

CHAPTER 11

Sierra Lakes County Water District



Photo Courtesy of Placer County E-newsletter, October 2015.

This Municipal Service Review (MSR) chapter describes the Sierra Lakes County Water District. This District was formed in 1961 and currently provides water treatment and distribution, and sewage collection services within its service area.

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11.1: AGENCY PROFILE

Sierra Lakes County Water District			
Type of District:	County Water District		
Enabling Legislation:	County Water District Law: Water Code §§ 30000-33901		
Functions/Services:	Water treatment and distribution, and sewage collection		
Main Office:	7305 Short Road, Soda Springs, CA		
Mailing Address:	P.O. Box 1039, Soda Springs, CA 95728		
Phone No.:	530-426-7800		
Fax No.:	530-426-1120		
Web Site:	slc wd.org		
Email:	anna.nickerson@slc wd.org		
General Manager: Bill Quesnel	Email: bquesnel@ltol.com		
Phone: 530-550-8068	Fax: 530-550-8069		
Board President: Karen Heald			
Phone: 530-426-7800	Fax: 530-426-1120		
Governing Body:	Elected Board of Directors - 4-year terms		
	<u>Name</u>	<u>Role</u>	<u>Terms Ends</u>
	Karen Heald	President	12/31/2016
	Dan Stockton	Director	12/31/2018
	Bill Oudegeest	Director	12/31/2018
	Wade Freedle	Director	12/31/2016
	Michael Lindquist	Vice President	12/31/2016
Meeting Schedule:	Second Friday of each month at 6:00 p.m.		
Meeting Location:	7305 Short Road, Soda Springs, CA		
Date of Formation:	February 28, 1961		
Other:	Landowner/registered voter district by special legislation (Water Code § 30700.6)		

11.2: OVERVIEW OF DISTRICT

The Sierra Lakes County Water District (SLCWD/District) provides water service and sewage collection services. SLCWD contracts with Donner Summit Public Utility District (DSPUD) for treatment and disposal of its wastewater. This Municipal Service Review is the first for the District.

TYPE AND EXTENT OF SERVICES

The District provides domestic water service and sewage collection for its customers, transporting sewage to DSPUD for treatment and disposal. Primary activities for the District's water system include repairs and maintenance of infrastructure (e.g., tanks, pipeline, and meters), water treatment, water testing, preparation of an annual report for state monitoring agencies and obtaining permits from state authorities.

The District's primary sewage system activities include sewage collection, and repairs and maintenance of infrastructure. SLCWD has an interagency agreement with DSPUD to provide wastewater treatment and disposal services. SLCWD collects and transports wastewater to the DSPUD wastewater treatment plant, and DSPUD treats and disposes of the effluent. The District's FY 2012-2013 operating budget was \$1,623,058.

The District is a public corporation organized in 1961 under the County Water District Law of the California Water Code (Division 12, commencing at §30000) for the primary purpose of providing water to the residents of the Serene Lakes subdivision in Placer County. Approximately 804 of the 1,039 residential lots in Serene Lakes receive service from the Water District, and 200+ lots remain undeveloped. The District also provides water service and sewage collection to one commercial establishment within the District: Royal Gorge Cross Country Ski Resort.

Of the 1,060 total parcels in Serene Lakes, 1,039 are residential and 21 are for other uses.



These other uses include 15 parcels for District use including the Lake bottom parcel (recently purchased by the District from the Truckee Donner Land Trust). Additionally, the water district owns one parcel that contains a fire station and one parcel that contains a beach and recreation facilities (owned by District and leased to the Serene Lakes Property Owners' Association).

Figure 11.1: District-owned Parcels



**Note: District-owned parcels are shown in green. The lake bottom parcel (shown in blue) is also owned by the District.

Another type of land-use is one privately owned parcel that contains the former Ice Lake Lodge (currently used as a three-family residence). The Royal Gorge cross country ski area is also located within the District boundaries.

In addition to the water and wastewater services provided by the Sierra Lakes County Water District, the community receives fire protection services from the Truckee Fire Protection District¹; police protection services from the Placer County Sheriffs Department; educational services from the Tahoe Truckee Unified School District; road services from the Placer County Public Works Department; and garbage removal and recycling are handled by a private firm, Tahoe Truckee Sierra Disposal, under contract, and located at the Eastern Regional Landfill.

LOCATION AND SIZE

The District is located in the unincorporated area of northeastern Placer County and encompasses approximately four square miles (2,450 acres). Two very small unincorporated communities, Soda Springs and Norden, are in closest proximity to the District, but the Town of Truckee is the major socioeconomic center of the region. SLCWD is in the Serene Lakes area of Placer County and in the watershed of the North Fork of the American River.

11.3: FORMATION AND BOUNDARY

On February 28, 1961, SLCWD was formed by the Placer County Board of Supervisors. The District was incorporated on March 7, 1961. The District was initially formed to provide domestic water, sewage transmission, and sewage treatment in a community leachfield. DSPUD was also using the same form of treatment, and when the State Water Resources Control Board (SWRCB) found this form of sewage treatment to be inadequate, DSPUD and SLCWD entered into a Service Agreement in 1971 for DSPUD to treat SLCWD's wastewater. Since DSPUD's construction of a wastewater treatment plant, the District has contracted with DSPUD to treat its wastewater.

BOUNDARY HISTORY

The formation of SLCWD effectively transferred water rights and the responsibility to provide water from a campground called the Sierra Lakes Club, to the District. Since that time, Sierra Lakes Club has been succeeded by eight different residential subdivisions and is now called Serene Lakes and totaling 1,060 parcels. The District boundary also includes 13 parcels outside the Ice Lakes/Serene Lakes development, including nine large parcels, undeveloped except for cross-country ski facilities owned by Truckee Donner Land Trust, one lot owned by Placer County, one lot owned by the District and containing a water storage tank. The District boundaries encompass approximately 2,450+ acres. Figure 11.2 shows the District boundaries and other significant District features.

¹ <http://www.truckeefire.org/>

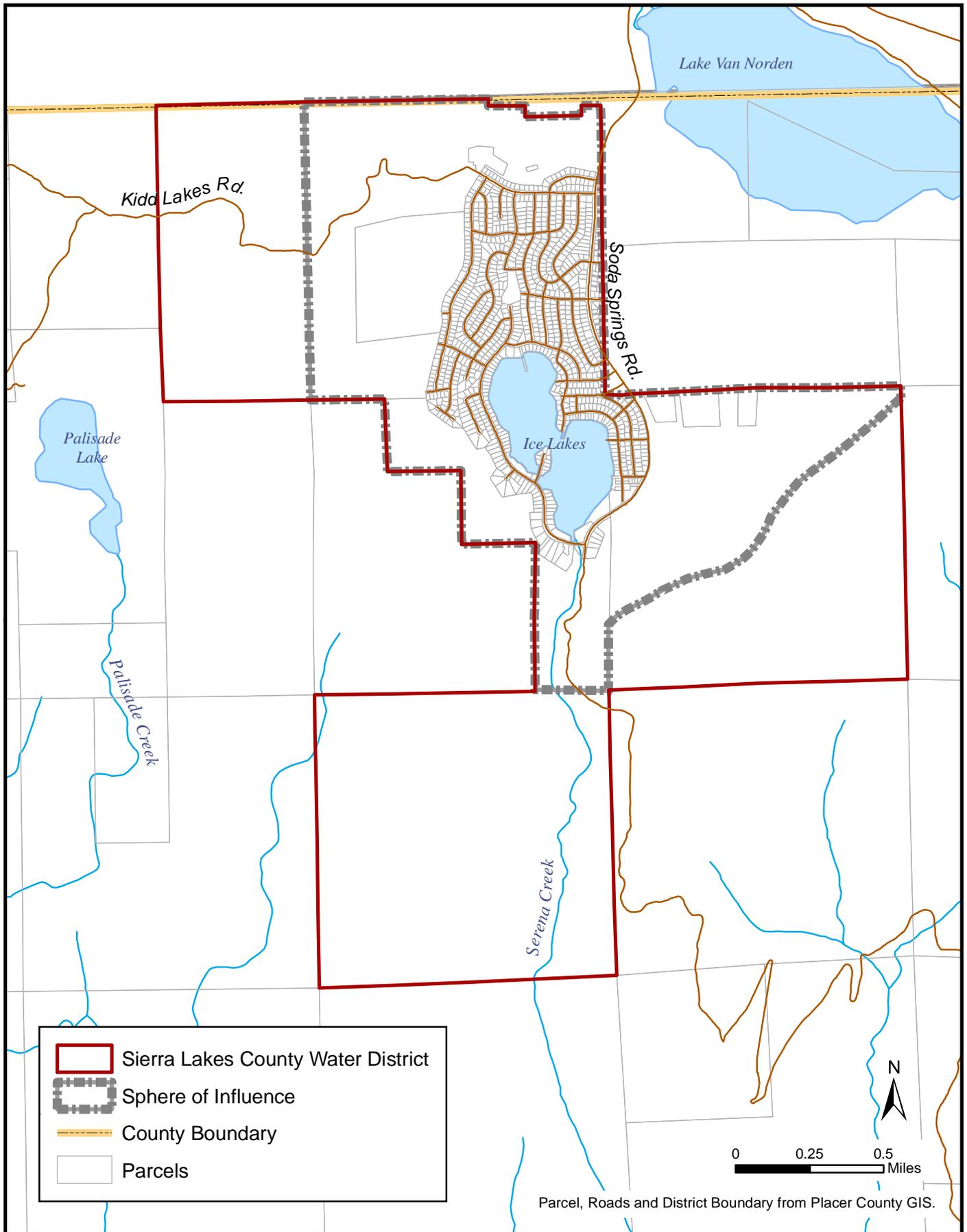


Figure 11-2

SIERRA LAKES COUNTY WATER DISTRICT

SPHERE OF INFLUENCE

On April 12, 2000, Placer LAFCo updated the District’s Sphere of Influence (SOI). The SOI is smaller than its actual boundary. It is not clear whether that was intentional or was a mapping error. It is recommended that Placer LAFCo review the SOI and consider aligning it to be co-terminus with the District boundaries.

EXTRA-TERRITORIAL SERVICES

The District does not provide any extra-territorial services outside its boundaries.

AREAS OF INTEREST

No specific areas outside the District boundaries have been identified that require services from the District.

11.4: ACCOUNTABILITY AND GOVERNANCE

The District is governed by a five-member Board of Directors, which is elected by both registered voters and property owners within the District; people who own vacation homes in the subdivision but reside and vote elsewhere can still vote on District issues, even though they are not full-time residents (see Water Code § 30700.6). Regularly scheduled meetings are held on the second Friday of each month at 6:00 p.m. Meetings are located at the main office, at 7305 Short Road, Soda Springs, CA.

The current Board members are as follows:

<u>Name</u>	<u>Role</u>	<u>Term Ends</u>
Karen Heald	President	12/31/2016
Dan Stockton	Director	12/31/2018
Bill Oudegeest	Director	12/31/2018
Wade Freedle	Director	12/31/2016
Michael Lindquist	Vice President	12/31/2016

All meetings are publicly posted at least 72 hours prior to Board meetings. Postings are located on public information boards in the District and on the District’s and local property owners’ association websites.

The District posts its contact information on its website at www.slcwd.org, and comments and complaints can be sent by mail, email, or telephone. In 2012 the District received four utility complaints. The District Board received about 83 protests of its rate increases in 2012.

CONTACT INFORMATION:

PHONE NO.: (530) 426-7800
FAX: (530) 426-1120
MAILING ADDRESS:
P.O. BOX 1039,
SODA SPRINGS, CA 95728

The District has adopted policies addressing budget preparation, fixed asset accounting, investment of funds, and expense authorization. All of these policies are consistent with the California Special District Association's sample policy handbook. Budgets are adopted in public meetings and are available to the public upon request. The last independent auditor's report was dated September 4, 2015, and was attached to the District's Financial Statements. The audit found that there were no issues of noncompliance with financial regulations that could have an effect on the financial well-being of the District.

The District's mission statement is "to provide quality water treatment/distribution and sewer collection services at the lowest possible cost." Its stated strategic plan is to "to provide the infrastructure and organizational framework to continuously provide quality service to all present and anticipated customers."

11.5: MANAGEMENT EFFICIENCIES AND STAFFING

The District employs three full-time employees, all utility system operators. Utility system operators repair, maintain, and operate the water treatment plant, water distribution system, and sanitary sewer collection and export system. They implement preventative maintenance activities and respond to emergency situations such as sanitary sewer overflows, check water and sewer connections by home builders, and oversee construction activities by contractors engaged in the District.

The General Manager and Financial Consultant are provided by Truckee-based consulting firms, allowing the District to avoid paying for long-term retirement and health benefit obligations. The General Manager is responsible for management of field operations and maintenance activities, oversees the work of utility system operators, trains field crews, leads emergency response, coordinates regulatory compliance, manages capital projects, prepares the capital budget, participates in the operational budget, manages district properties, attends District meetings, and reports monthly to the District Board.

District Board members are compensated at the rate of \$180 for each meeting, pursuant to Ordinance 95 of the SLCWD Board of Directors passed September 12, 2013. The Board of Directors establishes policy, plans strategy, leads staff, allocates resources, delegates responsibility, authorizes the District Engineer and outside contractors to perform services, and may serve as public information officers.

11.6: POPULATION AND GROWTH

POPULATION

The 2010 US Census does not provide discrete demographic statistics for the Serene Lakes area. The SLCWD service area is encompassed by Census Tract 220.14, which covers a much larger area than the District's service boundaries. The District was unable to provide a

current and projected population within the service area boundaries or SOI. For purpose of this study, several calculated projections are made based upon a few basic assumptions.

Land-use is correlated with population. Sierra Lakes County Water District primarily serves single-family residential uses with some limited commercial uses, such as a ski resort lodge, a fire station and a homeowners' association beach. There used to be a 20-room hotel/restaurant commercial business located next to the Lake; however this building has since been converted to 3-unit multi-family residence. In December 2012, the Truckee Donner Land Trust and the Trust for Public Land acquired the surrounding 3,000-acre Royal Gorge property. In January 2013, the District purchased the Lake bottom parcel from the Land Trust.

Of the 1,039 residential parcels in the service area, there are currently 804 dwellings with service connections (assumed built) within the District. Based on a 2009 customer survey with 73 percent responding, 10 percent of the homes are occupied on a year-round basis. Based on a 10 percent full time occupancy rate, this would mean that 80 dwellings are occupied on a full-time basis. Given an average of 2.56 persons per household, this indicates that the permanent population living within the District's boundaries is 205 persons. At buildout, this would mean that of the 1,039 residential lots, approximately 104 dwellings could be occupied on a fulltime basis.

Homes at Serene Lakes are occupied by a permanent population and by vacation homeowners and renters. If the 804 existing homes are occupied (i.e. maximum occupancy), the population is estimated at approximately 2,058 (804 homes x 2.56 people per household [Placer County 2009 Housing Element²]). This maximum occupancy calculation is a worst case scenario. During peak winter season (New Year's) and peak summer season (Labor Day and July) an 80% occupation rate would be more likely.

From 2000 to 2010, Placer County as a whole had a 3.4 percent AAGR for population, a rate nearly three times California's population AAGR of 1.0 percent during this period. Most of this growth occurred in the incorporated areas of the county where the AAGR was 5.0 percent between 2000 and 2010. Growth in unincorporated areas of the county slowed to an AAGR of 0.7 percent. For purposes of projections realizing that market forces are highly unpredictable population growth assumptions along with actual projections are provided below are as follows:

² The population density fluctuates between 26 and 528 people per square mile (104 people/3.9375 square miles to 2,079 people/3.9375 square miles).

Table 11.1: Population - 2000-2010 and Projected to 2030 within SLCWD Service Area Based on 10 percent occupancy and 2.59 persons per household					
Year	2010 act.	2015 ¹	2020 ²	2025 ³	2030 ⁴
Population	203	205	215	231	257

¹. Based on 0.7 percent AAGR from 2010 through 2015

². Assumed 1.0 percent AAGR from 2015 through 2020

³. Assumed 1.5 percent AAGR from 2020 through 2025

⁴. Assumed 1.75 percent AAGR from 2025 through 2030

In examining the actual permit issuance history over the last 10 years provided by the District, there were 115 water/sewer connection permits issued or an average of 11.5/year (assume 11 per year). During this time, it is noted there was a sewer connection moratorium, but any proposed building would have been issued in subsequent years.

PROJECTED GROWTH AND DEVELOPMENT

Based upon the average issuance rate described above, the following buildout assumptions through the year 2020 are provided:

Table 11.2: Projected Buildout of Serene Lakes Neighborhood					
Year	2013 act.	2015 ¹	2020 ²	2025 ³	2030 ⁴
Dwellings	803	825	880	935	990

Based on this projection, 100 percent buildout (totaling 1039 residential parcels plus 21 non-residential parcels) should occur in about 2034.

This projection includes consideration of the Placer County General Plan which serves as the County's vision for long-term land use development and conservation. Placer County's General Plan adopted on August 16, 1994, and updated May 21, 2013, provides goals, policies, standards, and implementation programs to guide the land use, development, and environmental quality of the County. No new development projects have been built within the District boundaries in at least 10 years, and the District is unaware of any planned amendments to the planning documents affecting the service area. As of this writing, approximately 217 parcels remain undeveloped in the service area, and the District has indicated that it expects construction on the remaining connections over the next 27 years. This will result in full buildout of the District.

SLCWD sends wastewater to the WWTP at the Donner Summit PUD. The two agencies have an agreement that allows SLCWD to reserve a specific amount of capacity at the treatment plant. There are currently 237 vacant lots within the District's boundaries; however several of these parcels are owned by the local land trust and will not be developed. A few of the lots are "remainder" parcels that resulted from excess road right-of-way and/or were shown on older subdivision maps but not accepted by the Board of Supervisors and are considered

unbuildable. The District has reserved future capacity to serve approximately 237 parcels (personal communication, A. Nickerson, June 2016).

The Placer County General Plan designates lake(s) and the immediate surrounding area as Medium Density Residential (3,500-10,000 sq. ft., per lot). A substantial undeveloped area to the west within the District boundary is also designated Medium Density Residential, with some High Density Residential and commercial. This area was recently acquired by Truckee Donner Land Trust (TDLT). As a result, there will be no future potential development on these unimproved lands as TDLT has acquired the land for open space and timberland management. Currently, the Land Trust owns the Royal Gorge property and leases the overland, cross country skiing rights to Soda Springs Ski Resort. There were 7 sewer EDU's previously assigned to this area (approximately 500 acres). The TDLT has offered to sell those future sewer connections back to the District; however the District must wait until a demand for the connections has been identified before purchasing.

Additional lands to the east and south within the District are also now owned by the TDLT. These lands are designated Agriculture-Timber and a portion is designated Resort Recreation on the Placer County General Plan. Similarly with the lands to the west, TDLT will manage these lands for open space, timber management and cross country skiing.

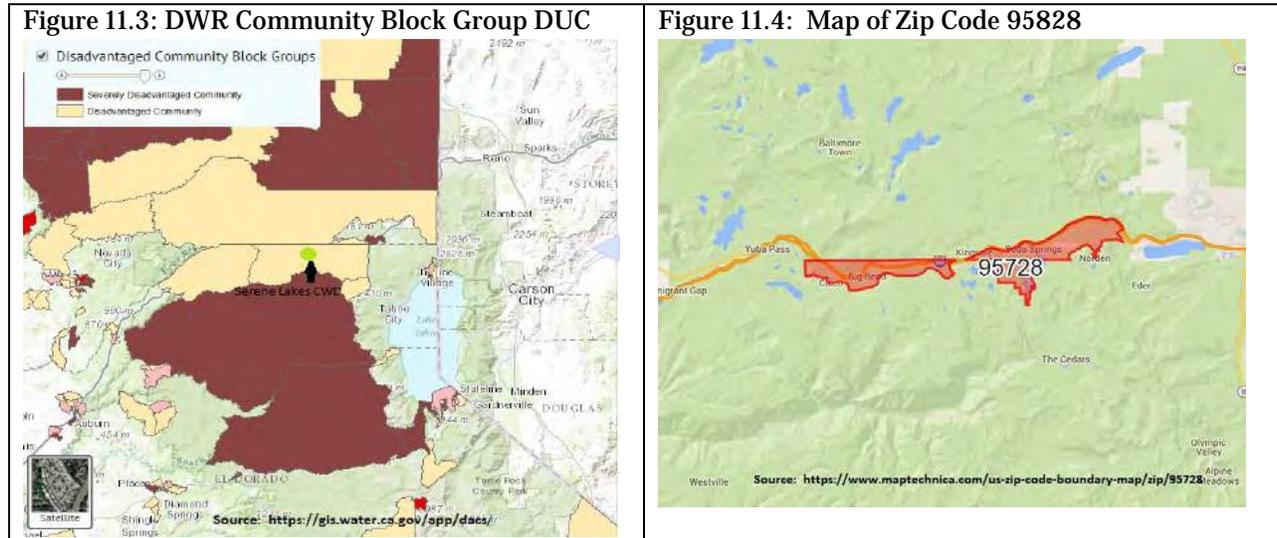
In conclusion, the only expected remaining development within the Sierra Lakes County Water District's boundaries will occur as infill residential development on the remaining 217 undeveloped lots. It is unlikely that District services will be needed to serve lands beyond the "developed" area.

DISADVANTAGED UNINCORPORATED COMMUNITIES

As described in Chapter 3, LAFCo is required to consider the provision of public services to disadvantaged unincorporated communities (DUCs). Relevant data were reviewed for the Sierra Lakes CWD area. The Serene Lakes community is classified as a DUC by the California Department of Water Resources for "Block Groups", as shown in Figure 11.3, below. However, when looking at the "Community Tract" level or the "Community Places", the community is not mapped as a DUC. The U.S. Census 2010 found the median household income (MHI) in the 95728 zip code is estimated at \$42,578.³ This is lower than the DUC threshold MHI of less than \$48,706 (80 percent of the statewide MHI). However, the zip code 95728 covers a broad geographic range, as shown in Figure 11.4, below. While the broad data does indicate a DUC community, the more detailed data (i.e. DWR data for at the "Community Tract" level or the "Community Places") does not indicate a DUC. In this case, the authors have chosen to rely upon the more detailed data and it is recommended that LAFCO assume that no DUCs are located with the SLCWD. This area does receive adequate water, wastewater, and fire protection services as detailed in this MSR. No health

³ U.S. Census Bureau, 2009-2013 5-Year American Community Survey. American Fact Finder website: <http://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml>

and safety issues have been identified. Please see Chapter 3, Section 3.6 of this MSR for more information on disadvantaged unincorporated communities.



11.7: DISTRICT SERVICES

SERVICE OVERVIEW

The District provides water treatment and distribution and wastewater collection and transport in the service area. SLCWD contracts with DSPUD to provide wastewater treatment and disposal. SLCWD collects and transports wastewater to the DSPUD wastewater treatment plant, and DSPUD treats and disposes of the effluent. The table below shows the approximate number of water and wastewater customers since 2003.

Service	# Customers in 2003	# Customers in 2008	# Customers in 2012
Water ¹	680	760	800
Wastewater collection ¹	680	760	800

¹ Measured by number of connections

As can be seen in the above table, approximately 120 connections have been added over about 10 years.

WATER

Ice Lakes Dam was built on Serena Creek in the 1940s to raise the water level of the two natural lakes behind it. It has since been retrofitted in various ways to improve its structural integrity and raise the height for additional water storage. Lake Serena is the northern lake and Lake Dulzura the southern lake. Both lakes overflow into Serena Creek, which ultimately flows into the North Fork of the American River. The two lakes are separated by a narrow

isthmus, and when water levels rise above 6,869-foot elevation, water inundates the isthmus and the two lakes become one, referred to as either Ice Lakes or Serene Lakes. Historically, the water has been high enough to keep the isthmus inundated and the two lakes combined. The water is then treated in the lower level of the District offices and from there is piped to the service connections.

The District owns and operates Ice Lakes Dam, which is inspected every year by the California Division of Dams. The SWRCB provides water rights, the Placer County Health Department permits the hazardous materials used in the treatment process, and the Placer County Air Quality District permits the emergency generators that serve the plants. In the past, the California Department of Public Health issued permits for the drinking water system; however this state authority was moved to the Drinking Water Division of the California Water Resources Control Board in July 2014.

WASTEWATER

SLCWD is responsible for the collection of sewage within the District boundaries and delivery of the wastewater to DSPUD's wastewater treatment plant. DSPUD has recently completed upgrading and expanding their wastewater treatment plant. Beginning in 2015 both connected and non-connected property owners will be assessed for repayment of the DSPUD plant improvements. For more detailed information on the DSPUD wastewater treatment plant upgrade and expansion, please see the MSR chapter on DSPUD.

SUPPLY/DEMAND

Supply and demand for water and sewer districts are typically impacted by development occurring within the District that could result in an increased demand for these services and need for additional infrastructure. Factors that impact water supply in the District are lake level in summer (a factor of winter precipitation and drought conditions) and formation of ice around the intake pipe in winter. Factors that impact ability to provide wastewater service include control of the operational inflow and infiltration. Minimal development is expected to occur within the District because the area is an isolated community with little growth projected.

WATER

Water supply for the District is primarily provided via a diversion from Serene Lake using a pipe and pumping plant for water extraction and water is then directed to the water treatment plant. On February 28, 2013, an Amended Permit for Diversion and Use of Water was authorized by the SWCRB. The permit allows for the collection and storage of 1,177 acre-feet (af) in Serene Lakes for municipal, industrial, fish culture, and recreational purposes. The diversion includes 9,000 gallons per day (gpd) for snowmaking purposes at Royal Gorge Cross Country Ski Area. Serene Lakes has a storage capacity of 783 AF, so the remaining water allowed for storage, 394 AF, will be directly diverted (1,177 AF - 783 AF = 394 AF). On

average, between 2000 and 2009, the District used 117.7 afa. Future water use is estimated to be 365 afa (SLCWD, 2011), and the amended permit authorized this amount.

