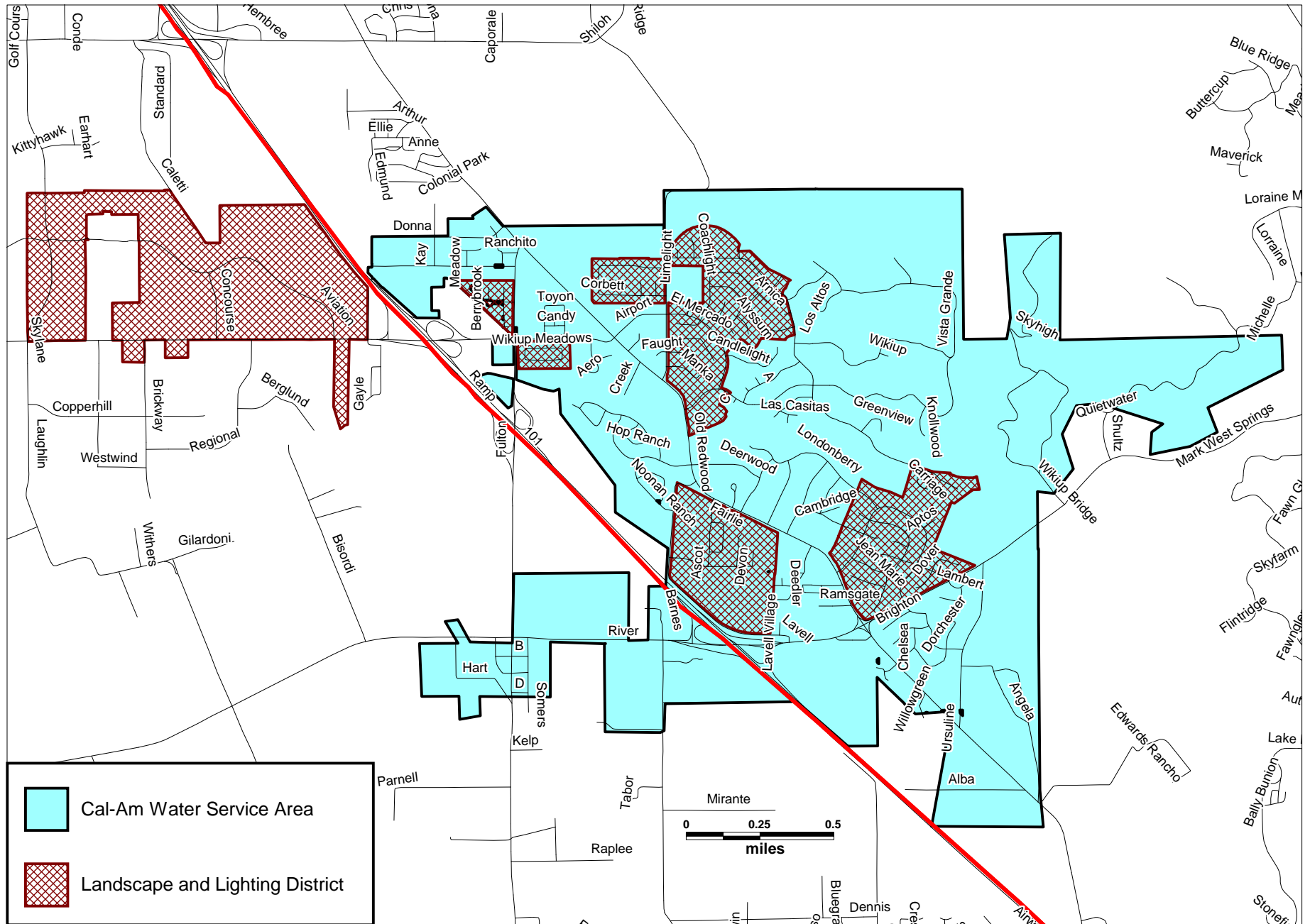
EXISTING LAND USES

The new CSD’s Service Area would be predominantly residential with a few commercial uses, such as those in the Larkfield Shopping Center. Most of the housing units in the Service Area are single-family homes. There are some agricultural uses in the southwest portion of the Service Area. Also included in the Service Area is the Wikiup Golf Course. To the north and east of the Service Area is open space and Shiloh Ranch Regional Park. Mark West Creek, which runs from east to west, passes through the center of the Service Area.

POPULATION AND FUTURE GROWTH

In 2005, there were roughly 8,300 people in the Service Area, an increase of about 300 from the year 2000 (see **Appendix 4**). The CSD Service Area population represents about 2 percent of Sonoma County's population. The CSD Service Area has experienced a slightly slower population growth rate than the County and this is expected to continue. Nearby Santa Rosa has experienced a much larger rate of growth, approximately 1.2 percent annually. The faster growth in Santa Rosa may result in additional growth in the CSD Service Area. As Santa Rosa continues to grow, some of the new residents may decide to locate within the CSD Service Area, which is just outside of Santa Rosa's city limits.

Figure 1
Boundaries of Water Service Area and Landscape and Lighting District (CSA #41)



III. CURRENT SERVICE PROVIDERS

The primary service provider to the unincorporated area of Mark West is the County of Sonoma. Following is a summary of the key services provided by the County that could become the responsibility of, or augmented by, the new CSD pending approval by LAFCO. This chapter describes in greater detail the potential role of the new CSD and costs to the new CSD of providing a range of services.

COUNTY OF SONOMA

LANDSCAPE AND LIGHTING MAINTENANCE

The existing LLD, managed by the County Department of Transportation and Public Works (Public Works), is responsible for the installation and maintenance of street lights in the Airport Larkfield Wikiup area. The LLD does not perform the maintenance or installation themselves. Instead, the LLD contracts with Pacific Gas & Electric (PG&E) for the energy and maintenance of the streetlights and the Sonoma County engineering department is responsible for the installation of streetlights. The LLD performs the management, auditing, and operation of the district.