Although not part of the current water supply, two groundwater wells, approximately 650 feet in depth, are installed and could potentially be used in the event of an unforeseen emergency with the District's surface water supply. One of the wells is permitted as a standby source by DDW. Use of both wells would require a significant investment to upgrade well associated infrastructure prior to use in order to address water quality issues associated with arsenic and to address electronic and physical connection issues (SLCWD, 2011).

SLCWD developed a water availability analysis to study the total flows through the watershed and determined that an average of 4,765 acre-feet of water originates at the headwaters, flows through Ice Lakes and down the American River. Approximately 8% of this flow is permitted to be diverted by the SLCWD, although a lesser amount has historically been utilized by the District to supply its customers. The District treats water and distributes it to approximately 809 connections within its service area boundaries. The only expected remaining development within the Sierra Lakes County Water District will occur as infill residential development on the remaining 200 undeveloped lots. If these undeveloped lots were developed, it is estimated they would utilize 250 gallons per day of water (Placer County, 1994) and this calculates⁴ to 56 afa. Since the current average water use is 117.7 afa for the District as a whole, the projected future new development would raise this to 173 afa. This is much less than District's permitted water use of a total of 365 afa. Given these projections and calculations, the District indicates there is sufficient raw water supply to meet the anticipated buildout (SLCWD, 2010). The District is working on a variety of methods to promote water conservation.

WASTEWATER

Sierra Lakes County Water District collects wastewater from approximately 800 service connections within the District and transports the sewage to the DSPUD wastewater treatment plant. Customers are primarily single-family residences, but a few commercial customers include a ski resort lodge, a fire station, and the property owners' beach. SLCWD has an interagency agreement with DSPUD for DSPUD to treat SLCWD wastewater. DSPUD has recently upgraded its treatment plant and this new plant came on-line in summer 2015. Treatment plant capacity and Regional Water Quality Control Board (RWQCB) regulations can influence the District's ability to supply and/or deliver wastewater service to customers. Please see Chapter 7 for more information on the WWTP.

INFRASTRUCTURE AND FACILITIES

In addition to owning and operating Ice Lakes Dam and Ice Lakes, the District owns 18 parcels in the Serene Lakes area. The Placer County Department of Public Works leases one garage bay from the District. Eleven properties are open space and seven are used for utility

⁴ Conversion of gpd to afa = 200 new homes * 250 gpd * 0.00112088568 (acre feet) per year

infrastructure (lake intake, district office, pump stations, and lake and water storage reservoirs). The District also owns and maintains several vehicles and other pieces of equipment.

To accommodate full build-out of its service area, the District's infrastructure for water service may need to be expanded including improvements to the WWTP and provision of water storage sufficient to provide fire protection. During the past several years, the District has replaced numerous water main sections, service laterals, and fire hydrants. To address infrastructure and facility needs for the sewer system, the District has collaborated with the DSPUD in the recent major upgrade to the WWTP. Because the District has spent more than five million dollars on water and sewer infrastructure and equipment in the past six years, it does not have any current major infrastructure needs.

Future infrastructure needs are addressed on an annual basis through its project list as part of the District's annual budget. The FY 2013-2014 and 2014-2015 project list includes spot repairs of sewer mainline and laterals, repair of several sewer manholes, sewer pump station upgrades, television inspection of the gravity sewer system, water distribution system improvements, water pump station and storage improvements, tool purchases, and building repairs. These projects, which include capital and operating expenses, total \$309,150.

In 2008 the District started a three-year program to upgrade both the water distribution system and the wastewater collection system. The work was centered in the Ice Lakes I and II Subdivisions, in the eastern part of Serene Lakes, which were developed first and have the oldest infrastructure. The work included replacement of those system parts that were most susceptible to failure due to both the materials used and the original construction. The upgrades to the wastewater collection system include replacement or relining sections of pipe that were found to be leaking. Leaks in the wastewater collection system lead to inflow and infiltration (I/I) into the system in spring and early summer when the groundwater table is high during snow melt. Any I/I added to the domestic wastewater must be pumped to DSPUD and treated and disposed there, which greatly increases costs to the District. Leaks in the water distribution system, lead to wasting water and loss of pressure in the system. The District utilized a commercial loan to pay for these improvements. All work has been completed on time and most of it has been completed under budget. The District does not currently meter water for the stated reasons that the capital costs of installing the meters, along with the operational costs of reading the meters and billing accordingly, would outweigh any savings from water conservation. However, given the current multi-year drought that has affected the entire state of California, the District Board is currently exploring mechanisms (such as grant applications) to pay for the capital costs associated with the installation of water meters.

DISTRIBUTION AND TRANSMISSION

WATER

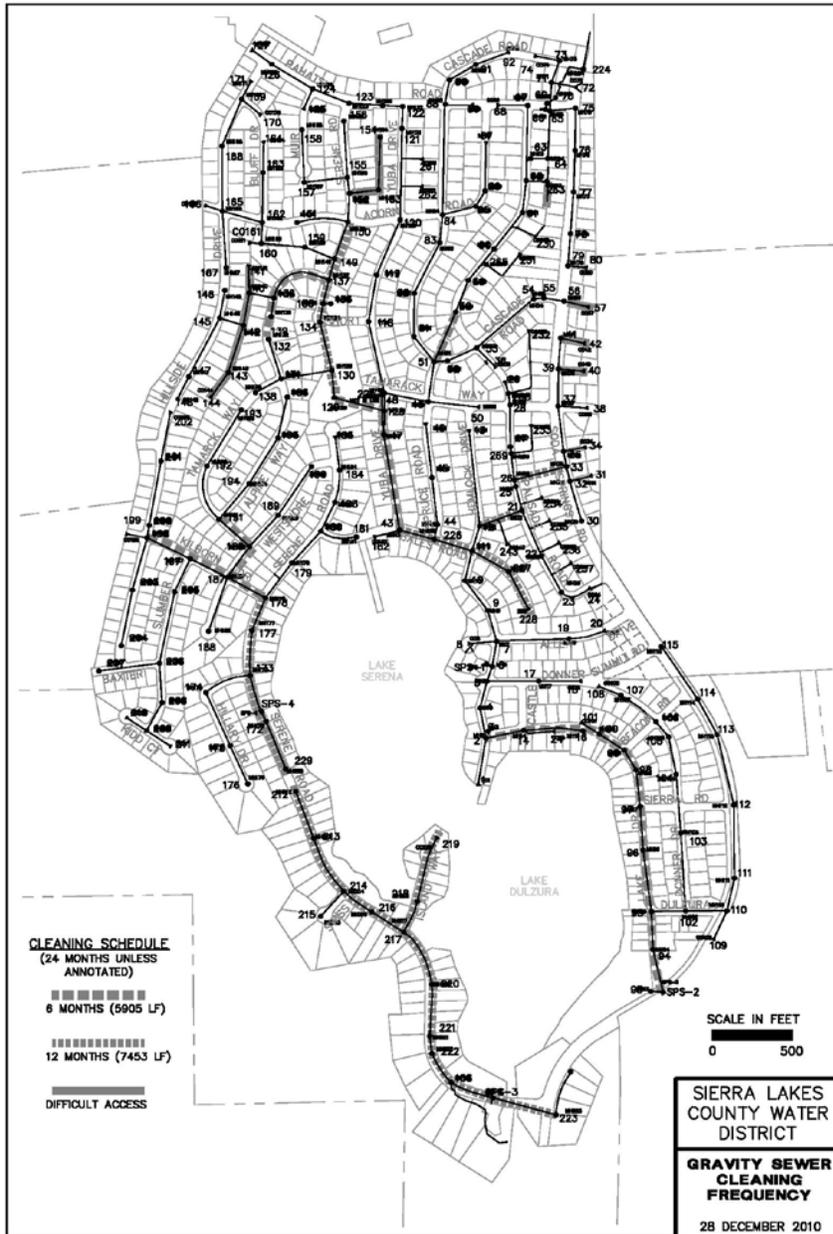
SLCWD treats water and distributes it to domestic users, including residential, commercial, lodging, and resort users, throughout its service boundaries. The District diverts water from the north end of Lake Serena using a 10-inch pipe. The water is pumped out of the lake using an electrically powered pumping plant in a facility located at 5000 Bales Road. The design treatment rate of the filtration plant is 220 gallons per minute. Backup power to the pump is provided with a diesel-powered generator. The water is pumped to the raw water treatment plant located at 7305 Short Road (also the District office). From the Short Road facility, an electric booster pump (with diesel backup) moves the water up to the District's Hill Tank, located just north of the Serene Lakes subdivision boundary, from which water is provided by gravity through the District's distribution system to its customers. The system also includes a 460,000-gallon tank located at the Short Road location.

Because the distribution system for the entire Serene Lakes subdivision is already in place, any new homes can be served simply by connecting to the system at the property line. No infrastructure exists to serve currently unserved parcels outside of the subdivision.

WASTEWATER

The District maintains a sewer collection system with gravity flow and uphill pumping system to delivery wastewater to the DSWWTP. SLCWD adopted a sewer system management plan (SSMP) in 2011 in response to SWRCB regulations that mandate an SSMP for all public wastewater collection entities that own or operate more than one mile of sewer pipeline. The SSMP includes goals for the wastewater provider; a review of the system's organizational structure; an overflow emergency response plan; a fat, oil, and grease control program; an operations and maintenance program; design and construction standards; a monitoring and measurement program; and a public communications program.

The operations and maintenance program indicates that the sewer system has 55,400 feet of six, eight and 10-inch gravity main, 182 manholes, 12,100 feet of 8-inch forcemain, and four pump stations. As part of the SSMP process, the District updated its system mapping in the winter of 2009-2010, the first time the maps had been updated since they were first prepared in the late 1960s. The effort included the field location of sanitary sewer features visible on the surface (manholes and cleanouts) with reference to known improvements such as power poles and fire hydrants, and review of television inspection reports to determine the stationing of laterals on mainlines. The maps show the entire system and include pipe diameter, pipe material and facility identification number; residential lateral connection points at mainline; manholes, including depth and facility identification number; force mains, including pipe diameter, pipe material and facility identification number; pump stations, including pump data and wetwell capacity; street names; and parcel addresses.



The District recently identified portions of the gravity pipeline system that experience the greatest oil and grease buildup, and in fall of 2009 and winter of 2010-11 installed an automated system at those locations to inject enzymes on a regular schedule into the pump station wetwell. The result has been a reduction of FOG buildup in the wetwells of the downstream pump stations.

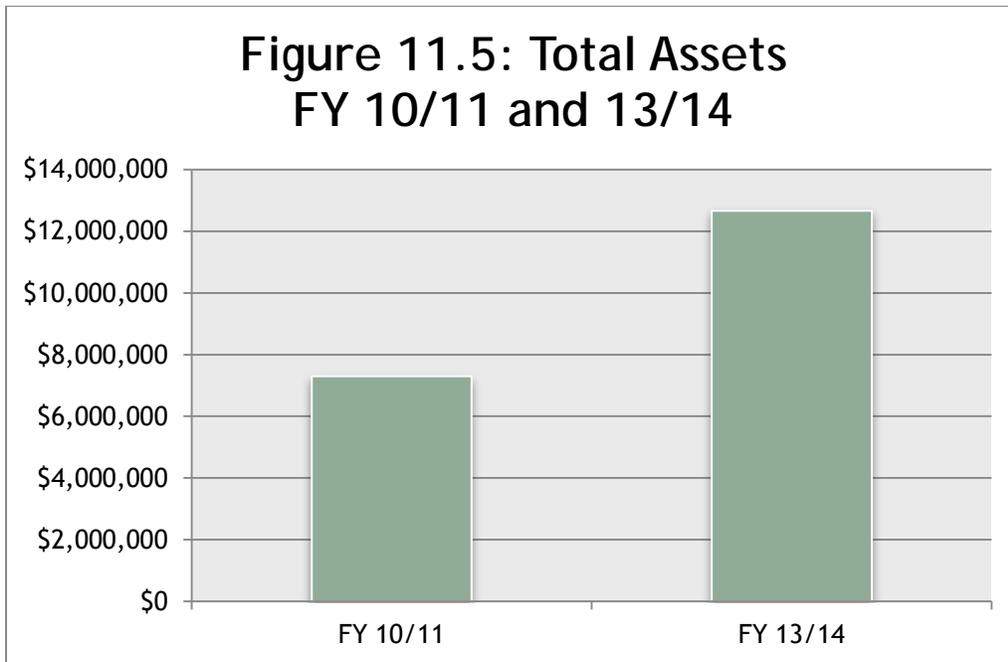
SLCWD ensures integrity of the wastewater system by conducting lateral testing when a house is sold or significantly remodeled; closed circuit television (CCTV) inspection of mainlines; mainline, manhole, and lateral rehabilitation or replacement; and installation of manhole

chimney seals. District-wide CCTV of pipeline infrastructure began in 2007 to collect condition assessment data needed for asset management funding projections. The program's goal is to inspect approximately 15,000 feet, or approximately one-quarter of the system, each year. Condition assessments are made using a national standard for coding of pipeline defects that identify whether a perceived defect should be addressed by maintenance, localized repair or capital improvement project (CIP) activities. The observed pipe failure rate data collected during the inspections will be used to identify CIP funding needs over the next five years. Staff also performs weekly inspections of the four pump stations to assess the operation of the pumps, buildings, and wet wells. Pump stations are monitored remotely through the District's System Control and Data Acquisition (SCADA) network that provides real-time station status. Work related to the wastewater treatment plant is conducted by DSPUD and further details on the WWTP located at the DSPUD site can be found in Chapter 7 of this MSR.

11.8: FINANCING

The SLCWD adopts an annual budget. An auditor reviews the District's financial data on an annual basis. Copies of the audited financial statements were made available to the MSR consultants for FY10/11 and 11/12. Additionally, the audited financial statement for FY 13/14 is available on the District's website and was utilized for this analysis. For each of the three fiscal years reviewed, the audits found there was reasonable assurance that the District's financial statements are free of material misstatements and generally comply with Government Auditing Standards (Robert W. Johnson 2011, 2012, 2014). Both the budget and the audited financial statement are made available to the Board of Directors for review during public meetings and made available to the general public upon request. The most recent budget and audited financial statement are also available on this District's website. The District funds its regular operations and maintenance with service fees. Both water and sewer operations are accounted for as an enterprise fund. SLCWD's portion of the DSPUD wastewater treatment plant upgrade and expansion is funded through a property tax assessment on property owners within SLCWD's boundaries. In 2010, the District received a grant from the Placer County Water Agency for a study on ice formation and its effect on water supply availability.

Figure 11.5, below compares the total district assets and shows total assets increased by over five million dollars from FY 10/11 to FY 13/14. This increase in assets can be attributed to capital assets in the form of the District's share of the new WWTP with DSPUD. To fund this capital improvement SLCWD formed Assessment District No. 2011-1, pursuant to the Municipal Improvement Act of 1913 and issued improvement bonds to finance the District's share of the cost.



REVENUES AND EXPENSES

The District’s annual audited financial statement provides a summary of expenses from an operational perspective. Expenses include pumping, treatment, transmission and distribution, administrative and general, depreciation, collection, and disposal. The administrative and general expenses for FY11/12 were \$346,180 (Robert W. Johnson, 2012) and this likely includes numerous subcategories such as salaries, office expenses, legal expenses, and utilities. However, since these subcategories are not described nor enumerated in the audited financial statement, it is difficult to discern whether the expense categories are comparable to other Districts in the region. It is recommended that the District review its expenditures on electricity and if electric bills exceed 10% of its annual budget, utilization of renewable resources or energy efficiency should be considered over the long term. A summary of the Districts FY 13/14 financial statement is shown below in Table 11.4.

	FY 10/11		FY 13/14	
	Water	Sewer	Water	Sewer
Operating Revenue				
Water sales	\$594,551		\$846,949	
Sewer sales		\$891,827		\$1,175,160
Connection fees	\$0	\$0	\$13,138	\$61,613
Penalties and costs	\$5,784	\$5,783	\$11,172	\$11,172
other	\$14,627	\$24,485	\$8,751	\$8,751

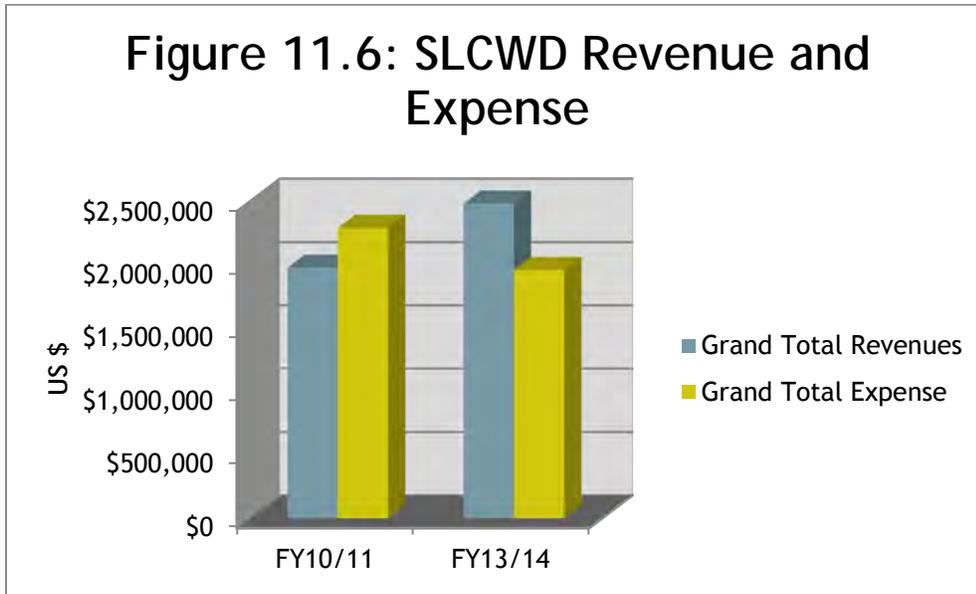
Non-operating Revenue				
Property taxes	\$167,248	\$167,248	\$174,623	\$174,623
Interest income, net	\$1,217	\$1,217		
Grant Income	\$7,040			
Sewer export service adjustment		\$96,949		
Total Revenue	\$790,467	\$1,187,509	\$1,054,633	\$1,431,319

In FY 10/11 operating revenues for water and sewer summed to \$1,537,057 and non-operating revenues for water and sewer summed to \$440,919. Total Revenues in FY 10/11 was almost two million dollars as detailed in Table 11.4, above. In FY 13/14 11 operating revenues for water and sewer summed to \$2,136,706 and non-operating revenues for water and sewer summed to \$349,246. Total Revenues in FY 13/14 were almost two and one-half million dollars as shown in Figure 11.5, below.

Table 11.5: Summary of Expenses				
	FY 10/11		FY 13/14	
	Water	Sewer	Water	Sewer
Operating Expense				
Pumping	\$9,412		\$37,603	
Treatment	\$222,590		\$202,419	
Transmission and distribution	\$202,376		\$199,096	
Administrative and general	\$243,742	\$110,608	\$268,878	\$143,459
Depreciation	\$122,686	\$88,295	\$126,632	\$92,916
Collection		\$683,352		\$544,993
Disposal		\$2,140		\$3,112
Non-operating Expense				
Interest expense	\$30,881	\$204,645	\$20,466	\$273,811
Other interest			\$102	\$103
Bond issuance costs				\$20,225
Capital processing costs		\$362,832		\$27,114
Grant Expense	\$9,031			
Total Expenses	\$840,718	\$1,451,872	\$855,196	\$1,105,733

In FY 10/11 operating expenses for water and sewer summed to \$1,685,201 and non-operating expenses for water and sewer summed to \$607,389. Total expenses in FY 10/11 were almost 2.3 million as detailed in Table 11.5, above. In FY 13/14 11 operating expenses for water and

sewer summed to \$1,619,108 and non-operating expenses for water and sewer summed to \$341,821. Total expenses in FY 13/14 were almost two million dollars as shown in Figure 11.6, below.



In FY 10/11, expenses exceeded revenues by \$314,614. In FY 13/14, revenues exceeded expenses by over \$525,023 as shown in Figure 11.6, above.

It should be noted that the California Institute for Local Government recommends that agencies prepare five year financial forecasts for both general and other funds, examining issues such as overall economic trends, environmental and regulatory risks, unfunded liabilities, adequacy of fee levels, fund balances, cost deferrals and infrastructure condition and discuss these financial forecasts during public meetings⁵. The District should consider developing this type of financial forecast in the near future.

RATE RESTRUCTURING

Annual water and sewer fees consist of a flat fee of \$2,492. Rates are reviewed each year. The District bills on a flat rate fee schedule based on EDUs. SLCWD recently finished three proposition 218 rate increases for three years and formed an assessment district to pay for their share, 44 percent, of the new wastewater treatment plant currently being constructed by DSPUD.

⁵ Details on ILG’s website: <<http://www.ca-ilg.org/>>.

COST AVOIDANCE

District meetings are held at the District office on property the District owns. The District employs three full-time personnel for water and wastewater facilities operations and maintenance. The Financial Consultant and General Manager, as well as other key personnel needed periodically, are contract employees. The Board of Directors is compensated at a rate of \$180 per meeting. Directors may receive no more than \$8,640 in any year per District policy.

The District seeks cost savings where it can, such as applying for and receiving grants to offset some costs. The District also notes that routine maintenance and repairs, such as the District's reduction of water leaks and sewer I&I, reduce expenditures by lowering costs of production and treatment.

Although the District wastewater treatment is provided by DSPUD, the District does not share facilities or equipment with other districts or agencies.

11.9: OPPORTUNITIES TO SHARE FACILITIES

The District holds its meetings in its main office building that also serves as the District headquarters. The General Manager works from this office as well. SLCWD shares equipment and labor with DSPUD when necessary and shares in the decision-making process regarding capital improvements to the DSPUD wastewater treatment plant.

As with other small water and wastewater districts in the area such as DSPUD, the small size of the SLCWD can result in a relatively small pool of potential board members and difficulties in reaching economies of scale. Although there are no known problems with the operation or management of SLCWD, the sharing of resources, personnel, and other systems should be explored. Beyond a cost/benefit study, an investigation of a regional wastewater system would also have to carefully examine a wide range of technical issues. For example, DSPUD and SLCWD have had past disagreements regarding the calculation of flow rates and other issues which seem to have been generally resolved with the adoption of an interim agreement in 2003. The interim service agreement clearly defined some of these issues such as ownership, measurement of system capacity, maintenance and operation costs, plant expansion, and capital improvements in order to reduce current and future disagreements. This 2003 Agreement is in the process of being updated.

Participation in an Integrated Regional Water Management Plan could be one way for the District to gain access to shared information and to support for future grant applications. The Tahoe Sierra Integrated Regional Water Management Plan at <http://tahoesierrairwm.com/> is one example the District may wish to consider.

11.10: CHALLENGES

The District has identified no regulatory issues, infrastructure issues, or other challenges within the next 12 months, but has noted that new environmental restrictions and permitting related to operation of the water and sewer systems in the next five years will likely be a challenge for the District.

Serene and Dulzura Lakes were formerly privately owned and have historically been used for recreational purposes such as swimming and canoeing. With the recent land trust acquisitions of Royal Gorge property, the land underlying the lakes was transferred to District ownership. Legislation regulating the District does not allow for a water district to provide recreation services, and swimming in a domestic water supply is considered an activity incompatible with the intended use of the water. The District has prepared a lake management plan and the Board has adopted an ordinance to implement this plan⁶.

The District inherited other problems with the transfer of the lake property to District ownership. A lawsuit was attached to the lakes from people who had been suing the previous owner. When the title transferred, the lawsuit also transferred over. The District is currently working with its legal counsel to help resolve the litigation.

Other risks that the District manages include the risk of sewage discharge from broken mains or failure of sewage pumps that could result in accidental contamination of the drinking/municipal water supply. The District manages this risk through on-going water quality monitoring and reporting and through preparation of a watershed sanitary survey report. Drought is also a risk to every water service provider in the state of California. Given its location in the upper watershed and relatively plentiful water flows in the area along with a small population, the District has less risk than most other water service providers. The SLCWD is complying with Governor Brown's 2015 order and conserve water during the on-going multi-year drought.

11.11: SERVICE ADEQUACY

The District's facilities are currently sized to adequately serve the existing connections within the service area. Water supply has historically exceeded demand with an average consumption rate of 117.7 afa between 2000 and 2009 and an authorized amount of storage of 1,177 afa. The District anticipates requiring 365 afa for beneficial uses upon full buildout of all the properties in its service area and has a recently amended permit from the SWRCB allowing for that amount. The DSWWTP has been upgraded and expanded and is projected to have adequate service capacity to meet the anticipated future wastewater connections.

In the past, SLCWD informally considered the provision of service in conjunction with DSPUD and/or other service providers in the area. This concept has not been pursued by SLCWD

⁶ Ordinance 99 is available on the District website at: <http://www.slcwd.org/>

because the voting structure is different for each agency. For example, voters within SLCWD are not required to be full-time residents (see Water Code § 30700.6) and this allows out-of-town property owners to vote on District issues. However, DSPUD voting rules do require voters to be full-time residents of the district. These structural differences facilitate the retention of these service providers as independent agencies.

11.12: DETERMINATIONS

GROWTH AND POPULATION PROJECTIONS

1. The SLCWD currently serves approximately 809 residential and commercial water and sewer service connections, and a population that fluctuates between 104 and 2,079 people depending on the season.
2. The population served by the District is largely seasonal and comprised of second homes and vacation rentals.
3. The District currently uses an average of 117.7 afa due to the seasonal population of the service area. With 365 afa allowed for beneficial use, the District has the capacity to add the remaining residential connections from undeveloped parcels in the Serene Lakes subdivision area.
4. The DSPUD wastewater treatment plant upgrade provides 239 additional EDUs for the Serene Lakes area and was completed in 2015. With approximately 217 undeveloped lots in Serene Lakes, the future EDUs available are sufficient for buildout of the District.
5. The District has a very low growth rate for the resident population, coupled with a projected increase in transitory population. Between 2000 and 2011, 152 EDUs were added, and no new subdivisions or other developments were approved. The District assumes a minimal growth rate with growth slowing significantly or halting once the existing undeveloped lots are built.
6. The District's Sphere of Influence is smaller than its formal boundary. It is recommended that LAFCO and the District work together to review the SOI and to consider aligning (co-terminus) it with the District's formal boundary.

DISADVANTAGED UNINCORPORATED COMMUNITIES

7. No areas within the District qualify as a disadvantaged unincorporated community because the median family income exceeds 80% of the state median family income.

PRESENT AND PLANNED CAPACITY OF PUBLIC FACILITIES

8. SLCWD was established in 1961 to provide domestic water, sewage transmission, and sewage treatment in a community leachfield. Since DSPUD's construction of a wastewater treatment plant in 1971, SLCWD has contracted with DSPUD to treat its wastewater.
9. The District currently provides water for municipal, recreational, commercial, and fish culture purposes.

10. Repairs and replacements will be necessary on an ongoing basis for both water treatment and delivery infrastructure, as well as wastewater collection.
11. The dam and reservoir at Serene Lakes were recently inspected by the Department of Water Resources Division of Safety of Dams and found to be safe for continued use.
12. The California Water Resources Control Board, Drinking Water Division inspects the District's water treatment plant on a routine basis. A September 20, 2013 inspection found that it was operated in a "conscientious and professional manner, and is well maintained." The inspector found that the water supply system was in good condition, required records were submitted in a timely manner, and chemical testing was up to date.
13. DSPUD has expanded its wastewater treatment facility and has included the Sierra Lakes Water District customers in that expansion.
14. The District's water supply comes from Serene Lakes. Water rights to the lakes allow for the use of up to 365 acre-feet per year for beneficial uses. Historic water demand from 2000 to 2011 has been 117.7 acre-feet per year. Demand rises in the winter months due to the seasonal ski resort population.
15. The District has no backlog of will-serve letters.

FINANCIAL ABILITY OF AGENCY TO PROVIDE SERVICES

16. The District follows standard accounting procedures.
17. The District's operations and maintenance activities are funded through service charges, fees, and taxes via an enterprise fund.
18. The District reported that the current financing level is adequate to deliver services presently.
19. Rates should continue to be reviewed and adjusted as necessary to fund District costs and provide for capital improvements as needed.
20. The District's annual budget and annual audited financial statement should continue to be made readily available to the general public via the District's website.
21. The District's annual audited financial statement provides a summary of expenses from an operational perspective. The District's annual budget provides more detail on the expenditures on salaries, utilities, and equipment.
22. The Districts audited financial statements for FY 10/11 and FY 13/14 demonstrates adequate finances for the continued ability of the District to provide services.
23. It is recommended that the District consider preparation of five year financial forecasts and discuss these forecasts during public meetings and make them available on the District's website.

STATUS OF, AND OPPORTUNITIES FOR, SHARED FACILITIES

24. The District should examine joint arrangements for services that can be provided on a regional or localized basis.
25. The District fees are set through a public process, and it is assumed that a nexus study for linking new fees to the cost of providing services has been prepared. No nexus study was requested or provided as part of this municipal service review.
26. The District should continue to work with DSPUD.
27. Service provision might be improved if the governance structure for SLCWD were examined. The DSPUD and SLCWD should examine their current government structure to determine of efficiencies could be gained by reorganizing the agencies.
28. The District may wish to consider participating in an Integrated Regional Water Management Plan as a method to retain independence yet participate in a shared information structure.

ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS, INCLUDING GOVERNMENTAL STRUCTURE AND OPERATION EFFICIENCIES

29. Local accountability and governance might be improved through a reorganization of service providers in the area or through more explicit joint agreements. For example, the “Interim Service Agreement” signed by DSPUD and SLCWD in 2003 is an example of such a joint agreement and this Agreement will soon be updated by Districts.
30. In the long-term future, the District could explore the use of new technology to develop and capture renewable energy to reduce its annual expenditures on utility costs. The District budgeted \$39,000 for its electricity expenses in the proposed FY 2013-2014 budget. This amount accounts for 7.6 percent of the District’s expenses. The District should investigate efficiencies in its electricity use.
31. Within the next ten years, alternatives to the current government structure in the Soda Springs/Sierra Lakes area should be explored by Nevada and Placer LAFCo’s, DSPUD and SLCWD.
32. The District is locally accountable through adherence to applicable government code sections, open and accessible meetings, and dissemination of information and encouragement of participation in their process.
33. The District demonstrated accountability through its prompt disclosure of information requested by LAFCo for preparation of this MSR.
34. Board meetings are publicly noticed and comply with the Brown Act, California’s open meeting law. They are held every month.
35. The District practices cost reduction through careful purchasing, bidding processes, staff workload reductions, applications for grants and other mechanisms.
36. No boundary changes are pending or proposed at this time. However, the District’s SOI is smaller than its actual boundary, an issue that should be rectified by reforming the SOI to be co-terminus with the District boundaries.
37. All Board members have access to District data, records and information.

38. The District has adequate public outreach, with a public website featuring Board agendas and meeting minutes, fiscal information, staff contact information, general information about services provided, rates, environmental compliance documents, planning documents, and news stories about its current projects.
39. The District has a one-page strategic plan that outlines its mission statement. A more detailed strategic plan that describes objectives and anticipated actions for the next five years could help the District could improve upon 1) planning efforts, 2) accountability and transparency.
40. The District does not currently meter water for the stated reasons that the capital costs of installing the meters, along with the operational costs of reading the meters and billing accordingly, could outweigh any savings from water conservation. However, given the current multi-year drought that has affected the entire state of California, the District may wish to consider exploring mechanisms (such as grant applications) to pay for the capital costs associated with the installation of water meters.

11.13: REFERENCES

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Chapter 12

Squaw Valley Public Service District



Photo courtesy of <http://www.svpsd.org>

This Municipal Service Review (MSR) describes the Squaw Valley Public Service District. This District was formed in 1964 and currently provides a wide range of services including water distribution, wastewater collection, solid waste collection, and fire/emergency services.

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12.1 District Profile

Squaw Valley Public Service District	
Type of District:	County Water District
Enabling Legislation:	The County Water District Law: Water Code Sections 30000-33901
Functions/Services:	Water distribution, wastewater collection, solid waste collection, and fire/emergency services.
Main Office:	305 Squaw Valley Road, Olympic Valley, CA 96146
Mailing Address:	PO Box 2026, Olympic Valley, CA 96146
Phone No.:	(530) 583-4692
Fax No.:	(530) 583-6228
Web Site:	www.svpsd.org
General Manager:	Mike Geary
Email:	mgeary@svpsd.org
Governing Body:	Board of Directors
	Eric Poulsen 11/2016
	Carl Gustafson 11/2016
	Bill Hudson 11/2016
	Dale Cox, Chairman 11/2018
	John Wilcox 11/2016
Meeting Schedule:	Last Tuesday of the month at 8:30 a.m.
Meeting Location:	Squaw Valley Public Service District Community Room 305 Squaw Valley Road, Olympic Valley, CA 96146
Date of Formation:	March 30, 1964
Principal County:	Placer County

12.2: Overview of District

Olympic Valley, site of the 1960 Winter Olympics and also known as Squaw Valley, is an unincorporated resort community located to the north of Lake Tahoe and to the south of the Town of Truckee. The population of the District experiences high fluctuations in populations with the seasons: winter skiing and summer activities such as hiking and golf. A sizeable development application to expand the Village at Squaw Valley has been submitted to Placer County. In June 2013, an application for incorporation of this area was submitted to Placer LAFCO and subsequently withdrawn in December 2015.

Type and Extent of Services

The Squaw Valley PSD provides water, wastewater collection, solid waste collection, and fire/emergency services. District Resolution No. 99-08 stated the District's intent to assume responsibility for the park and recreation facilities and services within Squaw Valley upon

assuming ownership of the USFS property that was previously managed by Placer County. However, the District currently does not own or operate any recreation and/or park facilities. In 2011, the District began providing snow removal on multi-use trails in Olympic Valley, a service which is funded by Placer County, the North Lake Tahoe Resort Association and other grant funds.

Location and Size

The SVPSD is located south of Truckee and west of Highway 89 and encompasses approximately 15 square miles, including the Olympic Valley and up to the ridgeline above the Valley to the west. To the east, the District includes a portion of the Truckee River corridor along Highway 89. The District boundaries encompass 5,350 acres. See Figure 12-1 for District boundary and SOI.

12.3: Formation and Boundary

The Squaw Valley County Water District was formed by the Placer County Board of Supervisors on March 24, 1964 (Resolution No. 64-99); State certification occurred on March 30, 1964. The District assumed operation of Squaw Valley Fire Department from the County of Placer in 1986. The District's name was changed in 1997 to the Squaw Valley Public Service District in order to better reflect the breadth of its service provision (District Resolution No. 97-32).

The District's boundaries follow the watershed boundaries for Squaw Creek, which drains Olympic Valley. Steep mountains ring the valley, rising to an elevation of over 9,000 feet at the top of Granite Chief Peak.

Along the Hwy 89 corridor, the boundaries of the Squaw Valley Public Service District do overlap with the Tahoe City PUD's boundaries. This results in a situation where within the SVPSD boundaries, the Tahoe City PUD provides water service to 20 homes, sewer collection services to 29 homes, and maintenance on 7,283 feet section of a multi-use trail.

Boundary History

Since its formation in 1964, several annexations to the District have been approved by Placer LAFCO. The first of which was in December of 1964 (LAFCO Resolution 64-19) and included Winding Creek Subdivision, Forest Glen Subdivision, and Forest Glen Subdivision No. 2. Subsequent annexations occurred in 1973 (LAFCO Resolution No. 73-1A) and in 1985 with annexation along the Truckee River Corridor (LAFCO Resolution 15-84). The District's Fire Department boundary varies from the rest of the SVPSD boundary, extending north along Highway 89. The extended Fire Department boundary is within the District's SOI.

In December of 2013, Incorporate Olympic Valley (IOV) submitted a formal application and deposit to Placer LAFCO to pursue incorporation of Olympic Valley. The area proposed for incorporation was coterminous with the existing District's fire service boundary. This application has since been withdrawn.

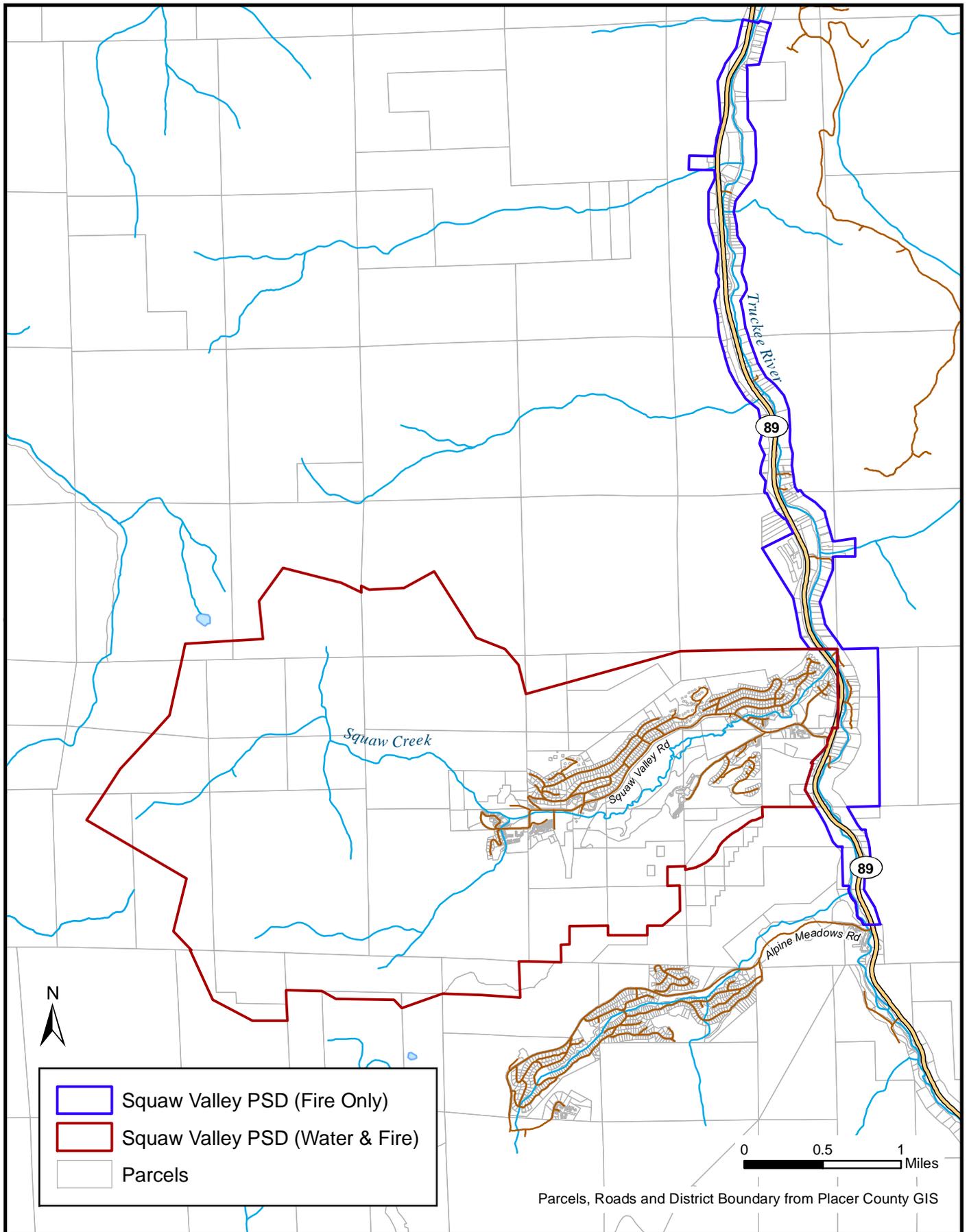


Figure 12-1

SQUAW VALLEY PUBLIC SERVICE DISTRICT

Sphere of Influence

The District's SOI is also coterminous with the District's fire service boundary. The District indicates that its SOI is adequate for projected future needs.

Extra-territorial Services

Under an interagency agreement, the District provides potable water to 16 residential customers in the Tahoe City Public Utility District's service area, along the Truckee River east of Highway 89.

Areas of Interest

No areas of special interest have been identified by the District.

12.4: Accountability and Governance

The District operates under the leadership of an elected, five-member Board of Directors, with a General Manager providing daily oversight and management of staff and resources. The District holds regularly scheduled meetings on the last Tuesday of the month, at 8:30 a.m. District staff indicates that all meetings are held in compliance with the Brown Act and all laws governing public meetings. Agendas for regular meetings, standing committees and special meetings are publicly noticed and posted at the District's bulletin board and Olympic Valley Post Office, which are public sites and open to the public 24 hours per day, 7 days per week. The distribution list includes local media and posting on the *Moonshine Ink* online calendar of events (<http://moonshineink.com/>). Public comment is allotted at every meeting for items on the agenda and items not on the agenda. Agendas, meeting minutes, and board packets are posted on the District website; notification is sent via email when these documents are ready.

The District and its activities undergo public review procedures, including financial review by independent auditors. There are sufficient mechanisms in place to ensure that actions and operating procedures of the District are open and accessible to the public. The District maintains a website as noted in the Agency Profile, above, where residents can obtain District news, water and sewer rates, District meeting information, etc.

Customers may send comments or complaints to the District office in-person, by letter, or use the District's website contact page. A total of four formal written complaints were reviewed over the 2011 and 2012 calendar years in response to the District's Proposition 218 notifications of rate increases. A total of two water quality complaints were logged in 2011 (SVPSD, 2014, p. 3).

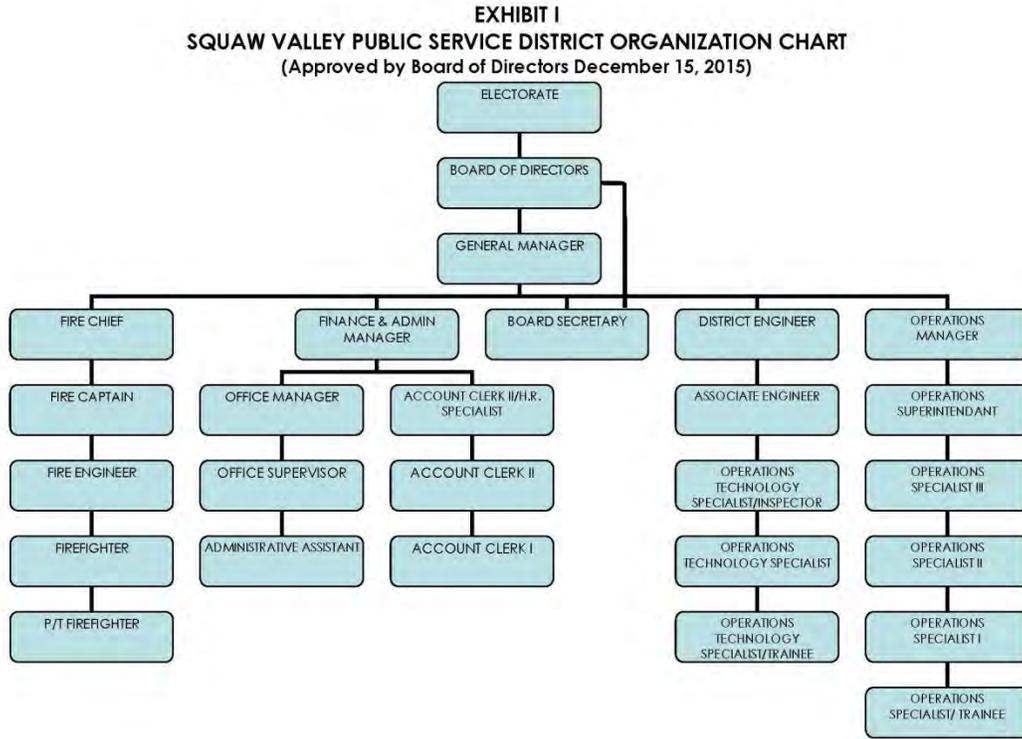
Directors are elected to four-year terms, the last election having occurred in 2014 (See District Profile above for list of current Directors). As of February 2016, there were no vacancies on the Board. The most recent election was in November 2014 for two seats; there were no challengers. Each Director is compensated \$600 per month in accordance with

Government Code Section 61047(a), which allows a CSD board of directors to provide by resolution that its members may receive compensation in an amount not to exceed \$100 per each day of service, not to exceed 6 days of service in a month. Additionally, all Board members are eligible to enroll in the CalPERS Supplement Income Plan (457). Although only one member has elected to contribute to a CalPERS 457 Plan, no Directors receive any contribution from the District for their 457 Plans. Two of the Directors receive a CalPERS Retirement benefit, for which the District contributes \$136.95 per month (effective July 1, 2014) (the benefitting Directors each contribute \$9.33 per month to their plans) (SVPSD, 2014, p. 2).

12.5: Management Efficiencies and Staffing

The General Manager is appointed by, serves at the will of, and reports to the elected five-member Board of Directors. The District's Board of Directors oversee the functions of the General Manager, who administers and directs the overall activities and operations of the District in accordance with policy direction by the Board of Directors. The General Manager is the Chief Executive Officer and has full charge and control of all District activities with power to employ and discharge all employees, department heads and assistants, and consultants other than the District Board Secretary, who is appointed by the Board of Directors, and prescribe their duties and fix their compensation subject to adopted resolutions, ordinances, policies and contracts. The District provides leadership in all District activities and plans including long-range planning, budgeting and financial oversight (SVPSD, 2014, p. 3). District operations are organized into Administration, Fire and Operations, which includes water and wastewater operations (see Figure 12-2 below). The District employs a total of 27.38 full time equivalent employees, a 5.37 FTE increase from 2003 levels (SVPSD, 2014, p. 42).

Figure 12.2. SVPSD Organizational Chart



Personnel Policies Manual
 Exhibit I Organization Chart

Contract Services

The SVPSD contracts with Tahoe Truckee Sierra Disposal Company to provide municipal solid waste collections services for residential customers. The Squaw Valley Mutual Water Company currently contracts with the SVPSD to provide operations and maintenance staffing for efficiency of cost and personnel. The North Lake Tahoe Resort Association (NLTRA) and Placer County contract with the SVPSD to provide snow removal services on the County's multi-purpose (bike) trail in Squaw Valley between Nov. 15 and April 30, providing approximately 68 percent of the required funding. The remaining 32 percent is provided by District fund raising efforts. The 2014/2015 winter funding breakdown is as follows:

- NLTRA/Placer County - 68 percent
- Resort at Squaw Creek - 17.5 percent
- Squaw Valley Resort (ski area) - 2.9 percent
- Squaw Valley Property Owners Association - 1.5 percent

Technology/Management

The District maintains a wide variety of technology that enhances their long range planning and keeps them abreast of state mandated data requirements. The District employs SCADA systems for monitoring and management of its water and wastewater systems.

12.6: Population and Growth

Population

Estimates of population in resort areas are difficult to predict, as populations are transient and can have significant variations throughout the year. The 1983 Squaw Valley General Plan and Land Use Ordinance (SVGPLUO) allows for growth that reaches a seasonal peak of an overnight population of 11,000 to 12,000 people, and a maximum skier capacity of 17,500 persons per day within the Valley. The permanent resident population pales in comparison to these peak user days.

The non-resident population is comprised of a variety of users from absentee owners, vacation rentals, hotel, camping and day visitors. The Placer County Office of Economic Development, Placer Valley Tourism, Placer County Visitors Bureau and North Lake Tahoe Resort Association commissioned a study (Placer County Travel Industry Assessment and Detailed Economic Impact Estimates, 2002-2008 prepared by Runyan Associates in 2009) to document the tourism impact in the county as a whole. Information was also collected for the high country and particularly the Tahoe Basin. While this study does not specifically project the seasonal population peaks associated with tourism and recreational uses it does demonstrate the emphasis on seasonal uses that accommodate the visitors to the area.

The following excerpts are taken from the Travel Industry Assessment:

Second Homeowner Trends

The Travel Industry Assessment reports that within the High Country Region, a large percentage of the housing units serve as private vacation homes and/or vacation rental properties, most notably for the communities of North Lake Tahoe. Table 12-1 below, reflects that 89 percent of all single family homes, condominiums, and time-shares in Olympic Valley are not owner-occupied.

Location	Zip Code Area	Owner-Occupied	Absentee Owner	Total Units	Percent Absentee
Olympic Valley	96146	243	1,879	2,122	89%
Estimated in SVPSD boundary area ¹		170	1,315	1,485	89%

The District does not provide service to the entire 96146 zip code because: 1) some areas are outside its service boundaries, 2) some property owners may obtain services from other providers such as the Squaw Valley Mutual Water Company², or 3) rural properties may not require public services. Therefore to complete Table 12-1 above, we estimated that 70% of the homes located within the 96146 zip code are also located within the District boundary. In 2010, the U.S. Census estimated the permanent population of the 96146 zip code at 1,366 persons. To calculate the estimated population for the District, the following information was considered:

- Approximately 2,400 parcels located within District boundaries
- 170 owner permanently occupied homes with 2.66 persons per household³, yields 452 permanent residents.
- 1,315 absentee owner homes with 2.66 persons per household, yields 3,498 visitor/temporary overnight individuals.
- Several thousand visitor/temporary overnight individuals⁴ can be accommodated in hotel rooms within the District boundaries.
- The District serves day visitors to the resort who may spend the night outside of District boundaries and it is estimated the maximum peak day-time only visitors is approximately 6,500⁵.

¹ It is estimated that 70% of the homes within the zip code are also located within the district boundaries.

² Details on the mutual water company are on its website at: <http://www.svmwc.com/>

³ U.S Census at: <http://quickfacts.census.gov/qfd/states/06/06061.html> estimates an average of 2.66 persons per household in Placer County.

⁴ Data source: Placer County Local Hazard Mitigation Plan. April 2010.

<http://www.placer.ca.gov/~media/ceo/emergency/documents/Final-Hazard-Mitigation-Plan/Placer%20CountyLHMPMaster.pdf>

⁵ Data source: IBID.

- 1,608 water “connections” (1,569 residential connections and 39 commercial connections and a connection is correlated to number of households and businesses served).
- 1073 connections number of wastewater “connections” (i.e. correlated to number of households and businesses served) (39 commercial customers plus 1,034 residential customers).
- SVPSD has approximately 920 “customers”⁶ which comprise a variety of residential, commercial, and institutional properties and which may receive a select number of public services. Several “customers” have multiple water and sewer “connections”.
- 560 registered voters reside within the District.

Although the individuals staying in local hotel rooms or renting out vacation homes are not permanent residents, there are a number of units that are occupied on a year round basis by a rotating roster of visitors. For analysis purposes, it was assumed that approximately 187 of the temporary/visitor units are continuously occupied on average. Based on the above data and for purposes of this MSR analysis, it is estimated that population served in 2012 within the District boundaries is 950 permanent individuals and 3,500 average peak season overnight visitors.

	<i>Existing Permanent Population</i>	<i>Estimated Current Peak Visitor Population⁷</i>
Squaw Valley Public Service District	950	3,500 ⁸ up to 12,000

Projected Growth and Development

The Placer County General Plan serves as the County’s vision for long-term land use development and conservation. Placer County’s General Plan adopted on August 16, 1994, and updated May 21, 2013, provides a series of goals, policies, standards and implementation programs to guide the land use, development, and environmental quality of the County. While the County’s General Plan was updated, the Squaw Valley and the Tahoe Basin area plans were not.

The applicable General Plan is the 1983 SVGPLUO. While dated, this plan is not scheduled for update in the near future (personal communication with Crystal Jacobsen, Project Manager Tahoe Basin Community Plan Update). The primary land uses are residential, business, schools, ski resort and mixed-use village. The zoning for these parcels currently includes Village Commercial, Heavy Commercial, High Density Residential, Forest Recreation, Conservation Preservation, Low Density Residential, and Entrance Commercial. The 1983 SVGPLUO estimates that a seasonal overnight population of 11,000 to 12,000 people will need

⁶ Data source: SVPSD Customer List provided to LAFCo in response to the Request for Information.