SHERIFF PROTECTION

Sonoma County's Sheriff's Department provides law enforcement, court security, and detention services. Currently, the department has over 1,000 employees to serve the unincorporated areas of Sonoma County with a population of nearly 500,000 and an area of over 1,600 square miles. Sheriff's Department deputies patrol the unincorporated areas of the community, including the Mark West area. The County does not provide traffic enforcement and investigation; this is the responsibility of the California Highway Patrol.

The Sheriff's Department also contracts out for a range of services, from security for private events to coordination with private security in communities. The department is also responsible for primary law enforcement services for the Town of Windsor and the City of Sonoma.

PARKS AND RECREATION

The County of Sonoma Regional Parks Department is responsible for the operations and maintenance of parks and open spaces in unincorporated Sonoma County. The department manages over 45 parks and facilities, from neighborhood parks to large regional parks, throughout Sonoma County. The parks offer a range of activities and

facilities. These include camping, horseback riding, swimming, hiking, playgrounds, basketball courts, tennis courts, and picnicking. Additionally, the department operates seven veterans' buildings and one community center.

The Regional Parks Department also operates the Environmental Discovery Center of Sonoma County, which offers rotating exhibits that focus on different aspect of the natural resources of Sonoma County. The Center also offers multi-sensory, hands-on activities. The Center features nature trails, outdoor amphitheater, storytelling area, theater for education videos, and a technology tent with interactive computer games. Recreational programs fall under the jurisdiction of the cities in the County.

Currently, the Department manages and operates two parks located within the proposed CSD Service Area: 1) Maddux Ranch Community Park and 2) Tom Schopflin Fields.

ROAD MAINTENANCE

Public Works is responsible for road construction and maintenance in unincorporated Sonoma County. The department maintains roughly 1,384 road miles, 16,827 signs, 30 County-owned signalized intersections, 31 joint-owned signalized intersections, 48,000 feet of guardrail, 7,000 culverts, 190 cattle guard structures, and 350 bridges. ²

The department has seven maintenance yards and one administrative complex. The Healdsburg Yard, which serves the roads in the proposed new CSD service area as well as other areas in the County, maintains a total of about 320 paved road miles. The Pavement Condition Index (PCI) is a standard rating index ranging from 0 to 100, with 100 indicating the roads are in very good condition and 0 indicating the road is in very poor condition. As of 2007, the County had an average weighted PCI of 41.

Public Works is responsible for various forms of road maintenance. A minimal level of ongoing maintenance involves patching potholes, sealing cracks, re-establishing drainage, sign and stripe, and vegetation encroachment. A more extensive maintenance routine addresses pavement preservation and involves surface treatments. In some cases, if regular maintenance has not occurred and/or severe conditions exist, road reconstruction may be required in addition to re-surfacing.

² Lorick Associates Consulting, "Final Report: Public Works Management & Systems Review," November 20, 2007.

SOLID WASTE MANAGEMENT

Sonoma County issues exclusive licenses to private haulers who are responsible for refuse collection in the unincorporated county. There are eight license areas in the County; Redwood Empire Disposal, a subsidiary of North Bay Corporation, is currently responsible for commercial and residential refuse collection in the Mark West/Larkfield license area.

Refuse collection rates are set annually by the Board of Supervisors (BOS). Each hauling company submits financial records for the Board of Supervisors to review in order to determine a rate index calculation. The rate increase is calculated and adopted by resolution.

The issuance of exclusive licenses differs from how many other jurisdictions handle refuse collection. Many jurisdictions issue franchises to private haulers, where the haulers are then required to pay the jurisdiction a percentage of revenues. With the exclusive licenses private haulers are not required to pay a percentage of revenues to Sonoma County.

All of the licenses in Sonoma County will terminate April 23, 2011, and the County intends to bid the licenses when they terminate. The County has provided five years notice of intent to bid and will begin the process in 2010.

CAL-AM WATER COMPANY

The Larkfield water system serves an unincorporated area on the eastern side of the Santa Rosa Valley, approximately four miles north of Santa Rosa. The service area is shown in **Figure 1**. The water system is owned and operated by Cal-Am. With about 2,350 connections, the area served by Cal-Am is larger than the LLD service area. A large majority of the customers are residential, 90 percent. Annual water usage is approximately 1,300 acre feet or 425 million gallons.

The Cal-Am water system obtains water from five sources: four ground water wells and an aqueduct connection with the Sonoma County Water Agency (SWCA). In addition to the ground water wells, the Larkfield water system consists of transmission, treatment, storage, and distribution facilities.

The Larkfield water system is staffed by four individuals: Operations Manager, Superintendent, Water Systems Operator, and Administrative Assistant. The Operations Manager works in Sacramento from the company's administrative office. The other three staff members work out of an office located at 640 Larkfield Shopping Center.

IV. CSD PLAN OF SERVICE

The formation of a CSD in the Mark West area is assumed to include, at a minimum, the transfer of responsibilities from the existing LLD. As such, the newly formed CSD would provide the service currently provided by the LLD. The purpose of this transfer is to help establish a revenue base that could contribute towards funding the administrative costs of the new CSD rather than current County administrative costs.

Additionally, the new CSD would be authorized by State law to provide a variety of other services. This chapter describes the range, type and cost of potential services, as well as the revenues that will be required to fund the services. Other than the initial transfer of lighting services, other services could be determined by the future CSD Board of Directors in response to community needs with final approval by LAFCO. Any additional taxes or assessments necessary to fund additional services would require voter approval. The services described are intended as examples of possible services; actual services, contracts and costs would be determined following formation of the new CSD and approval by LAFCO.

SERVICES

LANDSCAPE AND LIGHTING MAINTENANCE

The new CSD could provide the services of the existing LLD. These include the maintenance and installation of street lights. The new CSD would contract with PG&E for the energy and maintenance of the street lights, and with the County for the installation of street lights. The analysis does not assume the extension of lighting services beyond the boundaries of the existing LLD. However, if formed, the new CSD could have the authority to extend lighting services to other areas within their service area.