⁷ This column shows the # overnight visitors. (Day-use only visitors are not included.)

⁸ 1315 housing units from absentee owners (i.e. vacation homes) x 2.66 persons per household

to be accommodated with a maximum skier capacity of 17,500 persons per day at buildout within the Valley.

It has been Placer County's General Plan policy to steer urban growth to the cities. The 2013 Placer County Housing Element confirms that policy. While the county has grown at a rapid pace, much of this growth has occurred within the cities. Incorporated areas of the county grew at an Average Annual Growth Rate (AAGR) of 5.2 percent. Unincorporated Placer County's population grew at an AAGR of 1.8 percent between 1990 and 2000. From 2000 to 2010, Placer County as a whole had a 3.4 percent AAGR for population, a rate nearly three and a half times California's population AAGR of 1.0 percent during this period. Most of this growth occurred in the incorporated areas of the county where the AAGR was 5.0 percent between 2000 and 2010. Growth in unincorporated areas of the county slowed to an AAGR of 0.7 percent.

The historical rate of year-round population growth, per 2010 U.S. Census data for zip code 96146, indicates that the permanent population grew by 3.96 percent annually from 2000 to 2010. The permanent population in 2000 was 926 and in 2010 it was 1,366. It is noted that this zip code includes Alpine Meadows and land to the north, south and east. Much of the lands outside the two resort communities are very rural with limited population. While Squaw Valley may have experienced growth the ten year period from 2000 to 2010, Alpine Meadows has not. Based solely on available 2010 U.S. Census data, the 3.96 percent growth rate between the 2000 and 2010 was projected to remain constant through 2032 for analysis purposes. An alternative, more conservative (i.e. lower) growth rate of 2 percent was projected in the 2004 MSR. Table 12-3 presents both rates of growth. Either way, the permanent population will be relatively modest compared to the service capacity of the district.

Projection	2012	2017	2022	2027	2032
3.96% projected growth rate ^a	950	1,154	1,402	1,702	2,067
2% projected growth rate ^b	915	1,010	1,115	1,231	1,359

^a Basis for 3.96% growth rate: Data from the U.S. Census (2010) & Placer County

^b Basis for 2% growth rate: 2004 MSR

Based on past growth rates and likely future development, it is anticipated that the ultimate service demands within the Squaw Valley PSD will continue to increase. The 3.96 percent, 2000-2010 population growth rate is much higher than the increase in service connections for wastewater which was 967⁹ in 2003, 983 in 2012, and 1,073 in 2015¹⁰ which represents an average annual growth rate of 0.86%. This difference could be associated with a trend toward a more permanent population residing in units that were previously second or vacation homes. These units would have had previous water and wastewater service connections. In

⁹ Data source for 967 connections: LAFCo 2004 MSR

¹⁰ Data source for 1073 connections: personal communication with T-TSA

addition to providing both wastewater and water services within its boundaries, SVPSD also provides water service to portions of Tahoe City Public Utility District east of Highway 89. As a result, comparing wastewater connections may be a more valid indicator of growth within the District.

A new Specific Plan (2014), *Village at Squaw Valley*, is proposed on a 94-acre portion of the Squaw Valley Village by Squaw Valley Real Estate, LLC, that will adjust existing land use and zoning within the project area. The proposed Specific Plan is the first specific plan proposed under the SVGPLUO since it was adopted by Placer County in 1983. The Specific Plan proposes to amend the SVGPLUO to comprehensively plan development of a recreation-based, all-season, mountain resort community. The ultimate build-out of the proposed Specific Plan is consistent with this future growth level anticipated in the SVGPLUO. The proposed Specific Plan includes limited changes (i.e., amendments) to the land uses previously approved for the site in the General Plan. These changes and the Specific Plan proposal require evaluation under the California Environmental Quality Act (CEQA). The County has determined that these changes and entitlements could result in potentially significant impacts on the environment, and has therefore prepared an Environmental Impact Report (EIR) to evaluate these potential impacts¹¹.

The proposed *Village at Squaw Valley* Specific Plan and the *Resort at Squaw Creek, Phase II* projects are significant developments on the near horizon. As with past developments, growth in this area is likely to come not in incremental development of new residential and commercial properties, but rather in large developments. Recent projects in the area provide an example of growth in the Squaw Valley boundaries. The vast majority of overall development within the District has been at two resorts: 1) the Resort at Squaw Creek Phase 1 (circa 1990) and 2) the Village at Squaw Valley (circa 2000). The Resort at Squaw Creek sits on 195 acres and contains 405 residential units¹² along with the winter chair lift, a golf course and other resort amenities. The Village at Squaw Valley sits on 93.7 acres and contains 297 residential units¹³ which are contained in five lodge type buildings along with several restaurants and other visitor serving amenities. Given the development applications currently being processed by the Placer County Community Development Department, it is likely that new growth will occur in large developments at some point in the planning period (prior to 2032).

A Draft *Village at Squaw Valley Specific Plan* (October 2014) and a Draft Program Environmental Impact Report (May 2015) were reviewed by the Placer County Planning Department. The *Village at Squaw Valley Specific Plan* was revised in April 2016. A Final Environmental Impact Report was issued on April 7, 2016. This revised Specific Plan would allow for development of resort residential, commercial, retail, and recreational uses similar to uses currently allowed under the SVGPLUO, including lodging, skier services, retail shopping, restaurants and bars, entertainment, and public and private recreational facilities.

¹¹ DEIR and FEIR available on-line at: <https://www.placer.ca.gov/departments/communitydevelopment/envcoordsvcs/eir/villageatsquawvalley/final%20eir>

¹² Data source: <http://www.squawcreek.com/california-resorts.php>

¹³ Data source: personal communication with SVPSD staff February 2015.

The plan area would consist of two main zones within the Village: the Village Core, consisting of high-density, active, tourist-related mixed uses; and the Village Neighborhoods, consisting of medium-density resort residential neighborhoods and small-scale neighborhood-serving commercial uses. In addition, the plan area would include the approximately 8.8-acre East Parcel, which is planned for employee housing, off-site parking, and activities that are ancillary to the Village, such as receiving and distribution.

The Specific Plan proposes a maximum of 1,493 bedrooms (or 750 units) in the main Village area and up to 264 bedrooms (or 21 units) to accommodate employee housing on the East Parcel. Under the proposed Specific Plan, the total population of the Valley would be 9,483. The Specific Plan would be developed over approximately 20-25 years with construction proposed to begin in 2017.

The District has a Water and Sewer Service Agreement (Development Agreement) for the proposed *Resort at Squaw Creek Phase II* Project; it expires in November 2016. The project includes construction of 526 new bedrooms. The District also has a Water and Sewer Service Agreement (Development Agreement) for the proposed *Olympic Estates Subdivision*, which proposes the construction of 16 single-family residences; it expires on August 7, 2016. The water and sewer facilities were constructed in the Olympic Estates Subdivision in the summer of 2014. The District is currently in the process, along with the County, of accepting dedication of the water and sewer facilities. As of December 2014, none of the sixteen townhomes were built; there are a total of 16 empty lots. The District & the Developer are still satisfying the terms of the Agreement but are nearing fulfillment of many of its provisions (M. Geary, 2015).

It is estimated that the County's planning review process for the proposed Village at Squaw Valley Specific Plan will likely be completed in mid-2016. Although the level of development in the Specific Plan is less than that projected in the SVGPLUO, the proposed specific plan amendment remains controversial. Given the level of controversy, if the specific plan is approved by the County as presented, it could be subject to litigation. The proposals described above represent significant development pressure in the SVPSD that this MSR considers when projecting future service demands.

Additionally, other new projects in various stages of planning could impact the SVPSD (SVPSD, 2014, pp. 11-12) as listed in Table 12-4 below:

Project Name	Proposed Development	Status
Resort at Squaw Creek - Phase II	526 bedrooms	Approved by Placer County, Development Agreement with SVPSD
Sena at Squaw Valley (e.g., Development at Creeks End Court)	165 bedrooms and 83,000 square-feet of commercial	Very early stages of planning
Homestead @ Squaw	Eight residential townhomes; six	Very early stages of

Valley	rowhouses; lodge building with a mix of 2, 3 & 4 bedroom units, and outdoor spa; commercial building with 2 condominium residences, restaurant, and resident’s club; condominium building with two condominium residences	planning
PlumpJack Squaw Valley Inn	One hotel, containing 60 hotel key rooms and 6 residential units, along with hotel amenities such as a restaurant, bar, spa, and approx. 2,000 sq. ft. of retail space. A 12-unit condominium. A 16 unit residential condominium. An underground parking structure, containing 135 parking spaces.	Under process by Placer County. June 2015 NOP.
Olympic Estates	Sixteen lots and common area; sixteen single-family residences	Approved by Placer County, Development Agreement with SVPSD
Squaw Valley Ranch Estates	Four single-family residential lots.	Under process by Placer County
Warmouth Property	Four lots; four single-family residences	Approved by Placer County
Mancuso Property	four single-family residences (totaling 20 bedrooms); one common recreation facility	Very early stages of planning
Olympic Museum	14,500 commercial square-feet in 2-floors. Commonly referred to as the “Squaw Valley Olympic Museum & Winter Sports’ Heritage Center”	Very early stages of planning

A Comprehensive Fiscal Analysis was prepared in 2015 for a former proposal to incorporate a new town called Olympic Valley. While this effort was ultimately not pursued, the Comprehensive Fiscal Analysis by RSG Inc. Consultants did provide a very detailed Growth Forecast and the results of this forecast are listed in Table 12.5, below.

Type of Development Proposed	Forecast for Year 2040
Specific Plan Residential and Lodging Units	850 units
Employee Housing (Dormitories)	264 units

Specific Plan: Nonresidential (Retail, Restaurant, ski services etc.)	220,083 sq. ft.
Other Residential/Lodging (Outside the Specific Plan)	673 units
Other Nonresidential SF (Outside the Specific Plan) (Museum, PlumpJack)	80,500 sq. ft.
<i>Source: LAFCo, 2015.</i>	

Even with all the proposed development described above, the population of permanent residents is projected to remain consistent with that shown in Table 12.3 above. RSG's Comprehensive Fiscal Analysis projected a permanent population of 1,112 persons by the year 2025, slightly lower than the 1,702 persons in the year 2027 projected by Table 12.3. Visitor population, including both overnight visitors and day-use visitors is expected to increase significantly, above today's baseline. The cumulative impact analysis in the EIR's prepared on a project-specific basis will analyze the effect of this projected increase in visitor population.

Disadvantaged Unincorporated Communities

As described in Chapter 3, LAFCo is required to consider the provision of public services to disadvantaged unincorporated communities (DUCs). Relevant data were reviewed for the Alpine Springs area. No DUCs have been identified within Squaw Valley PSD boundaries, its SOI, or adjacent areas. The U.S. Census 2010 found the median household income (MHI) in the 96146 zip code was \$52,333.¹⁴ This is higher than the DUC threshold MHI of less than \$48,706 (80 percent of the statewide MHI). Additionally, this area does receive adequate water, wastewater, and fire protection services as detailed in this MSR. Please see Chapter 3, Section 3.6 of this MSR for more information on disadvantaged unincorporated communities.

12.7: Financing

This section evaluates the factors affecting the financing of operations and improvements for SVPSD. Information on District financing is derived from independently audited financial statements for the Fiscal Year 2011/2012, as well as information provided by District staff. These statements represent the financial statements of the District's consolidated services, and follow Government Accounting Standards Board (GASB) method of Accrual accounting.

District Revenues and Expenditures

The economy continues to pose a hardship to the District due to greatly reduced development resulting in low connection fees, reduced property taxes, and very limited new construction and remodel permit fees. The District had an overall decrease in net assets in 2012 (McClintock Accountancy Corporation, June 30, 2012, p. 7). The statement of net assets shows a current financial position with Total Current Assets as \$4,982,000 and total liabilities

¹⁴ 2010 census via American Fact Finder website at:
<<http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?src=CF>>.

as \$3,281,000 (McClintock Accountancy Corporation, June 30, 2012, p. 10). The following table includes a comparison of the 2010/2011 and 2011/2012 fiscal years of the District's government-wide financial data.

	Governmental Activities (Fire)		Business-Type Activities (Utility)		Total		Total	
	2011	2012	2011	2012	2011	2012	Dollar Change	% Change
Current and other assets	922	807	5,582	4,175	6,504	4,982	(1,522)	-23.40%
Noncurrent assets	5,845	5,644	11,202	11,418	17,047	17,062	15	0.09%
Total Assets	6,767	6,451	16,784	15,593	23,551	22,044	(1,507)	-6.40%
Long-term debt	545	468	2,131	2,003	2,676	2,471	(205)	-7.66%
Other liabilities	362	407	623	403	985	810	(175)	-17.77%
Total Liabilities	907	875	2,754	2,406	3,661	3,281	(380)	-10.38%
Net Assets: invested in property, equipment, net of related debt	5,121	4,993	9,282	9,639	14,403	14,632	229	1.59%
Restricted	123	134	601	666	724	800	76	10.50%
Unrestricted	616	449	4,147	2,882	4,763	3,331	(1,432)	-30.07%
Total Net Assets	5,860	5,576	14,030	13,187	19,890	18,763	(1,127)	-5.67%
Program Revenue	5	20	1,960	2,058	1,965	2,078	113	5.75%
General Revenues								
Property Tax	2,448	2,428	426	372	2,874	2,800	(74)	-2.57%
Dedications	0	0	34	0	34	0	(34)	-100.00%
Other	45	18	263	182	308	200	(108)	-35.06%
Total Revenue	2,498	2,466	2,683	2,612	5,181	5,078	(103)	-1.99%
Expenses	2,528	2,751	2,818	3,455	5,346	6,206	860	16.09%
Increase (Decrease) in Net Assets	(30)	(285)	(135)	(843)	(165)	(1,128)	(963)	-583.64%
Source: Independent Auditor's Report, Fiscal Year 2011/2012 (McClintock Accountancy Corporation, June 30, 2012)								

The Statements of Activities and Changes in Net Assets (Tables 12-7 & 12-8, below) provide an indication of the District's financial condition. Total Current Assets changed significantly due to the payout of higher expenses, more service fees sent to taxes and more prepaid expenses than in prior years. Revenue increased slightly in 2012 due to construction on two new homes and significant remodels on two others. Expenses increased in 2012 mostly due to the payoff of remaining CalPERS side funds, which were funded through the capital reserve fixed asset replacement funds through a 10 year loan at 3 percent interest (versus the 7.75 percent charged by CalPERS). Maintenance on property and vehicles along with increases for chemicals and licenses continue to increase field expenses (McClintock Accountancy Corporation, June 30, 2012, p. 6). The District has Governmental Funds, which include a Utilities Fund and a Fire Fund.

Source	Governmental Activities (Fire)	Business-Type Activities (Utility)	Total
<i>Program Revenues</i>			
Mutual Aid	\$12,000	0	12,000
Service Fees	0	1,989,376	1,989,376
Fire Protection Fee	8,390	0	8,390
Connection Fee	0	68,408	68,408
Total Program Revenue	\$20,390	\$2,057,784	\$2,078,174
<i>Expenditures</i>			
Salaries & Wages	1,243,216	895,741	2,138,957
Employee Benefits	1,041,586	1,185,405	2,226,991
Field Operations	144,455	351,502	495,957
General & Administrative	73,874	187,789	261,663
Other Expenses (interest, depreciation)			
Depreciation	224,918	753,504	978,422
Interest	22,626	80,758	103,384
Total Expenditures	\$2,750,675	\$3,454,699	\$6,205,374
<i>General Fund Revenues</i>			
Property Taxes	2,427,616	371,895	2,799,511
Administrative Fees	0	15,372	15,372
Grants	0	10,000	10,000
Interest	9,324	88,863	98,187
Rental Revenue	0	63,355	63,355
Other	8,535	4,542	13,077
Total General Fund Revenues	\$2,445,475	\$554,027	\$2,999,502
Increase (Decrease) in Net	(284,810)	(842,888)	(1,127,698)

Assets			
Net Assets - Beginning of Year	5,860,137	14,030,039	19,890,176
Net Assets - End of Year	\$5,575,327	\$13,187,151	\$18,762,478
Source: Independent Auditor's Report 2011/2012 (McClintock Accountancy Corporation, June 30, 2012, pp. 21-23)			

Table 12-8: SVPSD Statement of Activities and Changes in Net Assets Business-Type Activities, Fiscal Year 2011/2012

Source	Water Department	Sewer Department	Garbage Contract	Total Utility
<i>Program Revenues</i>				
Service Fees	\$1,007,216	759,081	223,079	1,989,376
Connection Fees	56,370	12,038	0	68,408
Total Revenues	\$1,063,586	\$771,119	\$223,079	\$2,057,784
<i>Expenditures</i>				
Salaries & Wages	543,629	350,848	1,264	895,741
Employee Benefits	712,968	471,832	605	1,185,405
Field Operations	103,596	30,734	217,172	351,502
General Administrative &	129,154	58,635	0	187,789
Other Expenses				
Depreciation	475,188	278,316	0	753,504
Interest	55,723	25,035	0	80,758
Total Expenditures	\$2,020,258	\$1,215,400	\$219,041	\$3,454,699
<i>General Revenues</i>				
Property Tax	312,970	58,925	0	371,895
Administrative Fees	9,223	6,149	0	15,372
Grants	10,000	0	0	10,000
Interest	23,875	61,426	3,562	88,863
Rental Revenue	31,678	31,677	0	63,355
Other	2,644	1,898	0	4,542
Total General Revenues	\$390,390	\$160,075	\$3,562	\$554,027
(Decrease) Increase in Net Assets	(\$566,282)	(\$284,206)	\$7,600	(\$842,888)
Source: Independent Auditor's Report 2011/2012 (McClintock Accountancy Corporation, June 30, 2012, pp. 24-26)				

Recurring Revenues

Recurring revenues for the District include property taxes, service charges, connection fees, interest accrual and grant funds as obtained. The District sets its rates based on a comprehensive rate study, which was revised and completed in 2004 and is reviewed annually as part of the budget process. The methodology includes determination of the total cost of service and customer classifications, which provides the basis for rate setting each budget cycle. During development of the rate study, the District held several service rate committee meetings with various customer groups including commercial property owners, single family residential owners and condominium owners. A key item addressed ensured no customer service class would subsidize another. This is achieved through the rate design which develops rates based on water consumption history and a cost of service analysis. The commercial customers' have a rate setting calculation as do the two other classes of customers: (1) single family residences (some with apartments) and single-meter condominiums, and (2) multiple unit condominiums with a single meter (SVPSD, 2014, p. 32).

Tax revenues are also used to calculate rates as the District applies projected tax revenues to keep rates from increasing beyond what is necessary. The District's tax income decreased by almost \$351,000 in fiscal year 2010-2011 due to property re-assessments of major commercial properties and condominiums. The reduced tax income has resulted in the District's need to increase its service rates (SVPSD, 2014, p. 32).

Recurring Expenditures

Tax revenues allocated to the District are reduced by the State Education Revenue Augmentation Fund (ERAF). The District's tax revenue was reduced in fiscal year 2004/2005 by \$262,324 and by \$131,162 in 2005/2006 in order to fund the State ERAF. In fiscal year 2012/2013 reductions were \$513,178 and \$513,706 in 2013/2014 (SVPSD, 2014, p. 34).

District Assets and Liabilities

The District's Board of Directors is responsible for establishing necessary reserves for the provision of contingencies and emergencies. Fixed asset replacement funds were established in May 1995 to establish reserves for infrastructure replacement and assure that necessary funds are available for catastrophic emergency situations (SVPSD, 2014, p. 31).

The District's depreciation policy includes depreciation of all exhaustive fixed assets, which is charged as an expense against the appropriate asset. Depreciation is calculated over the estimated useful life using the straight line method. Estimated useful life estimates are 3 to 50 years for facilities and systems and 5-20 years for vehicles, furniture and equipment (SVPSD, 2014, p. 31).

Long Term Liabilities and Debt

Long-Term Liabilities

The largest impact to the District's budget is the significant reduction in property tax revenue resulting from the Great Recession starting in 2008. Significant increases in expenses include health care and workers compensation insurance. Information technology and related maintenance expenses continue to increase but are necessary to comply with most state and county mandates. Utility and fuel costs continue to rise, are unpredictable, and impact the District's bottom line (SVPSD, 2014, p. 31).

Debt Without Government Commitment

The District has a loan agreement with Municipal Finance Corporation for the purchase of a 2.7-acre parcel of land for the District's Fire Station and Administration Center. The loan in the amount of \$2,012,000, at 5.1 percent, calls for semi-annual payments in varying amounts for 15 years with maturity of the loan on December 24, 2016. The District entered into a 25-year capital lease agreement with the California Infrastructure and Economic Development Bank to finance \$2 million of the cost to construct the District's Fire Station and Administration Center, at an interest rate of 3.63 percent. This loan calls for semi-annual payments of varying amounts with the final maturity of the loan scheduled for August 2028.

Asset Maintenance and Replacement

The District manages a Capital Improvement Plan/Replacement Plan for all of its services areas to identify infrastructure needing improvement or replacement due to substandard capacity and/or condition. The Plan includes identification of assets such as pipes, transmission lines, water supply sources, hydrants, water storage tanks, major equipment, vehicles, etc. The major element is infrastructure necessary to develop a secondary water supply source, including a transmission main(s), one or more wells, a water storage tank, pump station(s), pressure-reducing valves, and hydrants (SVPSD, 2014, p. 30).

The 10-year CIP is a part of the annual budget. Fixed Asset Replacement Funds were adopted in May 1995. The purpose is to establish fund reserves as identified in the Water System Master Plan and Sewer System Master Plan (2010) for replacement of assets at the end of

Photo courtesy of <http://www.svpsd.org/>



their useful life. By ensuring the money will be available, the program reduces the District's future need to borrow money, pay long term interest on debt, or sharply

increase water or sewer rates. In March 2006, the Asset Replacement Fund spreadsheets were reviewed, updated, and revised to estimate recovery cost allocations. These spreadsheets are revised annually to include new acquisitions and eliminate surplus or discarded items (SVPSD, 2014, p. 33).

Cost Avoidance

The District implemented joint agency insurance practices, contract services and various technology/management practices to optimize management efficiencies and to control service costs. For example, they now utilize a networked printer/copier/fax/scanner for all administrative operations. The District also cut staff in the Administration Department and substantially reduced overtime in the Fire Department by reducing its levels of service for fire protection and EMS services; by implementing a three person per shift minimum standard, a reduction from the prior four person per shift minimum standard (SVPSD, 2014, p. 37).

The District has implemented energy reduction plans such as using VFD controllers and LED lighting.

The Squaw Valley Mutual Water Company contracts with the SVPSD to provide Operations and Maintenance (O&M) services, which results in a cost savings to the Squaw Valley Mutual Water Company. The District also began to provide snow removal services on Placer County's bike trails in Squaw Valley with District forces (in lieu of contracting for services) to reduce labor costs and leverage grant funding to support the costs of the operation. Other than that, over the last five years the District has reduced its expenses (trainings, travel, discretionary spending, etc.) while maintaining a high level of service (SVPSD, 2014, p. 37).

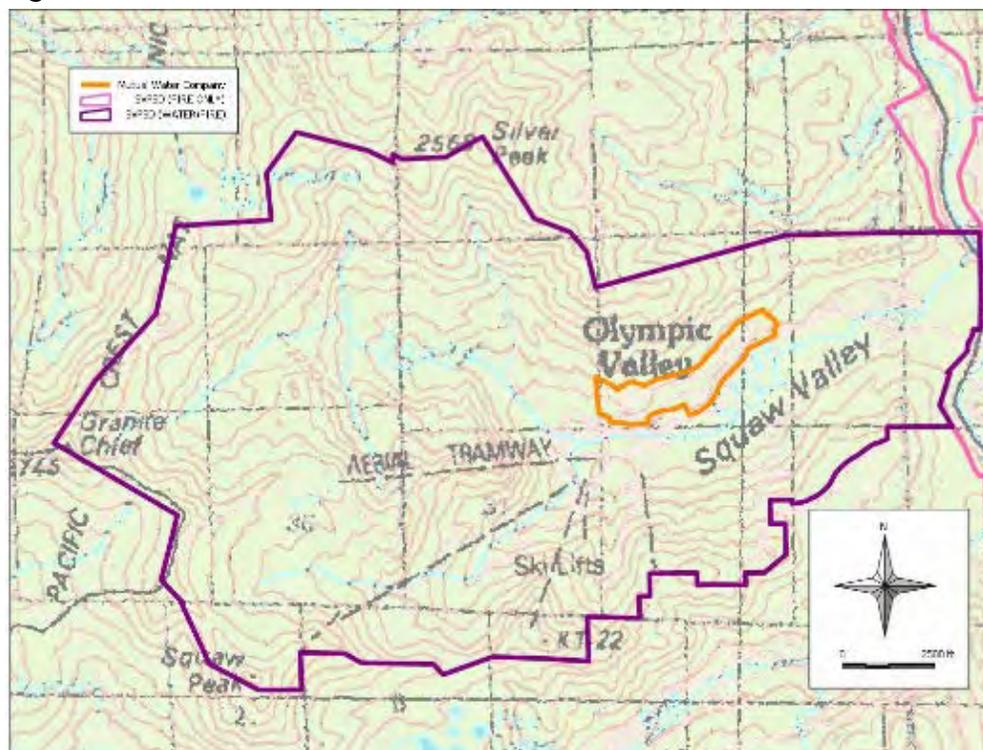
The District noted that a consolidation with small neighboring utility districts, including with the Squaw Valley Mutual Water Company, could improve the economies of scale and make service deliveries more efficient and cost effective.