SOLID WASTE MANAGEMENT

As discussed in the previous chapter, refuse collection in the service area is provided by Redwood Empire Disposal through an exclusive license with the County. The new CSD could provide refuse collection services under a County license. However, doing so would initially require a large outlay of capital to purchase the necessary equipment and hire adequate staff. This analysis does not assume that the new CSD would acquire equipment and staff to provide refuse collection services directly under a County license. Therefore it is likely that the new CSD will contract with a private hauler to provide refuse collection services. It is assumed that the services of the new CSD would be subject to existing County license agreements.

SHERIFF PROTECTION

The new CSD could contract with the Sheriff's Department for a variety of services ranging from law enforcement services for special events to response to and coordination with a community's private security. The Sheriff's Department could also provide "around the clock" law enforcement services for the areas served by the new CSD. However, it is unlikely that the area needs this level of service. The new CSD may choose to contract with the Sheriff's Department for more limited service, such as additional deputy patrol for a portion of the day.

PARKS AND RECREATION

There are two parks/open space areas operated and maintained by the County Regional Parks Department. Maddux Ranch Community Park on Lavell Road is an 11-acre park with tennis courts, little league fields, picnic tables, and a children's playground. The other park is Tom Schopflin Fields on Old Redwood Highway. This park has multi-use facilities with softball and soccer fields. The new CSD could manage the operation and maintenance of these parks.

The State's Quimby Act, which provides a mechanism by which communities may require park land dedication or in-lieu fees, establishes a minimum standard of 3 acres per 1,000 residents for the purpose of determining land dedication and in-lieu fee amounts. Applying this standard to the area results in roughly 13 net acres of park land or open space in the CSD Service Area (based on 2005 population of 8,300) after accounting for existing park lands.³ The acreage requirement is equivalent to a neighborhood or community park. The new CSD could participate in the construction and maintenance of a neighborhood park on this land.

ROAD MAINTENANCE

There are approximately 50 miles of roads in the service area. As previously discussed, County roads have an average weighted PCI of 41, which indicates that the roads require considerable work to exceed a PCI of 60; below a PCI of 60, pavement begins deteriorating rapidly. According to the Metropolitan Transportation Commission's (MTC) 2006 State of the System report, unincorporated Sonoma County had the worst pavement conditions, ranking 107 out of 107 jurisdictions reporting. This indicates that the new CSD could assist in preventive maintenance for roadways in relatively good condition and/or rehabilitation for the poorer roadways in the CSD Service Area.

³ Maddux Ranch Community Park is deducted from the 24 acres indicated by a standard of 3 acres per thousand population, resulting in 13 net acres. Tom Schopflin Fields is not deducted from the 24 acre requirement because it consists mainly of sports fields and is not a typical neighborhood or community park.

WATER

In the future, it may be possible for the new CSD to acquire and operate the existing water system, which is currently owned and operated by Cal-Am. In order to do so, the new CSD would need to train and hire additional staff, such as: (1) engineers, to operate and manage the existing system; (2) legal counsel to review and prepare service agreements and contracts; (3) environmental staff to prepare CEQA and NEPA documentation; and (4) IT staff to manage and operate communications, remote telemetry systems and computer networks. As described in a prior report by EPS, significant costs would be incurred in the purchase of the system, which may require significant legal actions if Cal-Am is not a willing seller. The acquisition costs would add to existing water rates.

V. FINANCIAL ANALYSIS

The financial analysis assumes that the responsibilities and revenues of the existing LLD would be transferred to the new CSD. This transfer should have no direct impact upon existing assessments which fund contract services and utility bills. However, administrative costs would be affected as the County will no longer provide oversight and management of contracts, financial services and auditing, or other indirect costs for staff time and facilities. Consequently, the properties within the existing LLD, as well as other properties in the new CSD, would need to pay additional charges to help fund administrative and management costs of the new CSD.

The following sections describe the additional costs that the new CSD would incur as it assumes responsibility for the LLD and provides management, finance, and accounting functions. While the specific scope of additional services that the new CSD would provide is not known at this time, this section also illustrates examples of services that could be provided, their potential additional cost, and the need for additional funding.

EXPENDITURES

OVERHEAD AND ADMINISTRATION

The new CSD would require a range of administrative and management services. Some of those services previously were provided by the County to the existing LLD. In 2007, the cost to the County for those services totaled approximately \$68,000 annually. The County costs are likely significantly lower because of economies of scale and the County's ability to absorb many of these costs into its existing management, staffing and overhead structure. However, the new CSD would have staff and a Board to potentially provide for a higher level of oversight of local services, and to pursue additional services requested by the community.

Management

There would be a number of expenses associated with the administration of the new CSD. Staff time would be required to: (1) negotiate and manage contracts; (2) prepare budgets; (3) perform billing; and (4) conduct other administrative tasks. It is assumed that a general manager would spend approximately 20 hours per month on CSD-related work; while it may be possible to contract for fewer hours if the only service provided by the new CSD is lighting, reduced general manager hours would make it difficult for the new CSD to achieve broader goals of community service enhancement and acquisition of additional services, e.g., water service.

In addition, it is assumed that an account/billing clerk would be required to spend approximately 16 hours per month to manage the new CSD's accounts and billing records, and handle other clerical tasks.

The hourly rate for each position is estimated based on salaries for comparable existing positions employed by the County of Sonoma⁴ and by comparison to consulting rates for engineering firms. The analysis assumes that the manager's position would be contracted; typical contract rates are approximately three times the individual's salary rate. It may be possible for the new CSD to contract at a lower rate, depending on the qualifications, background and employment status of the contractor (i.e., whether the new CSD contracts with an engineering or consulting firm, or with an individual). The clerical position is assumed to be filled by a part-time employee. In this case, the salary cost is increased by approximately 35 percent to cover benefits.