12.8: Water Services

Water Service Overview

The SVPSD is one of two municipal water service providers within the Olympic Valley. Located within the SVPSD boundaries is a mutual water company, the Squaw Valley Mutual Water Company (SVMWC), which provides water service to 281 residential customers within a 115-acre portion of the Olympic Valley lying north of Squaw Creek (Figure 12-3). The SVPSD provides service to all other residents and customers within the Valley and within its boundaries. Additionally, two other metered entities pump water from the groundwater basin including Resort at Squaw Creek (golf course irrigation and snowmaking) and Squaw Valley Resort (snowmaking).

Figure 12-3: SVPSD and SVMWD Service Areas



Source: Olympic Valley Groundwater Management Plan, 2007; pg 14.

Water Supply/Demand

Water Supply

The District is located in the Olympic Valley watershed, which is part of the larger Tahoe-Truckee River Basin. The District relies on two groundwater sources: groundwater from the alluvial Olympic Valley Groundwater Basin (Basin) and groundwater from horizontal fractured bedrock wells in the mountainous areas above the Olympic Valley Floor. Neither source is adjudicated, making the District's water rights subject to California Groundwater Law. Recharge to the Basin occurs from infiltration of precipitation and snowmelt on the Olympic Valley floor, overland flow from the surrounding mountainsides, mountain front recharge in the higher elevation sediments on the edges of the Basin, and infiltration from Squaw Creek.

The District relies primarily on the western portion of the Basin. The entire aquifer in the Valley is approximately one square mile, ranges in depth from 75 to 150 feet. The eastern portion does not produce water that meets drinking water standards for iron and manganese without treatment. Test wells drilled in other locations of the watershed have been in fractured bedrock and typically have low production, many with poor water quality (SVPSD, 2014).

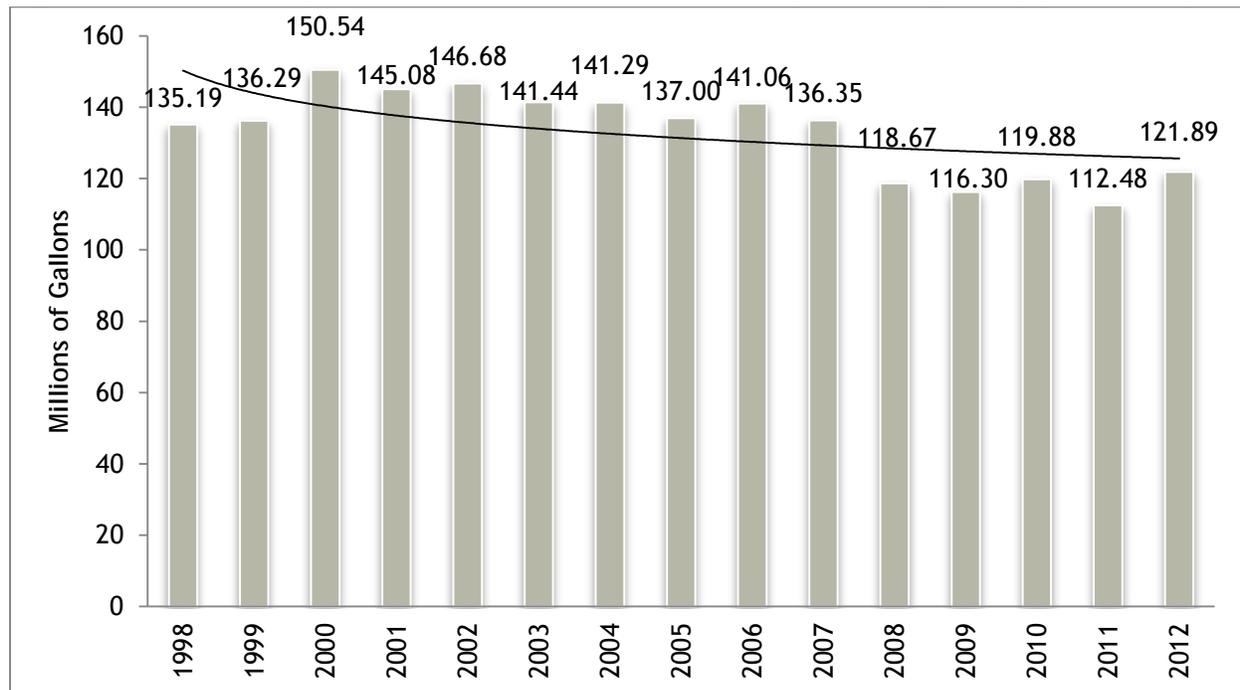
Several previous studies have attempted to quantify the volume of groundwater that can be produced from the Olympic Valley Groundwater Basin over some period of time without causing impairment of one kind or another. More recent studies completed on behalf of the SVPSD have attempted to quantify a sustainable yield for the Basin using the existing Model.

However, these studies evaluated the maximum amount of water that could be pumped from the Basin using existing wells during a critically dry year without significantly affecting the pumping water levels of the shallowest existing municipal supply well (West Yost 2001 and 2003). This sustainable yield actually is an operational yield that pertains more to the maintenance of specific well operations than to the potential yield of the Basin (Todd 2012, Slade 2006) (SVPSD, 2014).

These attempts to quantify a sustainable yield reported a wide range of maximum groundwater production volumes including West Yost 2001 and Williams 2004. The large range of reported maximum supply values was the result of variations in the timing and distribution of demand and pumping. While each scenario represented a possible future scenario, the wide range indicates that the assumptions regarding these distribution factors play a significant part in the results of the analyses. Since a sustainable yield analysis may oversimplify the dynamic complex Olympic Valley Groundwater Basin system (SVPSD, 2014), a different approach was pursued.

Evaluation of the occurrence and flow of groundwater in the Olympic Valley Groundwater Basin and the related water balance has shown that the groundwater system in Olympic Valley is highly dynamic and responsive to the timing and spatial distribution of recharge, demands, and pumping. This small groundwater system has a very high volume of water flowing through the watershed on an annual basis, which far exceeds the volume of groundwater storage or use (Todd 2012). This is clearly illustrated by the large volume of rejected recharge that has been identified by HydroMetrics and others (HydroMetrics 2013, Todd 2012) (SVPSD, 2014).

Figure 12-4: SVPSD 15-year Groundwater Production Trend (in million gallons) (1985-2012)



Source: SVPSD Response to LAFCO's request for information, 2014.

There is additional water supply available within the District's service area, although it consists of groundwater which underlies privately-owned property. The majority of the remaining groundwater resources that lies under the private property holdings has been maintained to meet demands of future development and has historically been unavailable to the District (SVPSD, 2014, p. 14). However, those property owners have submitted a development application for the proposed Village at Squaw Valley Specific Plan, which proposes a water supply be provided from the western portion of the aquifer. Placer County has recently assessed the potential impacts of the project through preparation of a Draft- and Final EIR. As required by state regulations, a Water Supply Assessment was prepared by the District to provide an analysis of water supply and demand of both for existing and future demand (see Water Demand subsection, below).

The SVPSD is the lead groundwater management agency for the alluvial Olympic Valley Groundwater Basin (Basin) and there are three other water purveyors which pump groundwater. The District has prepared a collaborative Groundwater Management Plan (GMP), the Olympic Valley Groundwater Management Plan, and maintains a numerical MODFLOW groundwater model representing the Basin, which is a good representation of groundwater flow in the Basin. (SVPSD, 2014, pp. ES-2). The GMP was first adopted in 2007, with subsequent groundwater condition reports completed in 2008, 2009, and 2011. The GMP deduced that although the basin is recharged to some maximum level every winter and spring, water levels in the aquifer in late summer and fall are dependent on the amount of snowmelt during the spring and summer (SVPSD, 2007, p. 34). Neither the GMP nor any of the subsequent groundwater condition reports showed any indications of overdraft conditions in the Basin (SVPSD, 2014, pp. 5-4).

The District holds a Water Supply Permit issued by the California Department of Public Health (CDPH), last issued on January 25, 1977. The permit is automatically renewed unless it is modified. The District pays an annual fee for permitting and CDPH conducts inspections every two years. The 2011 CDPH Inspection Report recommends that a full permit be reissued by CDPH to include new facilities. The CDPH identifies the District as a T-1 and D-2 facility (SVPSD, 2014, p. 13).

The District's average annual production from 1998-2007 was approximately 140 MG or 429 AFA. Additionally, producing an average of 31.8 AFA from the horizontal well, the District has pumped an average of 397.6 AFA from Wells 1R, 2, 3 and 5 R in the Basin (SVPSD, 2014, p. 15).

Water Demand

The SVPSD currently serves 1,569 residential connections and 39 commercial entities (SVPSD, 2014, pp. 2-2). The current average demand for the SVPSD is 406 acre-feet per year (AFY) (SVPSD, 2014, pp. ES-1). Future demand for the District is expected to increase to 777 AFA (SVPSD, 2014, pp. A-2). Additionally, the District wholesales water to the Tahoe City Public Utilities District (Tahoe-Truckee Forest Tract water system), which typically consists of 1.0 to 1.5 MG during the maximum month in the summer and 4.5 to 5 MG annually (CDPH, 2011, p. 2).

2007	Winter	Summer
Peak	0.523 MGD	0.827 MGD
Average	0.323 MGD	0.609 MGD

The 2014 Water Supply Assessment prepared for the Village at Squaw Valley Specific Plan determined that water supply in the Basin is sufficient to meet the expected demand from the Village project as well as existing and planned future uses (based on the 1983 Squaw Valley General Plan and Land Use Ordinance) in the Olympic Valley over the next 25 years in normal, single, and multiple dry years. The Basin is not currently in overdraft and is not projected to be overdrafted with the future demand (SVPSD, 2014, pp. 8-2). The Water Supply Assessment was updated in 2015 and is available in Appendix A of the County's FEIR. This update concludes that "The total water demand in Olympic Valley at 2040 was estimated to be 1,254 AFY, which is an increase in demand of 383 AFY compared to historical water use. Peak daily demand estimates associated with these annual demands indicate that the Project will require four new wells and that the non-project SVPSD demands will require an additional two new wells, for a total of six new wells in the SVPSD water supply system." (SVPSD and Placer County, 2015).

Water Infrastructure and Facilities

Treatment Systems

The District is not required to provide continuous disinfection of its municipal water. However, every year over a two week period, while flushing the water mains, the District disinfects the distribution system as preventative maintenance. Due to previous high lead and copper results in the distribution system, the District adds sodium hydroxide to the water to raise the pH of the water from the naturally occurring pH levels (CDPH, 2011, p. 3).

Water Storage

The District maintains three water tanks with a combined capacity of 1.785 million gallons (MG). The tanks are steel construction, the oldest having been constructed in 1980 and the other two in 1990 and 1991. The Waterworks Standards require a water system serving less than 1,000 service connections to provide storage at least equal to the maximum day demands (MDD) in each pressure zone as well as the system as a whole. The highest estimated MDD over the past five years was 918,000 gallons (including water sold to Tahoe City PUD). The District's current storage capacity of 1.765 MG is nearly double the MDD (Table 12-10). Based on the number of District service connections, the estimated MDD in Zone 3 is 24,000 gallons, which is much less than the storage capacity in Zone 3 of 135,000 gallons. In Zone 2, the MDD is 28,000 gallons and storage capacity is 500,000 gallons. The estimated MDD in Zone 1 is 866,000 gallons, which is less than the storage capacity of 1.13 MG. Additionally, water can flow by gravity from Zones 2 and 3 into Zone 1. Therefore, the District meets Waterworks Standards for storage capacity in each pressure zone as well as in the system as a whole (CDPH, 2011, p. 5).

Production Facility	Estimated Pumping Capacity (gpm)	Reliable Capacity (gpm)	Storage Facility	Capacity (million gallons)
Well #1R	420		West Tank	1.15
Well #2R	350 max, 230 summer		East Tank	0.50
Well #3	120		Zone 3 Tank	0.135
Well #4	Not in service			
Well #5R	405			
Horizontal Well	10			
Total Capacity (max)	1,185		1.785	

Source: SVPSD Response to LAFCO Request for Information, 2014.

Distribution and Transmission

The SVPSD water system consists of three pressure zones: Zones 1 through 3. Zone 1 is the main pressure zone. All vertical wells pump into this zone based on the level in the West Tank. Water is pumped into Zone 2 via the Zone 2 Booster Station. The operation of this booster station is based on the level in the East Tank. The horizontal wells also provide water to this zone. Water from Wells 1R and 5R can also be directly pumped to the Zone 2 distribution system via a pipeline that follows along the south side of the valley. This line is normally shut off so that water from Well 1 can be blended prior to entering Zone 2. The transmission main is flushed twice per year. Water is supplied from Zone 2 to Zone 3 by the Zone 3 Booster Station. The operation of this booster station is based on the level in the Zone 3 Tank (CDPH, 2011, p. 5).

The District distribution system was last evaluated in 2005 by the District's consulting engineer, which concluded that approximately 1,200 feet of steel lines would need replacement within the next 5 to 10 years. The District has been working on replacing all 1-inch and 2-inch diameter mains with 4-inch or larger mains in accordance with Waterworks Standards. The District plans to replace a total of 400 feet of small diameter steel pipe to complete the recommended main replacements (CDPH, 2011, p. 6). The District's hydraulic model of its Water System is currently being updated to assess capacity in support of the *Village at Squaw Valley Specific Plan*.

Challenges in Provision of Water Services

The biggest challenge the District currently faces is its water supply infrastructure. The need to improve the reliability of the District's water supply may be controversial and expensive; however, the District requires redundancy in its water supply resources to fulfill its mission (SVPSD, 2014, p. 36).

During these record years of drought, California faces water supply challenges. Drought is a specific risk which has been identified for the SVPSD (County, April 2010). Water conservation is of increasing importance as we face multiple years of significantly below normal levels of

precipitation and snow pack. The SVPSD has worked diligently to promote water conservation and minimize water loss to control costs for producing water and to preserve the valley's water source. As a result of these efforts, the District has achieved greater success in conserving water than the state's goal to reduce per capita consumption by 20 percent by 2020. The District has achieved a 26 percent reduction since 2006, while keeping the annual water loss below 10 percent (the national average is 14 percent). Water production in Squaw Valley peaked in 2000 at 151 MG for the year. In 2011, the District produced 112 MG, a 26 percent reduction in groundwater pumping. In its response to LAFCO's request for information, the District provided the following summary of its efforts over the last several decades to promote water conservation and better understand the limits of its drinking water sources (SVPSD, 2014, p. 19).

- In 2003, an inverted block rate structure (wherein unit rates increase as consumption increases) was instituted as well as the creation of a second tier for annual consumption greater than 120,000 gallons. The first *Water System Capacity and Reliability Study* was also completed.
- In 2004, a third tier was added to our rate structure for customers using over 220,000 gallons.
- In 2004, and again in 2007, the Water Code was modified to include state requirements for low flow plumbing fixtures, irrigation conservation, and drought contingency planning. Free copies of the *Home Landscaping Guide for Lake Tahoe and Vicinity* developed by University of Nevada Reno are distributed by the District.
- In 2005, the District performed a water system pipeline analysis that assessed the age and condition of all water lines in the District; it was used to update the Asset Replacement Program.
- In 2006, the Water System Fixed Asset Replacement Program was updated.
- In 2007, all water meter registers were upgraded and automated leak alerts became standard, triggering more leak notifications and fewer repeat-reads. Monitoring devices for home-use was made available to our customers to allow real-time monitoring of water consumption.
- In 2007, the District completed the *Olympic Valley Groundwater Management Plan* and pursued implementation of the Plan with completion of three periodic *Reviews and Reports*.
- In 2008, a fourth tier was added to our rate structure for customers using over 280,000 gallons.
- In 2009, the Water Code was altered to require landscape meters on all new homes and for new landscaping projects. The District also began posting water consumption records on its web site for customers to review their usage. Information on checking for leaks and saving water is also on the web site.
- In 2010, the District formed the *Groundwater Monitoring Plan and Database* as a repository for groundwater level monitoring, pumping data, and stream gauging performed by the District as well as other stakeholders.
- In 2012, the District purchased updated leak detection equipment and also acquired a test meter to perform water meter testing.
- In 2014, the *Olympic Valley Creek / Aquifer Interaction Study* was completed.

Water Service Adequacy

The 2011 CDPH report determined the overall system to be well operated and maintained (CDPH, 2011, p. 10). Further, both the CDPH and the more recent *Village at Squaw Valley Specific Plan (VSVSP) Water Supply Assessment (WSA)* determined the District has sufficient source capacity from the aquifer for both existing and future development projected by Placer County in the next 25 years (SVPSD and Placer County, 2015). Additional infrastructure (new wells and upgraded water pipes) and perhaps new water storage will be required to meet future water demands.

The District also participates in the Tahoe-Sierra IRWM Group and is included in the group's current Plan.

12.9: Wastewater Services

Wastewater Service Overview

The SVPSD owns, operates and maintains the wastewater collection system that services the Olympic Valley, which discharges to the TTSA interceptor line on the east side of Highway 89. Wastewater collected in the District's collection system is treated by the Tahoe-Truckee Sanitation Agency (TTSA) in Truckee (SVPSD, 2014, p. 21). The District does not provide wastewater collection services outside of its service boundary.

The District participates in the Tahoe Truckee Area Emergency Contingency Plan with 13 other districts made up of water districts, improvement districts, public utility districts, community services district, sewer districts and sanitation agencies. The objective of the plan is to prevent, minimize, and mitigate any disruption in sewage collection, conveyance, or treatment systems, and water systems in the plan area in order to insure continuing compliance with all applicable laws and regulations for the protection of public health and safety, and the preservation of water quality of Lake Tahoe and the Truckee River Watershed. This plan is intended to assist all public utility, improvement, and county water districts in the Tahoe-Truckee area deal with emergencies and natural disasters affecting the services provided by these districts. Additionally, this plan is intended to assist all districts in updating their specific emergency action plans in a similar and accepted format. Further, this plan will insure that districts in the Tahoe-Truckee areas will be in a position to render effective and efficient mutual aid when necessary. The Agreement for Emergency Aid will provide for emergency cooperation throughout the Tahoe-Truckee area. With the mechanics of rendering mutual aid in place, assistance can be requested and can be available without any delay from the assisting district (SVPSD, 2014, pp. 7-8).

Wastewater Capacity

The District currently has 1,073 connections (T-TSA personal communication) including 39 commercial customers and no industrial customers (SVPSD, 2014, p. 21). The District has no EPA categorical users. The District has an average day demand (ADD) of 0.632 MGD and a peak flow of 2.007 MGD. The District prepared a Sewer System Management Plan (SSMP) (SVPSD, 2009) pursuant to State Water Resources Control Board Order No. 2006-0003 and it complies with other provisions of the Statewide General Waste Discharge Requirements.

Wastewater Infrastructure and Facilities

The District installed sewer flow meters to monitor for inflow and infiltration (I/I) to reduce the potential for sewer system overflows (SSOs) and reduce the cost of treatment at the TTSA facility.

Collection and Transmission

The District's wastewater collection system consists of approximately 18.5 miles of gravity pipe ranging from 4 to 15 inches in diameter. There are two inverted siphons in the system; one transports wastewater under Squaw Creek to the main interceptor in Squaw Valley Road and the other lies under the Truckee River and discharges to the TTSA's interceptor. There are no pumping or treatment facilities within the collection system (SVPSD, 2009, pp. 4-2.1). The District takes the following measures and testing procedures to ensure the integrity of the system:

- Cleans 50 percent of the collection system annually
- Television inspection (TVI) of 25 percent of the collection system annually
- Analyze data from TVI's to identify and complete projects to correct infiltration and inflow and problems that could cause sewer system overflows

Challenges

Factors which influence the District's ability to supply wastewater service include age, condition and size of wastewater pipelines (SVPSD, 2014, p. 21). The District indicates that small portions of its sewer system will need replacement in the next five years (SVPSD, 2014, p. 36).

Wastewater Service Adequacy

The District did not identify any inadequacies in the provision of wastewater collection services, nor were any identified in the preparing of this MSR. No violations were reported in the State's reporting system.

12.10: Fire and Emergency Services

Service Overview

The District provides fire and emergency response services through its Squaw Valley Fire Department (SVFD). Several natural hazards have been identified for the Squaw Valley area

including wildfire, flooding, soil erosion, landslides, earthquakes, and severe weather (County, April 2010). Safety is particularly necessary in Squaw Valley because the area has only one means of ingress and egress making it a challenge to implement an emergency community evacuation (County, April 2010). These potential hazards increase the importance of the fire and emergency services the District provides.

In 2006, the SVFD transitioned from Basic Life Support (EMT) level emergency medical services to Advanced Life Support (Paramedics). Additionally, the SVFD provides free child passenger safety car-seat fittings and child passenger safety education in both the District and the region using nationally certified technicians. The SVFD provides monthly community CPR classes and provides first aid and CPR training to local employers. The District adopted and enforced residential fire sprinkler regulations and carbon monoxide (CO) detection in all residences before these systems were required under the California Building Code and received a grant to distribute free CO detectors to all of the residences within its service area to assure that all homes were in compliance at no cost to the property owner (SVPSD, 2014, p. 40).

Fire and Emergency Response

The Placer County Sheriff’s Office and California Highway Patrol (CHP) provide public safety answering points (PSAP) for landline and cellular calls respectively. All calls for fire, rescue or emergency medical services are transferred to the CalFire Grass Valley Emergency Command Center for dispatch. All local government fire agencies in the area are dispatched by CalFire (SVPSD, 2014, pp. 24-25).

The SVFD has a current Insurance Services Office (ISO) Public Protection Class of 2 within hydranted areas and PPC 2Y in areas without. ISO ratings take into account response times, available equipment and personnel that can be used to help determine the adequacy of a District’s response capabilities. The average response time for an incident varies by location, but the SVFD’s goal is to respond to incidents within five minutes, 80 percent of the time; the District states that goal is consistently met (SVPSD, 2014, p. 25).

In general, industry standards applicable to the SVFD are established by the National Fire Protection Association. These standards, among others, directly or indirectly affect the type of services, method(s) of delivery of those services, expansion, reliability, facility design and construction and environmental issues that the District encounters. SVFD has historically met or exceeded applicable industry standards.

Table 12-11: Squaw Valley Fire Department Emergency Response, 2012

Emergency	Number of Calls
Fire Suppression	28
EMS/ALS	298
Rescue	23
Hazardous Materials	33
Other	125
Total	507

Source: (SVPSD, 2014, p. 26)

Fire and Emergency Services

Infrastructure Needs and Deficiencies

Water supplies for fire suppression include municipal gravity-fed hydrant systems and the Truckee River for

those residences located outside of the hydrant area. The hydrant capacity and rating varies by location, but hydrant flows and storage capacities are generally sufficient throughout the District (SVPSD, 2014, p. 25). The District operates from one fire station, Station 21. An assessment of fire and emergency response facilities will be made as part of the Village at Squaw Valley Specific Plan Draft EIR.

Fire and Emergency Management Efficiencies/Cost Avoidance/Facilities Sharing

The SVFD consists of one Fire Chief, three fire captains, 3 engineers, 6 firefighter-paramedics and 6 part-time firefighters. The Fire Chief is overseen by the District's General Manager. The SVFD spends considerable time on fire prevention planning and inspections. Every commercial occupancy is inspected at least annually with written findings and follow-up with the property owner until all deficiencies have been corrected. Places of assembly are generally inspected twice annually. The SVFD conducts defensible space inspections in accordance with California Public Resources Code 4291 on every residence annually and provides the property owner with a written inspection form and follow-up inspections and notification until all deficiencies are corrected. The SVFD achieves virtually 100 percent compliance each year and has for the past 20 years. Additionally, the District conducts fire prevention education and fire drills annually with schools within its jurisdiction (SVPSD, 2014, p. 26).



Photo courtesy of <http://www.svpsd.org/>

The SVFD participates in a Boundary Drop Area Agreement with North Tahoe Fire Protection District and Truckee Fire Protection District as described below:

- North Tahoe Fire (NTF) - Squaw Valley Fire (SVF) Boundary Drop Area:
The NTF-SVF Boundary Drop Area is the area along and adjacent to the Highway 89 from 1700 River Ranch Road to the intersection of Highway 89 and Pole Creek Road.
- Squaw Valley Fire (SVF)-Truckee Fire District (TFD) Boundary Drop Area:
The SVF-TFD Boundary Drop Area is the area along and adjacent to Highway 89 from Alpine Meadows Road to West River Street.

- North Tahoe Fire (NTF)-North Lake Tahoe Fire (NLT) Boundary Drop Area:
The NTF-NLT Boundary Drop Area is the area along and adjacent to Highway 28 from between the intersection of Chipmunk Drive in Kings Beach, CA (western boundary) and Highway 28 to 120 State Route 28 in Crystal Bay, Nevada (eastern boundary).
- North Tahoe Fire (NTF)-Northstar Fire (NSF) Boundary Drop Area:
The NTF-NSF Boundary Drop Area is the area along and adjacent to Highway 267 from Highlands Drive to the Martis Dam Road.
- North Tahoe Fire (NTF)-Meeks Bay Fire (MBF) Boundary Drop Area:
The NTF-MBF Boundary Drop Area is the area along and adjacent to Highway 89 from Ellis Road to the Emerald Bay Snow Closure Gate.

The SVFD also participates in mutual aid and area contingency plans. The SVFD has a mutual aid agreement and annual operating plan with the USFS to provide wildland fire suppression on public lands (USFS, 2011). The District also has a mutual aid agreement with the Lake Tahoe Regional Fire Chiefs Association, which includes fire, medical, and rescue services to the geographic boundaries of the membership of the Lake Tahoe Regional Fire Chief's Association, primarily the Lake Tahoe Basin and Sierra Front, but also portions of Alpine County, California and Lyon County, Nevada (Lake Tahoe Regional Fire Chiefs Association, 2012).

The SVPSD is a member of the Eastern Placer County Fire Chiefs Joint Powers Authority, the purpose of which is to provide cooperative ownership, management and operation of the mountaintop radio repeater network; partnership in training and the maintenance and testing of assets; and cooperative ownership of equipment (SVPSD, 2014, p. 8).

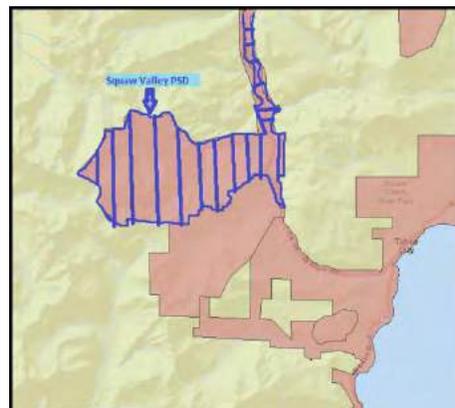
Adequacy of Fire and Emergency Services

Information provided by the District indicates an adequate number of firefighters and fire officers for efficient operations of the SVFD. Additionally, since the target response time of 5 minutes is met 80 percent of the time, fire and emergency services are considered adequate.

12.11: Solid Waste and Recycling

Service Overview

The SVPSD contracts with Tahoe Truckee Sierra Disposal Company (TTSD), a private company, for solid waste collection and disposal (SVPSD, 2014, p. 27). The District has no direct responsibilities in the delivery of this service to customers. Services provided by the TTSD include waste collection and disposal, public outreach, education programs, Christmas tree recycling, green waste pickup, meeting State mandated diversion rate requirements (AB 939), and participating in the curbside recycling “blue bag” program (Nevada LAFCo, 2006, pp. 2.5-1).



Infrastructure Needs and Deficiencies

The TTSD provides collection services to residential and commercial customers within the District. Disposal is either at the Eastern Placer County Eastern Regional Sanitary Landfill or to the District's Material Recovery Facility (MRF). The TTSD provides a voluntary household recycling program, as well as hazardous materials, oil, and green waste recycling.

Management Efficiencies/Cost Avoidance/Facilities Sharing

The contract for garbage services is administered by the SVPSD General Manager. Residential rates are currently \$241.50 per single-family unit. The District paid approximately \$224,298 in FY 2013/2014 for its contract with the Disposal Company and revenue for solid waste disposal services totaled \$228,110. No opportunities for cost avoidance or facilities sharing were identified by the District or the consultants in preparing this MSR.

The District maintains its constructed improvements at its Community Dumpster Facility to better serve residents within the District and reduce the frequency of bears and other wildlife eating human refuse and building a dependency on garbage as a source of food (SVPSD, 2014, p. 40).

Challenges with Solid Waste Services

No challenges were identified by the District, nor were any identified by the consultants in preparing this MSR.

Solid Waste Service Adequacy

The District did not identify any inadequacies in solid waste services, nor were any identified in the preparing of this MSR.

12.12: Determinations

Population and Growth

1. Based on the proposed developments, including the Village at Squaw Valley Specific Plan, the permanent population growth rate within the District is expected to be approximately 2 to 4 percent.
2. The Squaw Valley General Plan Land Use Ordinance projects that a seasonal overnight population of 11,000 to 12,000 people will need to be accommodated with a maximum skier capacity of 17,500 persons per day at buildout within the Valley.
3. There are a number of developments proposed within the District, the largest of which include The Village at Squaw Valley Specific Plan and The Resort at Squaw Creek Phase II, which propose a combined total of 2,283 bedrooms.
4. An application to incorporate the Olympic Valley was made to LAFCO in June 2013. This application was subsequently withdrawn in December 2015.

Disadvantaged Unincorporated Communities

5. No areas within the District qualify as a disadvantaged unincorporated community because the median family income exceeds 80 percent of the state median family income.

Present and Planned Capacity of Public Facilities

6. SVPSD was established in 1964 to provide water services within its 15 square mile boundary in eastern Placer County.
7. SVPSD provides water, wastewater, fire and emergency services, and solid waste services within the Olympic Valley. Additionally, the Squaw Valley Mutual Water Company, a private water company, provides water within the Olympic Valley.
8. The SVPSD has sufficient capacity to serve existing and approved water and wastewater connections and maintains a comprehensive inspection and maintenance protocol.
9. A review of present and planned capacity of public facilities within the District has recently been undertaken through the application for the *Village at Squaw Valley Specific Plan*, which is currently being processed through Placer County.

Financial Ability of District to Provide Services

10. Similar to most public agencies in California, the District continues to struggle with the loss of property tax revenue since the Great Recession that started in 2008. However, the financial position of the District indicates that the District will be able to meet its financial obligations as they become due and that it will continue to be able to provide service obligations to its constituents.

Status or, and Opportunities for, Shared Facilities

11. SVPSD collaborates with other agencies for mutual aid emergency services, including regional emergency planning efforts.
12. SVPSD maintains an interagency agreement with the Tahoe City Public Utilities District to supply water to 16 residences along Highway 89.
13. The PSD provides operations and maintenance services to the Squaw Valley Mutual Water Company on a contractual basis.
14. SVPSD provides snow removal services on Placer County's Bike Trail in Squaw Valley.
15. The District provides storage facilities for records, files and maps for the Squaw Valley Mutual Water Company.

Accountability for Community Service Needs, Including Governmental Structure and Operation Efficiencies.

16. The SVPSD provides water, wastewater collection, solid waste collection, and fire/emergency services within its boundaries. Additionally, the District provides water service to 16 single family residences within the Tahoe City Public Utilities

District that are located along Highway 89; provides operations and maintenance services to the Squaw Valley Mutual Water Company on a contractual basis; and provides snow removal services on the Bike Trail in Squaw Valley on behalf of Placer County. Note: Placer County is the agency responsible for providing park and recreation services in Squaw Valley.

17. An elected five-member Board of Directors oversees the management of the District's public resources. SVPSD meets its statutory financial reporting requirements that ensure its operations are conducted in an open and transparent manner. SVPSD meets its fiscal accountability requirement to its customers through budgetary and financial reporting using its website as a communication channel and other communication tools. The District provides public notice of meetings, and posts agendas and minutes online.
18. A General Manager oversees the District under the direction of the elected Board of Directors. The Board and management work together in the identification of goals and issues and assignment of staff as appropriate for each type of service provided. The District has adopted policies to guide District operations. SVPSD uses master plans, annual budgets and capital improvement planning to plan for and carry out operations and capital programs. The District continues its work to improve efficiency in numerous areas of service, including operations, water conservation, finance, and customer service.

Water

19. SVPSD has sufficient water supply from its current sources to meet its present annual and peak day demand for domestic purposes, based on the data provided by the District. District groundwater diversion is not adjudicated and the Olympic Valley Groundwater Management Plan indicates there is adequate water supply available to serve an additional 100 single-family residences.
20. District water meets all state and federal water quality standards, and there are no current violations on file with the CDHP.
21. According to the District's 2015 Water Supply Assessment for the Village at Squaw Valley Specific Plan, with the installation of six new wells there will be sufficient water supply to meet demand for the Specific Plan as well as County-projected growth for the next 25 years.
22. SVPSD water supply infrastructure appears well maintained and an annually updated CIP schedules needed maintenance and upgrades to keep the system in good working order. Water rates are based on the 2004 comprehensive rate study and adjusted annually during the budgeting process. New development, including the Village at Squaw Valley, will finance infrastructure upgrades required to accommodate increased demand on the system.
23. The District serves 16 residences outside of its boundaries through an interagency agreement with the Tahoe City Public Utilities District.
24. The PSD provides operations and maintenance services to the Squaw Valley Mutual Water Company on a contractual basis.

Wastewater

25. SVPSD wastewater services consist of collection services only. Collected sewage is routed to the Truckee River Interceptor (TRI) Sewer Line for transmission to the Tahoe-Truckee Sanitation Agency treatment facility for treatment and disposal.
26. SVPSD staff indicates wastewater collection infrastructure appears to be adequate to accommodate existing wastewater flows. The District has a Sewer System Management Plan (SSMP) in place to assist in planning for future wastewater collection and maintenance needs. SVPSD periodically and regularly revisits and updates its SSMP as required by State Water Resources Control Board Order No. 2006-0003 (e.g., Statewide General Waste Discharge Requirements for Sanitary Sewer Systems).
27. SVPSD wastewater collection infrastructure appears well-maintained. In concert with the annual budget, rates are adjusted annually to fund normal maintenance and update needs. The District identifies needed maintenance and repairs to its system through the budgeting process.
28. New development, including the Village at Squaw Valley, will finance infrastructure upgrades and expansion required to accommodate increased demand on the system.

Fire and Emergency Services

29. Squaw Valley Fire Department facilities and infrastructure are currently sufficient to allow for the efficient provision of services.
30. Anticipated future growth in the region will require fire protection and emergency services from the District. The DEIR and the FEIR for the Village at Squaw Valley Specific Plan has assessed the need for additional facilities and infrastructure that may be required with the proposed development within Olympic Valley. In order to adequately serve the proposed development, the EIR recommends that a new fire substation be constructed to serve the west end of Squaw Valley. Additional fire protection facilities and staffing will also be necessary. A development agreement with the developer is suggested as a method to finance the necessary improvements.
31. SVFD has historically met or exceeded applicable industry standards related to the provision of fire and emergency services and meets its goal of a five minute response time, 80 percent of the time.
32. The District has an ISO rating of 2 in areas equipped with fire hydrants, and 2Y outside the hydranted areas.
33. The SVFD has a comprehensive and effective mutual aid network with the federal, state, and local emergency service providers in the region.

Solid Waste and Recycling

34. The District's oversight of its solid waste removal contract with TTSD appears both sufficient and efficient. No management efficiencies, cost avoidance, or facilities sharing opportunities were identified in the preparation of this MSR.

12.13: References

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Chapter 13

Tahoe City Cemetery District



Entrance to Trails End Cemetery

This Municipal Service Review (MSR) describes the Tahoe City Cemetery District. This District was formed in 1965 and currently provides burial plots (grave sites) within the historic Trails End Cemetery.

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13.1: Agency Profile

Tahoe City Cemetery District													
Type of District:	Public Cemetery District												
Principal Act:	The Public Cemetery District Law, California Health and Safety Code, Section 9000 <i>et seq.</i>												
Functions/Services:	Provides burial plots (grave sites) within the historic Trails End Cemetery												
Main Office:	925 N. Lake Boulevard, Tahoe city, CA 96145												
Mailing Address:	P.O. Box 1528, Tahoe City, CA 96145												
Phone No.:	(530) 581-2879												
Fax No.:	(530) 581-5695												
Web Site	None												
District Secretary:	Judy Friedman												
Phone NO.:	(530) 581-5692												
Email:	judy@tahoepapertrail.com												
Governing Body:													
	<table border="0"> <thead> <tr> <th style="text-align: left;"><u>Board of Trustees</u></th> <th style="text-align: left;"><u>Term Expires</u></th> </tr> </thead> <tbody> <tr> <td>Meredith Rosenberg</td> <td>December 2017</td> </tr> <tr> <td>Logan Ann Carnell</td> <td>December 2019</td> </tr> <tr> <td>James Scribner</td> <td>December 2017</td> </tr> <tr> <td>Steve m. Glazer</td> <td>December 2019</td> </tr> <tr> <td>Randal Pomin</td> <td>December 2017</td> </tr> </tbody> </table>	<u>Board of Trustees</u>	<u>Term Expires</u>	Meredith Rosenberg	December 2017	Logan Ann Carnell	December 2019	James Scribner	December 2017	Steve m. Glazer	December 2019	Randal Pomin	December 2017
<u>Board of Trustees</u>	<u>Term Expires</u>												
Meredith Rosenberg	December 2017												
Logan Ann Carnell	December 2019												
James Scribner	December 2017												
Steve m. Glazer	December 2019												
Randal Pomin	December 2017												
Meeting Schedule:	Third Thursday of each month at 5:00 PM, or as needed												
Meeting Location:	Summer - at the Trails End Cemetery, 597 Fairway Drive, Tahoe City Remainder of Year - at the Blue Agave Restaurant at the Tahoe Inn, 425 N. Tahoe Boulevard, Tahoe City												
Date of Formation:	1965												
Principal County:	Placer County												

13.2: Overview of Agency

Summary Description of Existing Services

The Tahoe City Cemetery District (TCCD or District) owns and operates one cemetery in Tahoe City, California. The District provides burial plots (grave sites) for direct burial and for cremains at the historic 'Trails End Cemetery' located at 597 Fairway Drive in Tahoe City. The District provides cemetery services to 'Residents' living within the District Boundary, and to 'Nonresidents' who meet District requirements. This normally means families who may not live in the District, but who have long-established ties to the Tahoe area. The cemetery

dates from the 1900's, and has served generations of Tahoe pioneer families. The District is responsible for operation of the cemetery and an on-site chapel; including upkeep, care, maintenance and improvements to the cemetery property. This is the second Municipal Service Review (MSR) for the District.

Location and Size

TCCD is headquartered in Tahoe City, and serves an unincorporated portion of eastern Placer County comprising approximately 94 square miles. (Refer to Figure 13.1) The District boundary (which is different than the service area) extends from the Placer-Nevada County Line on the north to the Placer-El Dorado County Line on the south; and from the California-Nevada State Line on the east extending approximately 16 miles to the west, and consists of approximately 246 square miles.

While there are no incorporated cities within the District, there are a number of distinct communities, as well as portions of the Tahoe National Forest and Lake Tahoe within the District's boundary. Major communities located within the District boundary are classified as Census Designated Places (CDPs) and include Tahoe City (the Sunnyside-Tahoe City CDP), Carnelian Bay, Tahoe Vista, Kings Beach, and Dollar Point. Other communities and recreation areas within the District include Homewood (and Homewood Mountain Resort), Ridgewood, Crystal Bay (California portion), Eder, Norden (and Sugar Bowl Resort), The Cedars, Olympic Valley (including Squaw Valley and Squaw Creek Resorts), Alpine Meadows (and Alpine Meadows Ski Resort), Tahoe Pines, Northstar California Resort, Ponderosa Palisades/Sierra Meadows, Martis Camp, Brockway, and Donner. It should be noted that while these communities are located inside the District's larger boundary area, a number of these communities are located outside the District's current "Service Area". Please see Figure 13.1 for details.

13.3: Formation and Boundary

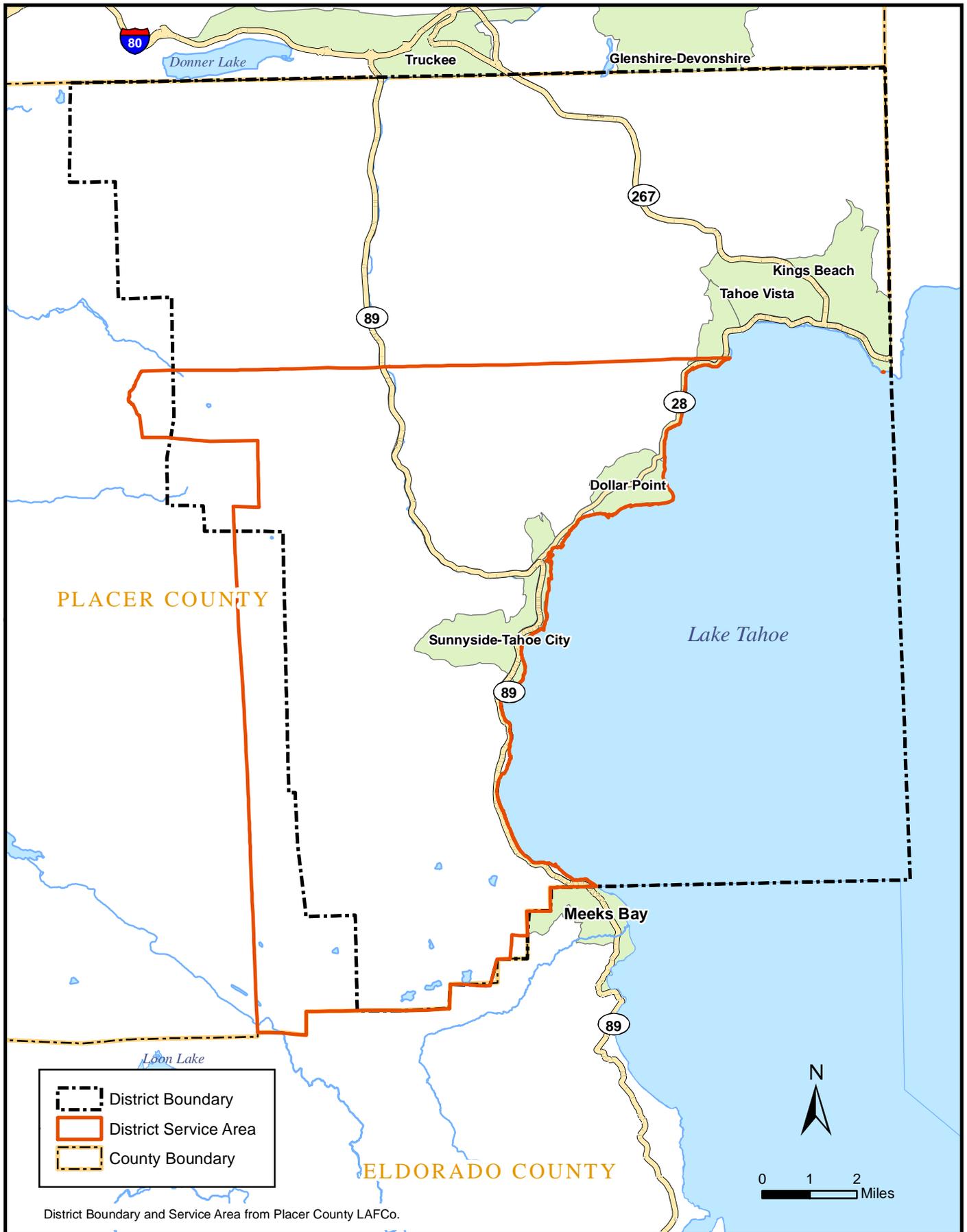
The Tahoe City Cemetery District was established by the Placer County Board of Supervisors in 1965, although the cemetery itself pre-dates the District by more than 60-years. The original District boundary comprised approximately 246 square miles, including approximately 70 square miles within Lake Tahoe (Refer to Figure 13.1).

Boundary History

There have been no annexations or detachments to the District boundary since formation.

Sphere of Influence

The 2004 MSR for the Cemetery District indicates that the District boundary and Sphere of Influence (SOI) are coterminous (one and the same). However, Placer LAFCo files do not indicate whether or not a formal SOI was adopted for TCCD. The map that was provided (and which is in the 2004 MSR) appears to be more of a 'Service Area' than an SOI, as discussed below.



District Boundary and Service Area from Placer County LAFCo.

Figure 13-1

TAHOE CITY CEMETERY DISTRICT

Excluded and Extra-territorial Services

The area identified on Figure 13.1 as the District’s Service Area excludes Lake Tahoe itself (which is appropriate given that no services are provided to that area). The Service Area also excludes that portion of the District north of Carnelian Bay (approximately 94 square miles), including Tahoe Vista, Kings Beach, Brockway, Crystal Bay, Eder, Norden, The Cedars, Northstar California Resort, Ponderosa Palisades/Sierra Meadows, Martis Camp, and Donner.

Along the western boundary of the District, the Service Area has been extended westerly west of Alpine Meadows south to the Placer-El Dorado County Line, as well as an area northwest of Olympic Village.

Areas of Interest

TCCD and Placer LAFCo will need to consider which areas of the District to include or exclude in order to establish an accurate SOI. Once the SOI is determined, consideration will need to be given to which areas need to be annexed or detached from the District, if any.

13.4: Accountability and Governance

TCCD is overseen by a five-member Board of Trustees, appointed to staggered terms by the Placer County Board of Supervisors upon recommendation of the District 5 Supervisor. Three Trustees are appointed to 4-year terms and two Trustees are appointed to 2-year terms. Current Board Members, terms, and expiration dates are as follows:

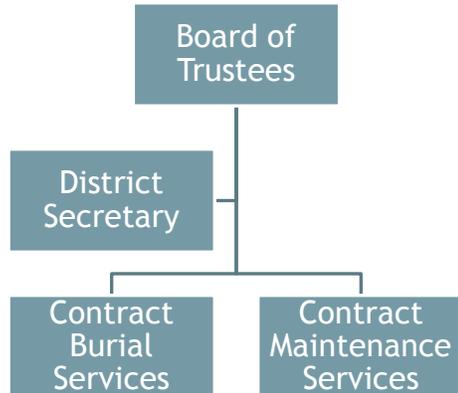
Seat No.	Member Name	Term Expiration	Selection	Length of Term
1	Meredith Rosenberg	December 2017	Appointed	4 years
2	Logan Ann Carnell	December 2019	Appointed	4 years
3	James Schribner	December 2017	Appointed	4 years
4	Steve M. Glazer	December 2019	Appointed	4 years
5	Randal Pomin	December 2017	Appointed	4 years

The District is classified as an ‘independent special district’ even though the Board Members are appointed and not elected. The provisions of The Public Cemetery District Law (California Health and Safety Code, Section 9000 *et seq.*) apply. As such, the District is required to provide burial services for all residents within the District, subject to payment of reasonable fees to cover costs.

The TCCD Board of Trustees hold regular meetings (as necessary) on the third Thursday of each month beginning at 5:00 PM. During the summer, the Board meets at the cemetery, while meeting for the remainder of the year are held at the Blue Agave Restaurant at the Tahoe Inn. Meeting agendas are posted at the Tahoe City Post Office, 950 N. Lake Tahoe Boulevard, and are available by request to the District Secretary. Meeting minutes are also available upon request. The District does not have a website.

Board meetings are open to the public and follow all requirements of the Ralph M. Brown Open Meeting Act. Trustees are compensated \$50 per meeting for their service. No other remuneration or benefits are available. The Board adopted Rules and Regulations in October 2007 in order to insure that everyone is able to experience the peace, beauty and history of the sanctuary. The Rules and Regulations spell out how the District operates, as well as provides burial guidelines and requirements for memorial markers, coping and flowers.

Figure 13.2 TCCD Organizational Chart



The Board of Trustees is supported by a part-time Secretary who is compensated \$550 per month. The Secretary is responsible for preparing District agendas and minutes, tracking and monitoring grave sites, deposits and fees, and the endowment fund. The District contracts with Green Thumb Ground Care for cemetery maintenance and upkeep. There are no District employees. Local Boy Scouts volunteer to assist clean-up efforts on an as-needed basis.

The District reports that no complaints have been filed over the past five years. Complaints may be submitted to the District Secretary for consideration by the Board of Trustees.

The Board of Trustees adopts an annual budget and has District audits performed every other year by Stroub and Company, CPAs.



13.5: Management Efficiencies and Staffing

TCCD operates in an efficient manner consistent with its mission of providing reliable, affordable burial services. All District services are provided through contract with qualified companies. Overhead is kept to a minimum, and the Board Members are directly involved in District operations.

Contract Services

Green Thumb Ground Care located in Tahoe City provides landscape maintenance services at the cemetery. Contact Peter Gifford at 530-581-3183.

13.6: Population and Growth

Population

Population characteristics throughout the Tahoe City Cemetery District service area are substantially affected by seasonal variations, distinct user groups and the abundance of second homes. Under the Board of Trustee policies, all residents, and those non-residents with long-term ties to the community, are eligible for burial and cremation services from the District. This would include the large contingent of second-home owners throughout the District.

Based on 2010 Census data, as well as population estimates for the Water and Wastewater Districts included in this MSR, it is estimated that the current permanent population within TCCD is 19,500. The estimated peak visitor population is approximately double, or 39,000.

Projected Growth and Development

Population projections for the TCCD service area are expected to range between 1.0 percent in 2017 and up to 1.5 percent by 2032. (Refer to the Tahoe-Truckee Sanitation Agency chapter of this MSR.)

Service demands on TCCD are not expected to increase significantly, based on the historic rate of four to five burials per year. (Refer to the Cemetery Services Section, below, for details.)

Disadvantaged Unincorporated Communities

As described in Chapter 3, LAFCo is required to consider the provision of public services to disadvantaged unincorporated communities (DUCs). However, since TCCD does not provide any of the basic services (water, sewer and structural fire protection) required to be addressed in an MSR, it is therefore not obligated to address this determination. Please see Chapter 3, Section 3.6 of this MSR for more information on disadvantaged unincorporated communities.

13.7: Financing

This section evaluates the factors affecting the financing of services, operations and capital improvements for TCCD. Information on District financing is derived from audited financial statements for Fiscal Years 2011-2012 and 2012-2013, as well as District budget information for Fiscal Year 2013-2014. These statements represent the financial statements of the District and follow Government Accounting Standards Board (GASB) method of Accrual accounting.

The District operates two funds: the General Fund; and the Endowment Fund. The General Fund is unrestricted and can be used for any purpose. The Endowment Fund consists of funds collected on grave sales, and is permanently restricted for use in maintaining the cemetery in perpetuity following closure.

District Revenues and Expenditures for Fiscal Year (FY) 2011-2012, FY 2012-2013, and FY 2013-2014 are summarized in Table 13.2, below. District Audits are prepared by Stroub & Company.

	Fiscal Year					
	2011-2012		2012-2013		2013-2014	
Revenues						
Property Taxes	\$42,621	82.0%	\$44,519	85.2%	\$48,018	90.8%
Interest Income	3,955	7.6%	3,438	6.6%	3,254	6.2%
Other Government Funds	795	1.6%	897	1.7%	896	1.7%
Charges for Current Services	4,575	8.8%	3,375	6.5%	675	1.3%
Total Revenues	\$51,946	100%	\$52,229	100%	\$52,843	100%
Expenditures						
Salaries, Wages and Benefits						
Services and Supplies	\$49,499	100.0%	\$50,321	100.0%	\$49,407	100.0%
Other Expenditures						
Total Expenditures	\$49,499	100%	\$50,321	100%	\$49,407	100%
Net Income (or Loss)	\$2,447		\$1,908		\$3,436	

Source: TCCD Independent Auditor's Reports - FY 2012-2013; and District Budget Data

Revenues

District revenues are derived from property taxes, charges for services (burials), and interest earned on savings. The District generates enough revenue to pay expenses, and also relies on volunteer services to help maintain the cemetery.