The cost and hours of contract employees would also depend on the extent of additional services provided. If the new CSD provides the full range of services described below, including water service, staff qualifications, cost and hours will be significantly greater.

Board of Directors expenses (travel expenses, miscellaneous benefits, etc.) is estimated to be \$600 annually.

Legal and Audit

In addition to the ongoing services provided by its staff, the new CSD is expected to require contract services. Based on research of other small community services districts elsewhere in California, it is assumed that the new CSD would need 12 hours' worth of attorney's services each year. In addition, the new CSD would incur an annual expense of \$5,000 to pay for accounting services.

Contingency and Insurance

The budget also includes a contingency fund and insurance costs equal to 10 percent of total operations and maintenance expenses.

Initial and Other Start-Up Costs

Initial and other start-up costs are shown separately from ongoing expenditures. These costs include costs to manage initial administrative tasks such as training and billing system set-up, and transition of records from the County to the new CSD. This initial cost is estimated at 0.25 FTE for the initial year.

In addition, the new CSD could expect to incur expenses in establishing a new office, such as new computers and office furniture; these costs are estimated at \$28,600 or about \$12 per unit. After these initial costs, the new CSD would incur annual maintenance costs reflected in the Miscellaneous Supplies and Services portion of the new CSD's budget shown in **Table 2**.

⁴ General Manager hourly rate is based on the average salary for Facilities Manager. Accounting and billing staff hourly rate is based on the average salary or Account Clerk II.

Table 2
CSD Budget Analysis of Services
Mark West District Plan of Service and Feasibility Analysis; EPS #17135

Item	LIGHTING MAINTENANCE			SOLID WASTE MANAGEMENT		
	Service Estimating Factor	Revenue/ Cost Estimating Factor	Annual Amount	Service Estimating Factor	Revenue/ Cost Estimating Factor	Annual Amount
REVENUES						
Current Assessment Revenue (8)	1,030 parcels	\$30 per parcel	\$30,900	1,030 parcels	\$30 per parcel	\$30,900
Current Service Charges	N/A	N/A	N/A	2,400 households	\$302 per household	\$725,760
Franchise Fees (1)	\$0 gross receipts	10% of gross receipts	\$0	\$725,760 gross receipts	10% of gross receipts	\$72,576
Required Additional Revenue (2)	2,400 taxable units	\$33 per taxable unit	\$80,105	2,400 taxable units	\$3 per taxable unit	\$7,529
Total Revenues			\$111,005			\$836,765
ADMINISTRATION AND MANAGEMENT						
<u>Administrative Staff</u>						
Board of Directors	Expense and Minimal	Stipend Onl	\$600	Expense and Minimal	Stipend Onl	\$600
General Manager (3)	20 hours/ month	\$141 per hour	\$33,862	20 hours/ month	\$141 per hour	\$33,862
Accounting and Billing (3)	20 hours/ month	\$20 per hour	\$4,800	20 hours/ month	\$20 per hour	\$4,800
Benefits (4)		35% of salaries	<u>\$1,680</u>		35% of salaries	<u>\$1,680</u>
Total Administrative Staff			\$40,942			\$40,942
<u>Contract Services</u>						
Legal Services	12 hrs/ year	\$190 per hour	\$2,280	12 hrs/ year	\$190 per hour	\$2,280
Accounting (5)			<u>\$5,000</u>			<u>\$5,000</u>
Total Contract Services			\$7,280			\$7,280
<u>Building/ Office Expenses</u>						
Rent/ Maintenance	600 square feet	\$2.00 per sq ft/ month	\$14,400	600 square feet	\$2.00 per sq ft/ month	\$14,400
Utilities	600 square feet	\$0.30 per sq ft/ month	<u>\$2,160</u>	600 square feet	\$0.30 per sq ft/ month	<u>\$2,160</u>
Total Building/ Office Expenses			\$16,560			\$16,560
<u>Misc. Supplies and Services</u>						
Computer			\$1,000			\$1,000
Furnishings and Office Supplies			\$1,500			\$1,500
Printing and Copying			\$200			\$200
Other			<u>\$500</u>			<u>\$500</u>
Total Misc. Supplies and Services (6)			\$3,200			\$3,200
Total Administration and Management			\$67,982			\$67,982
SERVICE COSTS						
Lighting Maintenance	1,030 households	\$35 per household	\$36,225	1,030 households	\$35 per household	\$36,225
Additional Service	N/A	N/A	N/A	2,400 households	\$302 per household	\$725,760
Total Service Costs			\$36,225			\$761,985
OTHER COSTS						
Contingency and Insurance	10% of total admin/ O&M expenses		\$6,798	10% of total admin/ O&M expenses		\$6,798
Total Other Costs			\$6,798			\$6,798
Total Expenses			\$111,005			\$836,765
INITIAL AND OTHER START-UP COSTS						
<u>Administrative Staff (7)</u>	0.25 FTE		\$24,125	0.25 FTE		\$24,125
<u>Furniture and Office Equipment</u>			<u>\$4,500</u>			<u>\$4,500</u>
Total Start-Up Costs			\$28,625			\$28,625

- (1) Potential franchise fees from agreement with private haulers for trash collection.
- (2) Revenue from additional assessment required to fund additional services provided by the CSD.
- (3) Hourly rates based on salaries for comparable positions employed by Sonoma County. General Manager rate based on three times the average salary of a Facilities Manager. Accounting and Billing staff rate based on the average salary of an Account Clerk II.
- (4) Benefits only paid to Accounting and Billing staff
- (5) Estimated cost of audit.
- (6) Includes computer supplies, postage and shipping (assuming quarterly billing), printing and copying, and travel/ memberships.
- (7) Start-up costs represent initial, first-year expenses associated with establishing billing and administrative procedures. Costs include part-time staff (0.25 FTE). (Depending on specific circumstances, this staff might be necessary after the first year of operation. There may be options for outside contracting of this type of personnel.)
- (8) Assumes Airport Business Park is served by and outside Service Area Agreement; if not, both costs and assessments would be reduced with no significant financial impact.