Expenditures

The District does not pay for employee wages and fringe benefits, but contracts out for need services including office manager, burial and cremation services, landscape maintenance services, and audit services. Services and supplies consist of repairs, maintenance, utilities, professional fees, and insurance expenses.

Currently, the District is accruing funds to remodel the existing chapel. Approximately \$150,000 is budgeted for these improvements over the next four years.

Rate Restructuring

The Board of Trustees approved a rate schedule for services in March 1992. The fees established at that time have not been changed. Grave sites cost \$200 each (\$500 for Non-Resident) and cremain sites are \$100 each (\$400 for Non-Resident). Endowment fees are \$100 per adult, \$60 for child/baby, and \$60 each for cremains. In addition, the District charges a coping (the stone or masonry border around the grave site) deposit of \$2,000 for a single grave site and \$3,000 for a double grave site. Staking fees (\$275) and an administrative fee (\$50 to \$150) is also charged.

Assets and Liabilities

As of June 30, 2013, District's cash and investment balance was \$277,262, of which \$10,390 is reserved in the Endowment Fund. Accumulated depreciation totals \$141,172. TCCD has no outstanding debt or other liabilities. The only long-term obligation consists of refunding coping deposits in the amount of \$23,545.

Cost Avoidance

MSRs describe measures that districts take to avoid unnecessary costs because it is important for the public sector to avoid waste and to be financially efficient. TCCD actively works to avoid costs through the following measures:

- Contracts out for all services; thereby avoiding payment of wages and fringe benefits, and retirement contributions.
- The Board of Trustees is actively engaged in the community and oversees operation of the Trails End Cemetery directly.
- Keeps costs low and affordable for Residents and qualified Non-Residents who wish to utilize the District's services.

13.8: Cemetery Services

Service Overview

Tahoe City Cemetery District provides burial plots and cremation niches for residents and qualified non-residents within the District boundary. These services are provided at the District's Trails End Cemetery, located at 597 Fairway Drive in Tahoe City. Access is via North Lake Boulevard and Grove Street.



Cemetery Chapel and Storage Building

Trails End Cemetery encompasses 2.9 acres adjacent to the south side of Fairway Drive. The cemetery consists of 13 sections with burial plots, a 600 square foot outdoor chapel, an adjacent 128 square foot storage shed, and expansion areas. (Refer to Figure 13.3: Trails End Cemetery Site Plan) The existing developed area (13 Sections) consists of 477 single and double grave sites, and an additional 500 cremation niches. Approximately 100 grave sites are available along with approximately 200 cremation niches.

Single grave sites (burial plots) are 5-feet by 9-feet; double plots are 10-feet by 9-feet. The cremation niches are 30-inches by 30-inches.

The district has planned for cemetery expansion as detailed in Figure 13.3. The northerly expansion area would be utilized for a circular access drive and 10 off-street parking spaces, including one handicapped space. The westerly and southerly expansion areas would provide an additional 308 5-foot by 11-foot burial plots and 366 niches. The actual implementation of the expansion plans are a number of years away, except the access drive and parking area may be proposed for construction first. Currently, the District conducts four to five burials per year.

Capacity

After expansion, the Trails End Cemetery will provide a final resting place for 785 individuals in caskets, and 866 cremation remains. The District expects cremations to exceed casket burials in the near future.

Infrastructure Needs and Deficiencies

Future improvements have been identified to address future service needs. However, it will be a number of years before additional burial sections need to be developed. Consideration is being given to make improvements to the chapel in the next three to four years.

Challenges

No challenges were identified by TCCD during the preparation of this MSR. Cemetery maintenance and vandalism are on-going issues that the Board of Trustees continues to address. The cemetery is located in a residential area, and it is helpful to have neighbors watching out for the cemetery.



Overview of Section 8 Showing Terraced Coping

13.9: Service Adequacy

The District provides cost effective services, does not receive any complaints, and operates in an efficient manner.

The District reports that no complaints have been filed over the past five years. Complaints may be submitted to the District Secretary for consideration by the Board of Trustees.

The Board of Trustees adopts an annual budget and has District audits are performed every other year by Stroub and Company, CPAs.

13.10: Determinations

Population and Growth

1. The Tahoe City Cemetery District serves a large population base, estimated to be 19,500 permanent residents and up to 39,000 part-time residents and visitors.
2. The current rate of burials is low (4-5 per year), and will not impact the ability of the District to accommodate burial requests.

Disadvantaged Unincorporated Communities

3. TCCD does not provide any of the basic services (water, sewer and structural fire protection) required to be addressed in an MSR, and is therefore not obligated to address this determination.

Present and Planned Capacity of Public Facilities

4. Trails End Cemetery has adequate burial plots and cremation niches available for the foreseeable future. However, the District has planned for cemetery expansion at the time it is warranted.

Financial Ability of Agency/District to Provide Services

5. The District has sufficient revenue in place to ensure short- and long-term provision of services within its current service area.
6. The Board of Trustees has taken a prudent approach to providing services, and insures that the district operates within its means.

Status and Opportunities for Shared Facilities

7. No opportunities for shared facilities were identified by the District or during the preparation of this MSR.

Accountability for Community Service Needs, Including Governmental Structure and Operation Efficiencies.

8. An appointed five-member Board of Trustees oversees the management of the District. TCCD meets its statutory financial reporting requirements that ensure its operations are conducted in an open and transparent manner. The Agency provides public notice of meetings, and posts agendas at the Post Office as well as by email upon request.
9. Establishment of a District website would significantly increase the transparency of the District and its operations; and would allow the public to access District documents, financial records, and even agendas and minutes in a timely manner.
10. The District contracts out for District services, which is a cost effective way for a small district to operate.

11. No formal sphere of influence (SOI) for TCCD has been adopted by Placer LAFCo. Placer LAFCO should consider formally adopting an SOI for the District, as well as clarifying the District's service area; and whether any communities within the District boundary are not served. Such an action would signal possible future detachments of territory from the District.

13.11: References

- Tahoe City Cemetery District (TCCD). Audit Report for the Fiscal Year Ended June 30, 2013. Stroub & Company, CPAs. December 16, 2013.
- TCCD. Burial Plot Directory brochure. 2011.
- TCCD. District Budget Sheets for FY 2012-13, FY 2013-14 and FY 2014-15. Judy Friedman, District Secretary.
- TCCD. Fee Schedule. April 1, 1992.
- TCCD. Trails End Cemetery District Site Plan. Auerbach Engineering Corp. October 2013.
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Chapter 14

Tahoe City Public Utility District



The Tahoe City Public Utility District was originally formed in 1938. The District currently provides wastewater collection, water, parks and recreation services within its boundaries.

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14.1: Agency Profile

Tahoe City Public Utility District													
Type of District:	Public Utility District												
Enabling Legislation:	The Public Utility District Act: Public Utilities Code sections 15501-18055												
Services:	Wastewater collection, water, parks and recreation												
Main Office:	221 Fairway Drive, Tahoe City, CA												
Mailing Address:	P.O. Box 5249, Tahoe City, CA 96145												
Phone No.:	530-583-3796												
Fax No.:	530-583-1475												
Web Site:	www.tcpud.org												
General Manager:	Cindy Gustafson Email: cindyg@tcpud.org Phone: (530) 580-6326												
District Clerk:	Terri Viehmann Email: tviehmann@tcpud.org Phone: (530) 580-6052												
Governing Body:	Elected Board of Directors												
	<table border="0"> <thead> <tr> <th style="text-align: left;">Director</th> <th style="text-align: left;">Term Expiration</th> </tr> </thead> <tbody> <tr> <td>Dan Wilkins</td> <td>2018</td> </tr> <tr> <td>Erik Henrikson, President</td> <td>2016</td> </tr> <tr> <td>John Pang</td> <td>2018</td> </tr> <tr> <td>Judy Friedman</td> <td>2016</td> </tr> <tr> <td>Ron Treabess, Vice President</td> <td>2016</td> </tr> </tbody> </table>	Director	Term Expiration	Dan Wilkins	2018	Erik Henrikson, President	2016	John Pang	2018	Judy Friedman	2016	Ron Treabess, Vice President	2016
Director	Term Expiration												
Dan Wilkins	2018												
Erik Henrikson, President	2016												
John Pang	2018												
Judy Friedman	2016												
Ron Treabess, Vice President	2016												
Meeting Schedule:	3rd Friday of each month at 8:30 a.m.												
Meeting Location:	Board Room, 221 Fairway Drive, Tahoe City, CA												
Date of Formation:	1938												
Principle County:	Placer												
Other:	Multi-county district serving both Placer and El Dorado Counties												

14.2 Overview of Agency

Summary Description of Existing Services

The Tahoe City Public Utility District (TCPUD/District) provides water, wastewater collection, and parks and recreation services to the greater Tahoe City area.

Location and Size

The boundaries of TCPUD lie within both Placer and El Dorado Counties; extending from Emerald Bay to Dollar Hill, and along the Truckee River to the Nevada County line. The District's service area encompasses over 31 square miles. 64% of the area within the

District's boundary is within Placer County and 36% is within El Dorado County. See Figure 14.1 for District boundary and SOI.

14.3: Formation and Boundary

The TCPUD was formed in 1938 under the Public Utilities Code Section 15501-18055 for the purpose of providing water service to the residents of Tahoe City. Services have since been expanded to also provide wastewater collection, parks and recreation to customers within its boundaries. The District serves customers in both Placer and El Dorado Counties. The District's boundaries currently encompass approximately 31 sq. miles and the District provides service to 4,188 water and 7,636 sewer customers. Along the Hwy 89 corridor, the PUD's boundaries do overlap with the Squaw Valley Public Service District, Talmont Resort Improvement District, and further south along Hwy 89 they also overlap with the McKinney Water District.

Boundary History

Since its formation in 1938, the District has undergone 12 boundary modifications. In 1973 the Alpine Springs area was detached to form the Alpine Springs County Water District (ASCWD) as a separate entity. All other boundary modifications have been annexations. The District's current boundary as reflected in the Placer County GIS data is shown in Figure 14.1 (next page).

Figure 14-2 shows two "SOI Review Areas" where the PUD's boundaries extend past its sphere of influence area. One area is the corner of Dollar Point. The second area is located in the northeast corner, along Highway 89. It is recommended that the PUD and LAFCo work together to update the SOI so that it is congruent with the boundary in these two areas. A third "Review Area" is located to the south and El Dorado LAFCO has noted some discrepancies in the Placer County GIS mapping data. It is recommended that Placer LAFCO staff meet with El Dorado LAFCO staff to resolve these discrepancies.

Sphere of Influence

The Sphere of Influence (SOI) was last updated in 1994. It is recommended that the SOI be updated to correct the three "Review Areas" described above and shown in Figure 14-2 to address the concerns of TCPUD and El Dorado LAFCO.

Extra-territorial Services

The District does not provide direct service to paying customers located outside its boundaries. However, it is recognized that the District's park and recreation facilities are open to regional residents and visitors who are living or staying outside its boundaries, and therefore not contributing to TCPUD's revenues.

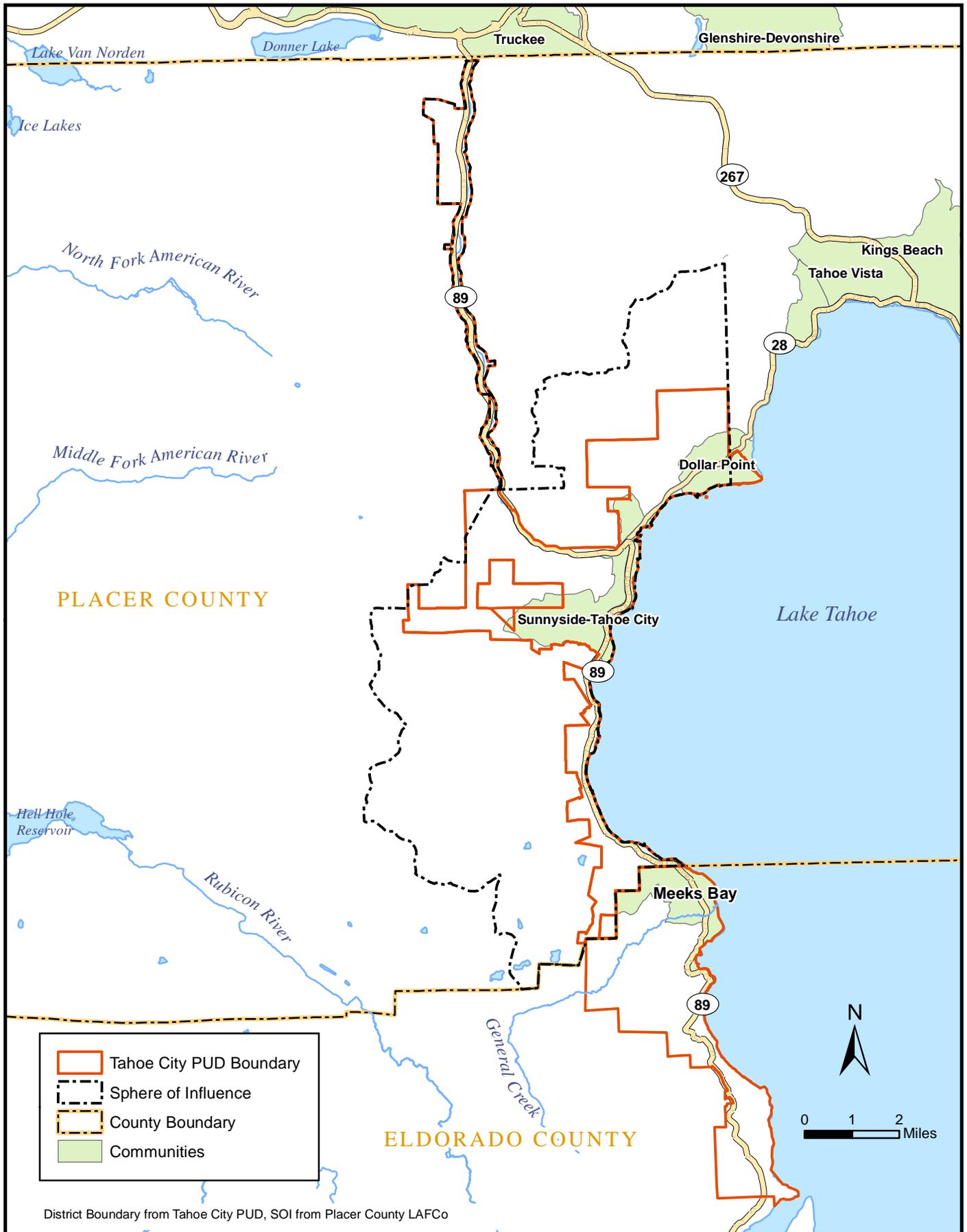


Figure 14-1

TAHOE CITY PUBLIC UTILITY DISTRICT

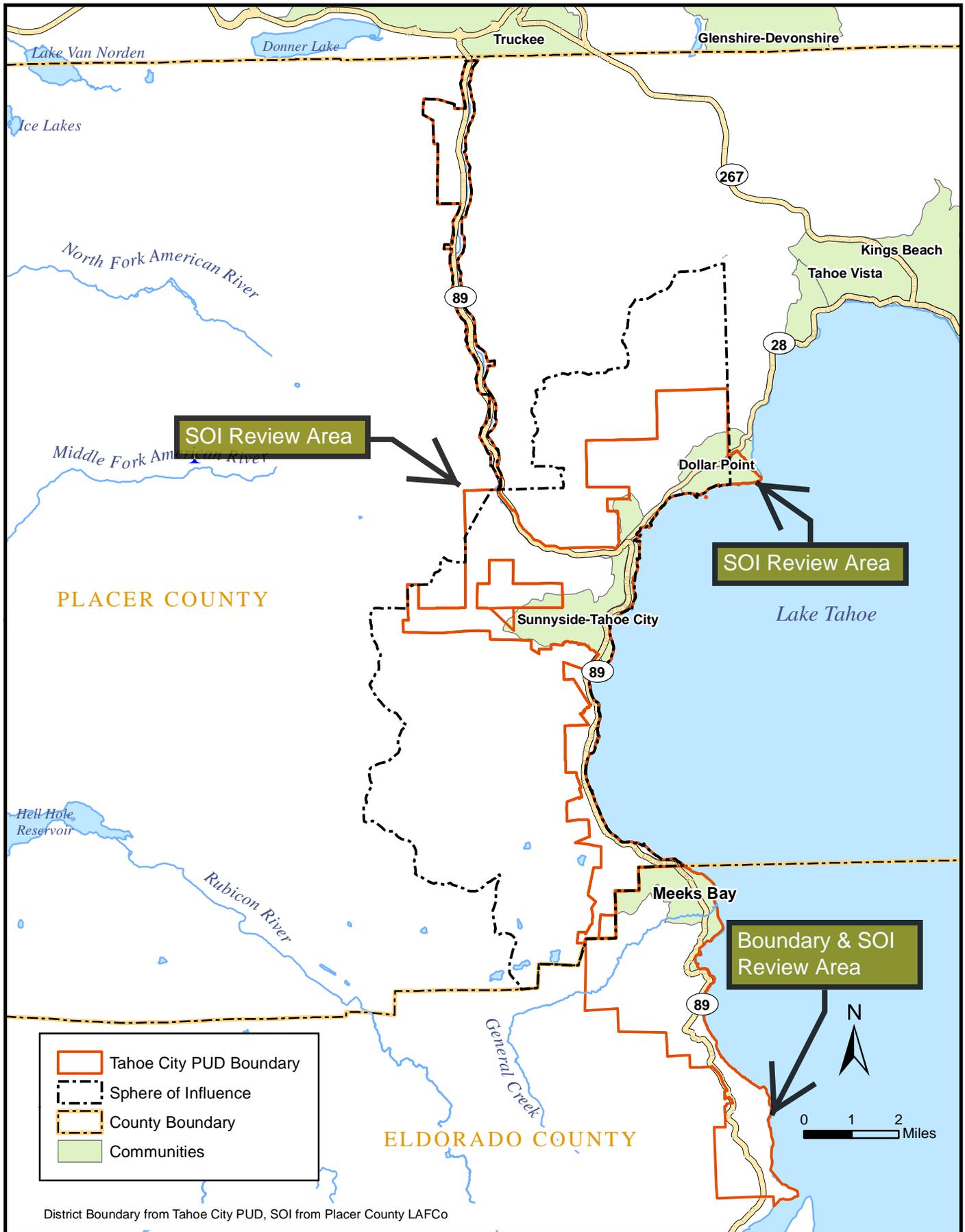


Figure 14-2

TAHOE CITY PUBLIC UTILITY DISTRICT SOI & Bound Review Area

Areas of Interest

Although the District is above the state median annual household income overall, there are specific neighborhoods within the District that are disadvantaged communities (DUCs). Tahoma and Lake Forest Communities both meet the criteria of 80 percent of the state median income, which defines a DUC. The District recently acquired the privately-owned Lake Forest Water system following a request of the System's customers and after protracted litigation. Additionally, a portion of TCPUD's boundaries that crosses into El Dorado County has been identified as a DUC.

Another area of interest is along Highway 89 at the entrance to Squaw Valley where the District and Squaw Valley Public Services District have overlapping boundaries. TCPUD currently serves 17 water customers, 29 sewer customers (with the potential of up to 177 customers) and it owns 7,283 linear feet of multi-use trail. These facilities/customers are located within both Districts' boundaries. The water customers are provided water through a purchase agreement with Squaw Valley Public Service District.

14.4: Accountability and Governance

The District operates under the leadership of an elected five-member Board of Directors, with a General Manager providing daily oversight and management of staff and resources. The District holds regularly scheduled meetings on the third Friday of each month, at 8:30 a.m. in the TCPUD Board Room located at 221 Fairway Drive, Tahoe City. District staff indicates that all meetings are held in compliance with the Brown Act and all laws governing public meetings. Meeting notices and agendas are posted at the front entry of the District Administrative building, at the U.S. Post Office in Tahoe City, at the Tahoe City Library, on the District website at www.tcpud.org and sent via email to all those requesting the information. In addition, the District maintains an email list of all interested parties and emails the agendas and the web links to the Board packet. Meetings can be viewed via live video-feed from the District website; archived videos of past meetings are also available through the website. Public comments are accepted at scheduled meetings, and also can be provided by letters and email to the District. For meetings not requiring Brown Act compliance, such as staff-hosted workshops, District staff utilizes a variety of techniques to encourage public involvement including local media, posted signs in town, and an extensive e-mail list. District staff also provide regular updates at other agency, local service club, and homeowner association meetings. Individuals who are interested in a particular topic or item may provide the District with their contact information to allow the District to keep them informed of upcoming meetings on the subject matter.

Operating procedures and practices, including budgets, personnel policies, fees and rates, capital improvements plans, and other documents are available for public review at the District's offices and many are also available on the PUD's website. District operating hours are 8:00 a.m. to 4:30 p.m., Monday through Friday.

The District and its activities undergo public review procedures, including financial review by independent auditors. There are sufficient mechanisms in place to ensure that actions and

operating procedures of the District are open and accessible to the public. The District maintains a website at <http://www.tcpud.org> where residents can obtain District news, meeting minutes, meeting agendas, water and sewer rates, and other helpful information.

Directors are elected to four-year terms, the last election having occurred in 2014. Each Director is compensated per Government Code Section 16002(a) which allows a PUD Board of Directors to provide by resolution that its members receive compensation in an amount not to exceed \$400 per month (\$4,800 per year) and medical, dental, and vision coverage paid by the District. The District had contested elections in 2010, 2012 and 2014, indicating a high level of public interest and participation. The current Board of Directors is as follows:

Director	Term Expiration
Dan Wilkins	2018
Erik Henrikson, President	2016
John Pang	2018
Judy Friedman	2016
Ron Treabess, Vice President	2016

Customer complaints can be submitted to the District via the TCPUD’s website, by email, phone, in writing to TCPUD, PO Box 5249, Tahoe City, CA 96145 or in person. The District received six complaints in 2012 related water and sewer rates and location of the Farmer’s Market. In 2011, five complaints were received regarding maintenance of trails and water rates. The PUD conducted a customer survey in January 2015 to solicit feedback about its service, programs, facilities, and operations. Survey results were published in a “District Report Card” published on its website at: <http://www.tahoe-city-pud.com/download/general/repcar.pdf>.

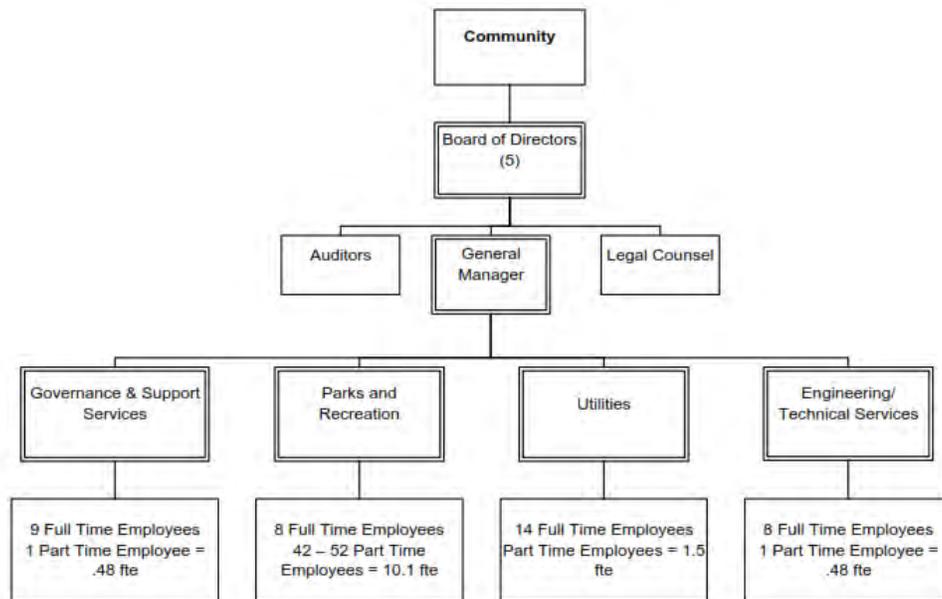
In 2015 the Board and management staff worked together to develop a strategic plan to guide staff in planning, development, and workload. This strategic plan was adopted in 2016. The District aims to update its strategic plan every five years.

14.5: Management Efficiencies and Staffing

The District’s five-member Board of Directors oversee the functions of the General Manager who is responsible for day-to-day activities and operations. The General Manager directs the planning, oversight, and investigation of all operations, projects, programs, and activities within the District. Additionally, the General Manager directs the preparation and presentation of the District’s annual budget, represents the District in labor contract negotiations, and represents the District with regards to rules, regulations, and services provided to the public and local, state, and federal agencies. District operations are organized into four departments: Utilities (which include water and wastewater), Parks and Recreation, Engineering, and Governance and Support Services. Staffing has increased slightly in recent years from 50.65 FTE in 2003 to 53.15 FTE in 2013 (TCPUD, 2013, p. 25).

Within the last few years, the District has capped employee benefits and increased employee contributions to benefits, which has increased management efficiencies for the District.

Figure 14.3: Tahoe City PUD Organizational Chart



The District has received a number of awards for excellence since 2009, including the following:

- Electrical/Instrumentation Award, Kevin Ferrell - CWEA Sierra Section (2010)
- Collection Systems Award, Tab Strada - CWEA Sierra Section (2011)
- Best in the Basin Award - Tahoe Regional Planning Agency (2012)
- Supervisor of the Year, Rich Lehman - CWEA Sierra Section (2012)
- Plant Safety Award - CWEA Sierra Section (2012)
- Collection System of the Year Award - CWEA Sierra Section (2012)
- ACWA/JPIA HR LaBounty Safety Awards (2009, 2010, 2012, 2014)
- Supervisor of the Year, Dan Lewis - CWEA Sierra Section (2014)

Contract Services

Due to the seasonality and nature of workload, the District indicated they use contractors to minimize the need for new full-time, year-round positions. The District uses a local technology consulting company to handle network administration and technology help-desk services. Local contractors are also used to assist with snow removal from District facilities, and to facilitate emergency response and repairs. The Recreation Department hires contract instructors to provide specialized recreational programs like cooking, music and exercise classes. The District utilizes the State CMAS Contract and the National Joint Powers Alliance (NJPA) for purchasing in an effort to reduce costs and limit the need for dedicated procurement staff.