Sources: Sonoma County, Economic & Planning Systems.

SERVICES

In addition to the administration and management costs described above, costs would be incurred to provide services to the area. The following sections describe the additional costs associated with various services. The total costs will depend on the specific extent of each service, as well as the combination of services provided.

Landscape and Lighting Maintenance

According to the Fiscal Year 2007-2008 budget, the existing LLD has a total of \$44,672 in expenditures (**Appendix 1**). As previously discussed, the District pays PG&E for the energy and maintenance of the street lights. The cost of utilities and street lights is approximately \$36,200, which is what the new CSD could expect to spend to provide the service to properties within the boundaries of the existing LLD. Given that there are approximately 1,030 parcels in the LLD's service area, this represents a cost of \$35 per parcel, as shown in **Table 2**. It is important to note that revenues collected in fiscal year 2006-2007 were less than the district's expenditures, requiring a draw-down of reserves. The estimates for fiscal year 2008-2009 indicate that expenses will once again exceed revenues, resulting in a decrease in the fund balance (**Appendix 3**). A property-owner increase in rates may be required in the future to assure that services are maintained at current levels

In addition to the lighting costs, properties within the boundaries of the existing LLD and other properties in the new CSD would need to pay an additional \$33 annually to cover the costs for administration and management.

Solid Waste Management

This analysis assumes that the new CSD would be responsible for refuse collection and billing, and would contract with private haulers. The refuse collection rates would offset the costs of the contract for collection. The new CSD is assumed to charge a franchise fee, described in subsequent sections, which would depend on the amount of revenues.

Refuse collection rates vary depending on the size of the amount of refuse collected, with an average rate of \$25.20 per residential unit or commercial establishment per month (**Appendix 2**). Given the number of households in the CSD Service Area and the average rate of \$25.20 per household per month, the annual total cost for providing refuse collection services, offset by service charges, are roughly \$725,760, as shown in **Table 2**.

Sheriff Protection

According to the Sheriff's Department the cost for one deputy to cover an eight hour shift is approximately \$142,000 per year. This includes pay and benefits, but excludes other costs, such as the deputy car. Full-time coverage, 24 hours per day, seven days per week, requires a total of six deputies.

Given the limited size of the CSD Service Area, it is assumed that only one eight-hour shift of coverage would be required to provide an improved level of response to the area. However, two deputies are needed to staff one eight-hour shift (after accounting for weekends, vacation, training time, etc.), so the cost is about \$284,000 annually for additional sheriff protection, as shown in **Table 3**. The actual level of additional service, extent of patrol, and hours of patrol would be determined through a contract with the Sheriff's Department, as determined by the new CSD's Board of Directors.

Parks and Recreation

As previously discussed, the Quimby Act standard of 3 acres per 1,000 residents results in roughly 13 net acres of park/open space in the CSD Service Area. The new CSD could operate and maintain a neighborhood park in the allotted acreage. Based on the size of the area and standard operations and maintenance cost factors, maintenance costs are estimated at approximately \$148,000 as shown in **Table 3**. The new CSD's involvement would require further discussions with the County; other options exist for CSD participation, for example, through the funding of specific improvements such as trails, access areas, signage or other facilities. Costs will depend upon the improvements and maintenance funded by the new CSD.

It is likely that providing park operations and maintenance services will require more coordination and time from the CSD general manager because of the larger effort involved with contracting out the service.

Road Maintenance

Based on the Sonoma County Fiscal Year 2007-2008 Budget, \$7.5 million will be spent on maintenance of the County's 1,384 miles of road. This represents a cost of roughly \$5,275 per road mile. There are approximately 50 road miles in the proposed CSD Service Area. If the County spends an amount equivalent to the Countywide average in the CSD Service Area, it would equal about \$260,000 annually.

As noted previously, the County's roads generally have a low PCI rating, indicating a sub-standard level of maintenance. The new CSD could fund the rehabilitation of existing roads within its service area in addition to the current program of maintenance provided by the County. This would enable the roads to meet or exceed generally accepted standards, and the roads would not deteriorate to the same degree assuming the County continues to provide routine maintenance.

Major rehabilitation of roadways can cost approximately \$600,000 per mile.⁵ The current condition of existing roadways in the area is not known; however, to illustrate the potential costs, if approximately 50 percent of the roadways could require major rehabilitation over the next 20 years, approximately 1.25 miles of road would be

⁵ Road rehabilitation cost assumes \$5 to \$6 per square foot times an average width of 20 feet.

Table 3
CSD Budget Analysis of Services
Mark West District Plan of Service and Feasibility Analysis; EPS #17135

Item	SHERIFF PROTECTION			PARKS AND RECREATION			ROAD MAINTENANCE		
	Service Estimating Factor	Revenue/ Cost Estimating Factor	Annual Amount	Service Estimating Factor	Revenue/ Cost Estimating Factor	Annual Amount	Service Estimating Factor	Revenue/ Cost Estimating Factor	Annual Amount
REVENUES									
Current Assessment Revenue (8)	1,030 parcels	\$30 per parcel	\$30,900	1,030 parcels	\$30 per parcel	\$30,900	1,030 parcels	\$30 per parcel	\$30,900
Current Service Charges	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Franchise Fees (1)	\$0 gross receipts	10% of gross receipts	\$0	\$0 gross receipts	10% of gross receipts	\$0	\$0 gross receipts	10% of gross receipts	\$0
Required Additional Revenue (2)	2,400 taxable units	\$152 per taxable unit	\$364,105	2,400 taxable unit	\$80 per taxable unit	\$191,996	2,400 taxable units	\$238 per taxable unit	\$570,105
Total Revenues			\$395,005			\$222,896			\$601,005
ADMINISTRATION AND MANAGEMENT									
<u>Administrative Staff</u>									
Board of Directors	Expense and Minimal Stipend On!		\$600	Expense and Minimal Stipend On!		\$600	Expense and Minimal Stipend On!		\$600
General Manager (3)	20 hours/ month	\$141 per hour	\$33,862	20 hours/ month	\$141 per hour	\$33,862	20 hours/ month	\$141 per hour	\$33,862
Accounting and Billing (3)	20 hours/ month	\$20 per hour	\$4,800	20 hours/ month	\$20 per hour	\$4,800	20 hours/ month	\$20 per hour	\$4,800
Benefits (4)	35% of salaries		\$1,680	35% of salaries		\$1,680	35% of salaries		\$1,680
Total Administrative Staff			\$40,942			\$40,942			\$40,942
<u>Contract Services</u>									
Legal Services	12 hrs/ year	\$190 per hour	\$2,280	12 hrs/ year	\$190 per hour	\$2,280	12 hrs/ year	\$190 per hour	\$2,280
Accounting (5)			\$5,000			\$5,000			\$5,000
Total Contract Services			\$7,280			\$7,280			\$7,280
<u>Building/ Office Expenses</u>									
Rent/ Maintenance	600 square feet	\$2.00 per sq ft/ month	\$14,400	600 square feet	\$2.00 per sq ft/ month	\$14,400	600 square feet	\$2.00 per sq ft/ month	\$14,400
Utilities	600 square feet	\$0.30 per sq ft/ month	\$2,160	600 square feet	\$0.30 per sq ft/ month	\$2,160	600 square feet	\$0.30 per sq ft/ month	\$2,160
Total Building/ Office Expenses			\$16,560			\$16,560			\$16,560
<u>Misc. Supplies and Services</u>									
Computer			\$1,000			\$1,000			\$1,000
Furnishings and Office Supplies			\$1,500			\$1,500			\$1,500
Printing and Copying			\$200			\$200			\$200
Other			\$500			\$500			\$500
Total Misc. Supplies and Services (6)			\$3,200			\$3,200			\$3,200
Total Administration and Management			\$67,982			\$67,982			\$67,982
SERVICE COSTS									
Lighting Maintenance	1,030 households	\$35 per household	\$36,225	1,030 households	\$35 per household	\$36,225	1,030 households	\$35 per household	\$36,225
Additional Service	2 deputies	\$142,000 per deputy	\$284,000	13 acres	\$8,607 per acre	\$111,891	1.25 road miles	\$392,000 net cost/ road mile	\$490,000
Total Service Costs			\$320,225			\$148,116			\$526,225
OTHER COSTS									
Contingency and Insurance	10% of total admin/ O&M expenses		\$6,798	10% of total admin/ O&M expenses		\$6,798	10% of total admin/ O&M expenses		\$6,798
Total Other Costs			\$6,798			\$6,798			\$6,798
Total Expenses			\$395,005			\$222,896			\$601,005
INITIAL AND OTHER START-UP COSTS									
<u>Administrative Staff (7)</u>	0.25 FTE		\$24,125	0.25 FTE		\$24,125	0.25 FTE		\$24,125
<u>Furniture and Office Equipment</u>			\$4,500			\$4,500			\$4,500
Total Start-Up Costs			\$28,625			\$28,625			\$28,625

(1) Potential franchise fees from agreement with private haulers for trash collection.
(2) Revenue from additional assessment required to fund additional services provided by the CSD.
(3) Hourly rates based on salaries for comparable positions employed by Sonoma County. General Manager rate based on three times the average salary of a Facilities Manager. Accounting and Billing staff rate based on the average salary of an Account Clerk II.
(4) Benefits only paid to Accounting and Billing staff
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(7) Start-up costs represent initial, first-year expenses associated with establishing billing and administrative procedures. Costs include part-time staff (0.25 FTE). (Depending on specific circumstances, this staff might be necessary after the first year of operation. There may be options for outside contracting of this type of personnel.)
(8) Assumes Airport Business Park is served by and outside Service Area Agreement; if not, both costs and assessments would be reduced with no significant financial impact.

Sources: Sonoma County, Economic & Planning Systems.

rehabilitated per year at an annual cost of \$750,000. Assuming the County continues to provide funding to the area comparable to current averages, the net additional cost would be approximately \$490,000 annually. Spread over approximately 2,400 parcels, the cost would equal about \$200 per parcel.

REVENUES

EXISTING LLD ASSESSMENTS

Based on the 2007-2008 fiscal year, it is estimated that the new CSD would receive \$35,000 in revenues. Most of the revenues are generated from assessments charged by the LLD; additional, minimal revenues accrue from interest earnings on fund balances. The parcels in the district are charged \$30 per year for the operation of the LLD.

It is important to note that revenues collected in fiscal year 2006-2007 were less than the district's expenditures, requiring a draw-down of reserves. The estimates for fiscal year 2008-2009 indicate that expenses will once again exceed revenues, resulting in a decrease in the fund balance (**Appendix 3**). A property-owner increase in rates may be required in the future to assure that services are maintained at current levels.

OTHER NEW ASSESSMENTS AND SPECIAL TAXES

In order to provide existing LLD services, the new CSD must increase revenues by approximately \$80,100 annually to pay existing LLD maintenance and utility costs, as well as to provide for additional administrative costs that will exceed the current cost for County-provided administrative services. All properties in the new CSD would pay for these costs. To provide other, additional services, additional revenues will be required. Other additional services that may be provided by the new CSD could be funded through an additional assessment and/or special tax.

A benefit assessment is a charge levied on real property or a business within a defined district to finance the construction, reconstruction, acquisition, or maintenance of a public improvement, or to fund services.

An assessment district is not a separate governmental entity, but rather a defined area of land that will benefit from the acquisition, construction, or maintenance of a public improvement or from the services provided to the district. The assessment can only be levied in proportion to the special benefits received from the improvements. A benefit assessment requires 50 percent approval by property owners.

Certain additional services, such as increased road maintenance and park maintenance, could potentially be funded by a benefit assessment. Other services, such as additional sheriff protection which does not have direct benefit to property as is the case with road maintenance, requires a special tax requiring two-thirds voter approval.

FEES AND CHARGES FOR SERVICES

The new CSD could recoup some or all of the cost to provide certain services through user fees and charges.

Solid Waste Management

As previously discussed, private haulers charge each customer a fee for refuse collection. The fee is determined by the BOS annually. If the new CSD contracts directly with private haulers to provide refuse collection services, the new CSD could charge customers fees equal to what the haulers are paid.

Water

Water rates are the sole source of revenue for the Larkfield water system. Since it is a private investor-owned utility, it is regulated by the California Public Utilities Commission (CPUC). The CPUC determines the rates that Cal-Am can charge its customers. In setting the rates, the CPUC also determines the amount of profit that Cal-Am is able to earn. In 2006, Cal-Am charged a \$43.75 service charge plus a quantity charge of \$6.58 per 100 cubic foot of water.

If the new CSD is able to own and operate the water system, the new CSD would be able to set water rates for the service area. The rates charged would likely be sufficient to cover the expenses involved with operating the system, including administrative costs, without any profit to the new CSD. If the new CSD is able to operate more efficiently than Cal-Am, water rates may decrease in the long term.

As described in the prior EPS report⁶, if acquisition of the private water system is accomplished, additional cost ranging from \$42 to \$50 per residential customer per month could be incurred. The costs will depend on several potential cost savings that would effectively reduce the financial burden on homeowners. The elimination of taxes and profit as a result of public ownership could reduce the residential customers' acquisition costs for the system. Additional savings may be possible related to operating costs and capital improvements as a result of public ownership, competitive bidding, and local public oversight.

⁶ Economic & Planning Systems, Inc., "Preliminary Feasibility Study: Formation of a Community Services District to Provide Water Services to the Mark West Area," March 2007.

FRANCHISES

Franchises are another potential source of revenue for the new CSD. A franchise is a fee paid to a municipality from a franchisee for the use of city streets and rights-of-way. Examples of businesses that are often required by ordinance to pay franchise fees include cable companies, ambulance services, refuse collectors, and towing services.

Franchise fees from state-issued gas, electric, telephone, and oil pipeline franchises are limited to 2 percent of a franchisee's gross annual receipts arising from the use, operation or possession of the franchise. Cable television is limited to 5 percent. There is no limit for refuse collection. The new CSD could obtain additional revenue from charging a franchise fee for refuse collection. The private hauler would be required to pay the new CSD a percentage of gross annual receipts. Assuming that gross receipts for the franchise are roughly \$725,800 (average collection rate of \$302 annually for 2,400 households) and a franchise fee of 10 percent, the new CSD could increase revenue by up to \$72,600.

State law limits the ability of a CSD to charge a franchise fee. Government Code Section 61104 does allow the granting of franchises by a district that "... acquires, constructs, improves, and maintains streets, roads, rights-of-way, bridges, culverts, drains, curbs, gutters, sidewalks, and any incidental work." LAFCO would need to authorize the new CSD to provide these services. In addition, because the CSD would not own the roads, the County would need to consent to the franchise since Section 61104 also states that "A district shall not grant a franchise over any work owned by another public agency unless that other public agency gives its consent". Further legal review would be required to precisely specify the nature and extent of authorized services and consent required. For example, the current analysis assumes that the new CSD will help augment existing funding for road maintenance services; LAFCO will need to determine whether this meets the criteria for authorizing the new CSD to charge a franchise, or whether the new CSD must assume all responsibility for all existing and future public roads in order to charge a franchise

OTHER REVENUES

An additional source of revenue for the new CSD is interest earnings. According to the Fiscal Year 2007-2008 budget, the existing LLD expects to earn about 4 percent of total revenue from interest on pooled cash. This amount also represents roughly 5 percent of the fiscal year 2007-2008 ending fund balance. Therefore the new CSD could expect a similar amount of interest revenue, assuming it is able to take over the existing fund balance.

VI. IMPLEMENTATION

This report provides an initial feasibility study to help the community decide the level and type of additional services desired, and the corresponding level of funding that will be necessary. Further actions, which are not a part of the current study, will be necessary as the process moves forward.

The community's decision regarding desired services, in turn, will enable the CSD proposal to clearly specify the service(s) and sources of funding; LAFCO will require this specificity as part of the application process to LAFCO. Determination of services is also necessary in order for discussions with the County to proceed regarding contract services, transfer (if any) of existing County responsibilities (e.g., lighting, waste management), and possible County authorizations required for the CSD to franchise certain services. Additional legal review may also be needed to confirm the legal basis for any service assumptions and transfers proposed, in advance of the CSD formation and other steps summarized below.

CSD FORMATION

According to state law the formation of a CSD begins with either a petition signed by no less than 25 percent of the registered voters residing in the district area or the adoption of a resolution of application by the County Board of Supervisors. LAFCO then provides a decision on formation. LAFCO must determine that 1) a district can carry out its purposes, 2) have sufficient revenues to provide named services and 3) determine whether existing agencies can feasibly provide the needed service or services in a more efficient and accountable manner. If the district is formed and, later on, the district board wants to provide services in addition to those authorized at formation, based on the community's needs, it must receive LAFCO approval for those "latent" powers.⁷

Voter approval will be necessary to approve taxes or assessments that will repay bonds issued to fund the acquisition of the water utility, or to approve new taxes necessary to assure financial feasibility of the new CSD.

DISSOLUTION/CONSOLIDATION OF LLD WITH NEW CSD

Once the new CSD is formed, the new CSD and the County must put together a contract to specify the transition of the existing LLD to the new CSD. This contract should specify details of the transition process with regards to assets, responsibilities, staff, etc. It is likely that any approval by LAFCO would be conditioned by an agreement between the County and the CSD for transfer of the LLD to the CSD.

⁷ Extracted from a memorandum from Carole Cooper, Sonoma LAFCO, to Don Seymour, June 5, 2008.

BOARD ELECTION

A Board of Directors would be elected to establish policy and direct the activities of the new CSD. The Directors will be responsible for hiring a general manager to handle the day-to-day activities of the CSD.

CSD STAFF, FACILITIES AND SERVICES

It will be necessary for the new CSD to rent office space, purchase or lease office equipment and furnishings, computers, computer software and other supplies. The CSD will need to contract for additional services, including legal, engineering, accounting, payroll, and IT support.

FUTURE SERVICES AND FUNDING REQUIREMENTS

The prior chapters of this report described the various services that the new CSD could provide, and the potential costs. The specific services would be determined by the Board of Directors, assuming that LAFCO authorized the services during the formation process. Any additional or new services would require LAFCO review and approval. In most cases, funding for additional services, with the exception of assuming the current services of the LLD, will be contingent on voter approval.

SPECIAL TAX ELECTION

Formation of the new CSD would require LAFCO approval, and LAFCO would need to make findings that the new CSD would be financially feasible. In order to do this, it is likely that LAFCO would require, as a condition of approval of the new CSD, that a special tax be approved by the voters to fund authorized services of the new CSD. At a minimum, upon formation of the CSD, funding would be required for basic operations of the new CSD Board, as well as any services related to the further investigation of water system acquisition and/or other additional services the new CSD would initially provide. Approval of a special tax would require two-thirds voter approval.

The logo consists of the letters 'EPS' in a white, serif font, centered within a teal-colored square that has a vertical gradient from dark teal at the top to a lighter teal at the bottom.

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APPENDIX 1
LANDSCAPE AND LIGHTING DISTRICT BUDGET,
FISCAL YEAR 07-08

Appendix 1
Landscape and Lighting District Budget, Fiscal Year 07-08
Mark West District Plan of Service and Feasibility Analysis; EPS #17135

Item	Amount	Percent of Total
REVENUES		
<u>Taxes</u>		
Flat Charges CY	\$32,825	94.1%
Flat Charges-CY Secured July	\$66	0.2%
PY Direct Charges	\$459	1.3%
Total Taxes	\$33,350	95.6%
<u>Use of Money/Property</u>		
Interest on Pooled Cash	\$1,548	4.4%
Interest Earned	\$0	0.0%
Total Use of Money/Property	\$1,548	4.4%
Total Revenues	\$34,898	100%
EXPENSES		
<u>Services and Supplies</u>		
County Services	\$0	0.0%
Administration Costs	\$7,355	16.5%
Legal Services	\$0	0.0%
Fiscal Accounting Services	\$712	1.6%
Audit/Accounting Services	\$381	0.9%
Street Lights	\$3,000	6.7%
Utilities	\$33,225	74.4%
Data Processing	\$0	0.0%
Total Services and Supplies	\$44,672	100.0%
Appropriations For Contingencies	\$0	0.0%
Total Expenses	\$44,672	100.0%

Source: Sonoma County Department of Transportation and Public Works;
Economic & Planning Systems, Inc.

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APPENDIX 2
TRASH COLLECTION RATE SCHEDULE FOR
RESIDENTIAL UNITS AND COMMERCIAL
ESTABLISHMENTS

Appendix 2
Trash Collection Rate Schedule for Residential Units and Commercial Establishments
Mark West District Plan of Service and Feasibility Analysis; EPS #17135

Item	Rate
20-gallon can	\$19.23
35-gallon can	\$22.69
64-gallon can	\$27.10
96-gallon can	\$31.77
Average	\$25.20

Source: Sonoma County Department of Transportation and Public Works; Economic & Planning Systems, Inc.

The logo consists of the letters 'EPS' in a white, serif font, centered within a teal-colored square that has a vertical gradient from dark to light.

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APPENDIX 3
LANDSCAPE AND LIGHTING DISTRICT FUND BALANCE,
FISCAL YEAR 07-08

Appendix 3**Landscape and Lighting District Fund Balance, Fiscal Year 07-08****Mark West District Plan of Service and Feasibility Analysis; EPS #17135**

Item	Actual FY 06-07	Estimate FY 07-08	Requested FY 08-09
Fund Balance	\$43,766	\$40,588	\$32,738
PLUS: Revenues	\$36,068	\$34,844	\$35,457
LESS: Expenditures	\$39,246	\$42,694	\$45,517
Ending Fund Balance	\$40,588	\$32,738	\$22,678
(Surplus)/Deficit for Fiscal Year	\$3,178	\$7,850	\$10,060

Source: Sonoma County Department of Transportation and Public Works; Economic & Planning Systems, Inc.



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APPENDIX 4

HISTORICAL AND PROJECTED POPULATION GROWTH

Appendix 4
Historical and Projected Population Growth
Mark West District Plan of Service and Feasibility Analysis; EPS #17135

Item	2000	2005	2010	2020	2030	2000-2005			2005-2030		
						Change	% Change	Annual %	Change	% Change	Annual %
Service Area	8,028	8,296	8,562	9,096	9,370	268	3.3%	0.7%	1,074	12.9%	0.5%
Santa Rosa [1]	165,849	176,100	190,700	205,100	216,000	10,251	6.2%	1.2%	39,900	22.7%	0.8%
Sonoma County	458,614	478,800	509,100	535,200	558,900	20,186	4.4%	0.9%	80,100	16.7%	0.6%

[1] City Sphere of Influence

Source: Coastland Civil Engineering; Association of Bay Area Governments (ABAG); Economic & Planning Systems, Inc.