Technology/Management

The District has been increasing its use of systems and technology throughout the organization. A complete, spatially referenced asset database has been developed using GIS (Geographic Information Systems) and GPS (Global Positioning Systems) technology. This GIS system has been deployed in the field to operations staff for both Utilities and Parks, and is used to access mapping as well as capture critical data in the field.

The Utilities and Parks departments have implemented a Computerized Maintenance Management System (CMMS) to electronically manage and track work orders. The system allows staff to capture and generate reports to help inform both maintenance and operations decisions as well as capital replacement decisions. The system is integrated with the District's GIS asset database.

The Utilities Department uses SCADA (supervisory control and data acquisition) to efficiently and proactively manage its critical sewer and water infrastructure. The Utilities Department also utilizes technology and software programs to efficiently manage their sewer line CCTV inspection program, sewer line cleaning program and water valve exercise program. The District has implemented an enterprise software system to electronically manage documents and retention and uses an enterprise level accounting software system to manage and provide financial reporting.

Overall, the District carefully selects and implements systems and technologies with the goal of creating efficiencies for staff or providing higher levels of service for its customers.

14.6: Population and Growth

Population

To determine the existing population, 2010 U.S. Census data was used as a preliminary indicator. This data, shown in Table 14.2 below estimates a population of approximately 4,839 permanent residents within the Census Tract Block Groups that comprise the approximate shape file boundaries of the sphere of influence for the District.

Census Tract	Block Group	Census Estimated Population	Census Estimated # of Housing Units	Calculated # of permanently occupied units*
201.04	2	565	580	191
201.04	1	343	536	177
221	1	702	1,000	330
	2	259	408	135
	3	389	Data not available	Data not available
222	1	728	786	259
	2	181	553	182
223	1	228	452	149
	2	481	1,090	360
320	1	783	1,206	400
	3	180	1,068	352
Total		4,839	7,679	2,535

Source: GIS Shape files and <http://www.census.gov/2010census/popmap/>

*Note: 33% of total housing units are assumed to be permanently occupied by owners per the Travel Assessment. However, the District believes that only 25 % are owner occupied.

Estimates of population in resort areas are difficult to predict, as populations are transient and have significant variation throughout the year. There are no current studies that accurately project the number of seasonal visitors during peak times. Service providers typically provide services based on land use type and variety of complicated flow or fixture unit values.

Like all districts in the Tahoe Basin, there is a large influx of seasonal residents and visitors that add to TCPUD's daily peak service demands. The nonresident population is comprised of a variety of users from absentee owners, vacation rentals, camping and day visitors. The Placer County Office of Economic Development, Placer County Tourism, Placer County Visitors Bureau and North Lake Tahoe Resort Association commissioned a study in 2009 to document the tourism impact in the county as a whole. Information was also collected for the high country and particularly the Tahoe Basin. While this study does not specifically project the seasonal population peaks associated with tourism and recreational uses, it does demonstrate the emphasis on seasonal uses that accommodate the visitors to the area (Placer County OED, 2009). All of this translates into service demands for the TCPUD.

The following excerpts are taken from the Travel Industry Assessment:

Second Homeowner Trends

The Travel Industry Assessment reports that within the High Country Region, a large percentage of the housing units serve as private vacation homes and/or vacation rental properties, most notably for the communities of North Lake Tahoe. nearly two-thirds (67 percent) of all single family homes, condominiums, and time-shares are not owner-occupied.

According to the District, approximately 25 percent of the homes are full-time residences. However, for purposes of this MSR analysis, it was assumed that 33 percent of housing units are permanently occupied, consistent with the Travel Industry Assessment.

The number of housing units in a region can also be used to calculate population. Past studies have produced a variety of estimates for the number of housing units within TCPUD's boundary. The Travel Industry Assessment counted the number of single-family residential, condominium, and time-share housing units in the PUD's three zip codes and determined the number to be 12,783. This number seems to be an overestimate, likely because zip code 96145 extends outside the PUD's boundary area. The District's 2010 Urban Water Management Plan estimated the total residential units in the service area at 3,772 units based on census data from the year 2000 (TCPUD, 2011). This is significantly lower than the 7,679 housing units estimated by the 2010 U.S. Census (see Table 14.2).

The Travel Industry Assessment also describes commercial properties as follows:

Commercial Lodging Properties

Within Placer County, there are a wide variety of lodging accommodation rooms distributed among hotels, motels, bed & breakfasts, rented condominium "villages", and single-family vacation homes throughout Placer County.... In addition to those lodging accommodations, property management companies operate vacation rental activity for many single-family vacation homes throughout North Lake Tahoe.

There are several inns and hotels that operate within the PUD's boundaries including the Granlibakken Resort (165 units); Pepper Tree Inn (51 units); America's Best Value (46 units); Aviva Inn (24 units); Tahoe City Inn (32 units); and the Henrikson building (tbd ~ 120 units). In addition to lodging properties and second home rentals there are a variety of other smaller units and camping accommodations to meet the visitor overnight needs. These commercial businesses and other visitor serving facilities create a demand for the public services that TCPUD provides.

Since the data from the U.S. Census is not consistent with data from other past studies regarding the number of housing units and the population, this MSR analysis will rely upon service connection data. The water and wastewater connections included in Table 14.3 reflect the demand presented by permanent residents, seasonal uses and/or demands as well as visitor uses.

Service	#Customers in 2003	#Customers in 2008	#Customers in 2013-2014
Water ²	3,825	3,910	4,188
Wastewater ²	7,210	7,443	7,540 ³
Parks	5,300	800,000*	1,000,000 ⁴

² Measured by number of connections

³ Source: Tahoe-Truckee Sanitation Agency personal communication

⁴ District estimate of total annual users of Parks and Recreation Facilities (including visitors)

As shown in the above table, TCPUD services significantly more wastewater connections, as compared to water service connections. This is because 12 other private water companies provide water service to customers within TCPUD's boundaries. Therefore, the number of wastewater connections is a better indicator of population served.

For purposes of this MSR analysis, it is assumed that the wastewater connections are distributed among residential, commercial, visitor serving motels, and government/institutional uses as shown in Table 14.4 below.

	Estimated Percentage	Estimated # of wastewater connections
Residential	92.65%	6,986
Commercial	5.86%	442
Visitor Serving Motels etc.	1.00%	75
Government/Institutional	0.50%	37

It is noted that one wastewater connection to a visitor serving motel or inn can serve many visitor rooms. The ratio of housing units to non-farm business establishments in Placer County is approximately 1:15.8¹ and this value was used to estimate the percentages in Table 14.4, above. It is also noted that one wastewater connection to a residential property can serve many units. For example, a duplex or apartment building may only have one formal wastewater connection, but serve several separate residential units. For purposes of this MSR analysis, it is assumed that of the total 6,986 residential connections, 85% of these serve single family homes. For the remaining 1,048 connections to multi-family structures, it is assumed that each multi-family structure has an average of four residential units. This yields 4,192 housing units located in multi-family structures. Therefore, the total number of housing units within the PUD's boundaries is estimated to be 10,130. This is somewhat higher than the 2010 U.S. Census estimate of 7,679 residential units and significantly lower than the 12,783 units estimated by the Travel Industry Assessment.

Based on the number of housing units estimated in the preceding paragraph, the existing population of TCPUD is calculated to be 8,524 permanent residents and 17,307 overnight visitors² (at maximum occupancy). The permanent resident population represents a small part (33 percent) of the total population (visitors and vacationers) that the District serves.

¹ Data source: <http://quickfacts.census.gov/qfd/states/06/06061.html>

² 17,307 visiting population calculated from 6,986 housing units * 2.55 persons per household = total population of 25,831 persons. Assuming 33% of population is permanent then 25831-8524 =17,307.

Table 14.5: Existing Population of TCPUD					
# Wastewater Connections	# Housing Units	Estimated Population	Permanent	Estimated Population	Visitor
7,540	10,130	8,524		17,307	

Projected Growth and Development

Historical Growth Rate

It is Placer County General Plan policy to steer urban growth to the cities. The 2013 Placer County Housing Element confirms that policy. While the county has grown at a rapid pace, much of this growth has occurred within the cities. Incorporated areas of the county grew at an Average Annual Growth Rate (AAGR) of 5.2 percent. Unincorporated Placer County’s population grew at an AAGR of 1.8 percent between 1990 and 2000.

From 2000 to 2010, Placer County as a whole had a 3.4 percent AAGR for population, a rate nearly three times California’s population AAGR of 1.0 percent during this period. Most of this growth occurred in the incorporated areas of the county where the AAGR was 5.2 percent between 2000 and 2010. Population growth rates within the district were estimated using historical growth rates provided by the 2010 Census and District staff.

Land-Use and Planning Documents

Primary land uses in the District include residential, commercial and recreational/tourism. The District doesn’t anticipate any changes to these basic land uses. The Lake Tahoe area is under the jurisdiction of several agencies, including the Tahoe Regional Planning Agency (TRPA), Placer County, as well as various State agencies, due to the fact that the lake straddles California and Nevada. TRPA was jointly created in 1969 as a bi-state compact by the states of California and Nevada to meet Lake Tahoe basin-wide planning needs, including the development of general plans and other planning documents. TRPA is the agency responsible for regional planning, development and redevelopment oversight, regulatory enforcement, and implementation of environmental protection and restoration of Lake Tahoe and the surrounding region. Areas over which the TRPA has authority include new construction, erosion control, storm water runoff, shore-zone development and protection,

road construction, land use, and tree conservation and harvesting. Through its 1987 General Plan, TRPA provides environmental quality standards and ordinances designed to achieve these thresholds. The Code of Ordinances within the 1987 General Plan regulates land use, density, land coverage, excavation, and scenic impacts with the intention of bringing the region into conformance with specified environmental thresholds.



In December 2012, the TRPA Governing Board adopted the Lake Tahoe Regional Plan Update. The Regional Plan Update leaves many of the policies of the 1987 Regional Plan in place while providing more autonomy to local governments through adoption of Area Plans. The 2012 Regional Plan identifies goals and policies to guide decision making as it affects the Tahoe Region's resources and environmental thresholds. Goals and policies are addressed in six major elements including land use, transportation, conservation, recreation, public services and facilities, and implementation. The Regional Plan Update initiated a Region-wide transition to a planning and permitting system where all requirements—TRPA, local, state, and federal—are addressed in coordinated Area Plans.

The Existing Conditions Report indicated that the TRPA Regional Plan Update prioritizes redevelopment and infill of existing town centers at higher intensities than exist in other areas of the Region. During the next 20 years, much of the projected residential and non-residential development is expected to occur in mixed-use developments within these centers. Chapter 31 of the TRPA Code of Ordinances establishes the maximum multi-family residential density at 15 units per acre. Additionally, compliant affordable housing projects are provided a 25 percent density bonus. Based on the existing capacity of vacant parcels located throughout the Plan Area, and TRPA policies focused on high-intensity mixed use development within centers (primarily Tahoe City and Kings Beach), there appears to be sufficient land to accommodate the projected 580 new housing units and 900,000 square feet of commercial space within the Plan Area.

The Tahoe City PUD area falls into two of the proposed North Tahoe sub-planning areas; the Greater Tahoe City Area and the West Shore Area sub-planning areas. The overall concept to be employed by the area plan is to concentrate growth in the town center (Tahoe City and Kings Beach) within these two sub area plans while stabilizing land uses outside of the two town centers.

The Placer County General Plan serves as the County's vision for long-term land use development and conservation. Placer County's General Plan adopted on August 16, 1994, and updated May 21, 2013, provides a series of goals, policies, standards and implementation programs to guide the land use, development, and environmental quality of the County. The County's General Plan is generally consistent with TRPA planning documents. While the General Plan was updated, the area plans in the Tahoe Basin were not.

Placer County has embarked (2011) on a more compressive planning update for the Tahoe basin area plans. In an effort to develop more cohesive, user-friendly Planning documents for the Tahoe Community/General Plan Update, the nine Tahoe basin plans will be consolidated into a single over-arching Community Plan policy document with four sub-planning areas each with their own zoning ordinances and design standards specific to each Plan Area. The Public Review Draft Tahoe Basin Area Plan and an updated Notice of Preparation became available for a 60 day public comment period via Placer County in June 2015. A revised Draft Tahoe Basin Area Plan was published in April 2016. A Draft EIR/EIS per CEQA is expected to be published in the Summer 2016. Thereafter, the next steps include refining the Plan, publishing a final EIR/EIS, review and adoption of the Plan and EIR/EIS by the Placer County

Board of Supervisors, and a TRPA Submittal and Conformance Review³. Placer County adopted the Tahoe City Community Plan in February 1994. This plan will be replaced and updated by the proposed Tahoe Basin Community Plan. The primary land uses within the district boundaries are residential, commercial, and recreation.

Future Development Potential

The 1994 Tahoe City Community Plan projects that there are a total of 352 undeveloped properties within the planning area, of which 263 are buildable based on TRPA regulations. It is projected that buildout of the 263 lots will occur on a gradual basis within the 10-year life of the Plan and perhaps beyond that.



Within the District, the most significant proposed development project would be located at Homewood Ski Resort. The Homewood Mountain Resort Master Plan was approved by the Placer County Board of Supervisors in 2011. The project approval was subject to litigation which was settled out of court in January 2014⁴. Under the Master Plan the resort will redevelop mixed-uses at the North Base area, residential uses at the South Base area and a lodge at the Mid-Mountain Base area. The 17-acre North Base area will include six new mixed-use buildings and eight new townhouse buildings to provide 36 residential condominiums, 16 townhouses, 20 fractional ownership units, 75 traditional hotel rooms, 40 two-bedroom for sale condominium/hotel units, 30 penthouse condominium units, 25,000 square feet of commercial floor area (CFA), 13 affordable housing units and a 30,000 square foot skier services lodge. The 6-acre South Base area will be converted to 95 ski-in/ski-out residences in a series of clustered chalets and one centralized condominium lodge. Please note that the total number of residential units was reduced by 13, consistent with the 2014 legal settlement.

The Mid-Mountain Base area will include a new 15,000 square foot day-use lodge with a detached gondola terminal linked to the lodge by a covered passage, a new learn-to-ski lift, an outdoor swimming facility for use during the summer months by West Shore residents, a new snow-based vehicle (e.g., grooming equipment) maintenance facility, and two water storage tanks. As noted above, all future development must be in conformance with the TRPA, 2012, Lake Tahoe Regional Plan Update.

Based on the above information, it is assumed that the maximum compound annual growth rate for the District's area is approximately 1.0 percent. The 20-year compound annual

³ For more details see County website at: <http://www.placer.ca.gov/departments/communitydevelopment/planning/tahoebasinareaplan>

⁴ Legal settlement was described in the Tahoe Daily Tribune newspaper at: <http://www.tahoe-dailytribune.com/news/9992880-113/homewood-resort-ski-tahoe>

growth rate of 1.0 percent is used to project the District’s population base for the next 20 years, over 5-year increments, as shown in the following table.

Year	2015	2020	2025	2030	2035
Estimated Population	8,524	8,959	9,416	9,896	10,400

¹ compound year annual growth rate based on 20 year Census trend

It should be noted that the estimated peak Overnight Visitor Population in the year 2015 is 17,307 persons. If visitation also increases at a one-percent rate, the Overnight Visitor Population in the year 2035 could reach 21,118 by the year 2035. Day-use only visitors are not included in this estimate.

The estimated maximum growth rate in the District’s sphere of influence is a rate of 1.0 percent.

Disadvantaged Unincorporated Communities

By state definition, a disadvantaged unincorporated community (DUC) has a median household income (MHI) less than 80 percent of the statewide average. According to 2010 Census data, California’s MHI is \$60,883, which qualifies any community with a MHI less than \$48,706 as a DUC. TCPUD serves portions of both Placer County and El Dorado County. Within its Placer County service area, data⁵ indicates that the community of Lake Forest, near Dollar Point, has a MHI of \$44,950, which is below the DUC threshold. Additionally, a 2010 TRPA report indicates that Lake Forest has blighted aesthetic and social conditions (TRPA, 2010). Within its El Dorado County service area (i.e. the southern portion of Tahoma and the Meek’s Bay area), DWR does classify this area as a “Disadvantaged Community Tract” meaning it meets the DUC criteria (CDWR, 2014). As described in this MSR, the communities do receive water, wastewater, and fire protection services. No public health and safety issues have been identified. For additional information, please refer to Chapter 3, Section 3.6, Disadvantaged Unincorporated Communities, in this MSR.

14.7: Financing

This section evaluates the factors affecting the financing of operations and improvements for Tahoe City PUD. Information on District financing is derived from audited financial statements for the Fiscal Year 2013, as well as information provided by District staff. The District follows a calendar year (January 1 - December 31) budget cycle and each year the Board of Directors adopts an operating and capital budget (Mann, Urratia, Nelson, CPAs & Associates, LLP, April 18, 2014, p. 3). These statements represent the financial statements of

⁵ Data from: <http://www.parkinfo.org/factfinder2011/grantee>

the District's consolidated services, and follow Government Accounting Standards Board (GASB) method of Accrual accounting.

District Revenues and Expenditures

The TCPUD uses property tax, user fees, grants and interest income to provide its services (Mann, Urratia, Nelson, CPAs & Associates, LLP, April 18, 2014, p. 2). The District maintains two individual governmental funds. Governmental activities consist of parks and recreation operations, which are paid for by property taxes, user fees, and capital and operating grants and donations. The following table is the statement of revenues and expenditures.

Source	General	Debt Service	Total Governmental Funds
<i>Revenues</i>			
Fees	\$ 505,974	\$ 14,266	\$ 520,240
Property Taxes	4,631,006	938,345	5,569,351
Interest	(2,487)	--	(2,487)
Grants	551,250	--	551,250
Other	170,212	289	170,501
Total Revenues	\$5,855,955	\$952,900	\$6,808,855
<i>Expenditures</i>			
Current			
Public Works - Parks	2,017,398	--	2,017,398
Recreation	624,534	--	624,534
Other Operating	201,516	--	201,516
Capital Outlay	545,633	--	545,633
Debt Service:			
Principal	--	796,035	796,035
Interest	--	156,576	156,576
Total Expenditures	\$3,389,081	\$952,611	\$4,341,692
Revenues over Expenditures	\$2,466,874	\$ 289	\$2,467,163

Source: Independent Auditor's Report, FY 2013 (Mann, Urratia, Nelson, CPAs & Associates, LLP, April 18, 2014, p. 26)

Per the 2013 audit and as shown in Table 14.8 above, property tax represents the majority of revenue for the District and it comprises over 79 percent of the total revenue. In 2013 property tax revenue was projected to increase by 0.2 percent due to slight increases in assessed valuations in the unincorporated areas of Placer County. Of the 2013 property tax

revenue, Parks and Recreation receives 30 percent with the remaining going to fund capital and reserves and general debt service.

Per the 2013 audit and as shown in Table 14.8 above, water and sewer rate revenues represent a small (eight percent) part of TCPUD's total revenue. TCPUD aims to set rates to cover operations and current and future water and sewer capital projects.

The District's water and sewer rates are reviewed annually and are made available on its website. In 2015 the water rates⁶ were comprised of both a base rate and a variable rate based on water usage. The base residential rate ranged from \$59 per month for a 0.75" water meter size up to \$549.26 per month for a 6.00" water meter size. The water usage rate for residential customers varies from \$1.91 to \$8.25 per 1,000 gallons per month based on a four tiered increasing block rate structure depending on the amount of water utilized. A residential customer with a 0.75" water meter size who uses 10,000 gallons per month would pay a water bill of \$79.50 per month (i.e. \$59 base rate plus \$20.50 usage rate). Commercial water base rates vary between \$71 for a 0.75" water size to \$879.75 for an 8.00" water meter size. The commercial usage rate ranges from \$5.63 to \$5.73 per 1,000 gallons per month depending on usage based on a two tiered increasing block. Additionally, private fire sprinklers or fire hydrants on private property are subject to a \$29.70 per inch fee.



Rates⁷ for sewer are billed either monthly or quarterly; approximately 53% of customers are billed monthly with the remainder (sewer only) on a quarterly basis. Sewer fees include monthly service rates and connection fees. The

sewer connection fee is only charged when a new connection is established. The monthly rates vary depending on the type of customer. Residential dwelling units pay \$38.41 per month. Commercial facilities such as a gas station pay \$57.73 per month. The District also has a method to calculate commercial fees based on the square footage of the commercial facility. Commercial buildings of less than 1,000 sq. ft. pay \$38.41 per month (the same as a residential unit).

The water and sewer rates set by the District take into consideration numerous cost factors different than much of Placer County including: the costs of operating in a highly regulated, sensitive environment; heavy winter climate; mountainous terrain; an extremely fragmented water system; building restrictions significantly reducing any new development revenue; and high costs of living which lead to high labor costs.

⁶ Current water rates are available at:
<http://www.tahoecitypud.com/download/general/2015waterrates.pdf>.

⁷ Sewer rates for 2015 are available on the District's website at:
<http://www.tahoecitypud.com/download/general/2015sewerrates.pdf>

On July 18, 2014 the TCPUD Board conducted a public meeting on the results of water and sewer rate study that was prepared consistent with Proposition 218 (TCPUD-b, August 2014). This rate study considered capital replacement projects and projections on operations to recommend a 5-year rate plan for water and sewer. Proposition 218 requires that a District's revenues do not exceed the cost of service and that rates are proportionally fair between customer types. The Board ultimately adopted a rate plan which concurs with the sewer rates adopted in 2009 but which extends the timeframe for an additional five years to reach. Sewer rates would increase by a maximum of 5.7% annually over the next five years. Water base rates will increase on an average by 6% annually from 2015 through 2019. These rates are the maximum to be implemented over the next five years.

The District operates one proprietary fund with enterprise funds to account for its water, sewer, and engineering departments (Mann, Urratia, Nelson, CPAs & Associates, LLP, April 18, 2014, p. 7).

<i>Operating Revenues</i>		Water and Sewer Fund
Service and inspection fees		\$8,116,007
Connection fees		152,025
Penalties and discounts		63,375
Other		92,128
Total operating revenues		\$8,425,535
<i>Operating Expenses</i>		
Personnel		3,009,253
Operations		2,236,638
Depreciation		1,444,240
Total operating expenses		\$6,690,131
Operating Income		\$1,735,404
<i>Non-operating Revenues (Expenses)</i>		
Property taxes		23,287
Interest income		104,964
Proceeds from sales of capital assets		23,413
Interest expense		(6,120)
Total non-operating revenues		\$145,544
Income ¹		\$1,880,948

¹ Income before capital contributions and transfers.

Source: Independent Auditor's Report, 2013

(Mann, Urratia, Nelson, CPAs & Associates, LLP, April 18, 2014, p. 29)

District Assets and Liabilities

The TCPUD invested approximately \$3.4 million in parks, water and sewer infrastructure capital projects, with an emphasis on completing the Lake Forest Water project, water supply and projects to improve firefighting support, design and permitting for Homewood Bike Trail, and HVAC improvements at the Administration building.

The following summary provides an overview of the District's assets and liabilities:

Table 14.10: Summary of Net Position, 2013	
Assets and Liabilities	Amount
Assets	
Current Assets	
Cash/Cash Equivalent	\$8,047,067
Receivables	2,564,237
Prepaid items/Other	300,739
Subtotal	10,912,043
Noncurrent Assets	
Restricted Cash/Cash Equivalent	65,000
Facility improvement receivables	16,822
Other Postemployment benefits, net	315,073
Net pension asset	1,731,683
Capital assets	
Non-depreciable assets	1,265,157
Depreciable assets	30,338,777
Subtotal	31,603,904
Total Assets	\$44,839,324
Liabilities	
Current Liabilities	\$756,898
Noncurrent Liabilities	254,849
Total Liabilities	\$1,001,747
Net Position	
Investment in Capital Assets, Net of Related Debt	31,310,220
Restricted	65,000
Unrestricted	12,452,357
Total Net Position	\$43,827,577

Source: *Independent Auditor's Report, 2013* (Mann, Urratia, Nelson, CPAs & Associates, LLP, April 18, 2014, p. 28).

Long Term Liabilities and Debt

At the end of the 2013 fiscal year, the TCPUD had total bonded debt outstanding of \$4,772,504. Of this amount, \$2,761,765 is debt backed by the government, \$368,764 is special assessment debt, and \$1,641,975 is pension-related debt (Mann, Urratia, Nelson, CPAs & Associates, LLP, April 18, 2014, p. 17). The TCPUD has negotiated for employees to contribute a larger share of required pension contributions and addressed CalPERS investment committee regarding their portfolio allocation.

Asset Maintenance and Replacement

Each year the TCPUD updates a five year Capital Improvement Plan (CIP), which provides a schedule of planned improvements within the timeframe and identifies TCPUD and grant funding sources that will help pay for those improvements (TCPUD, 2013). The CIP includes a number of ongoing programs and one-time projects to perform regular maintenance on infrastructure and to replace those assets that have reached the end of their useful life. The District has assigned the useful lives listed below to major capital assets (Mann, Urratia, Nelson, CPAs & Associates, LLP, April 18, 2014, p. 36):

- Water and sewer plant 10-40 years
- Recreational facilities 10-20 years
- Building 40 years
- Equipment 3-20 years
- Vehicles 4-13 years

Cost Avoidance

The TCPUD jointly owns and operates the Joint Sewerage Facilities (JSF) with the North Tahoe Public Utility District (NTPUD). The JSF consists of the Dollar Point interceptor and the Odor Control Station at Burton Creek Drive and State Route 28. This facility is used to convey all of NTPUD wastewater flows and the majority of TCPUD's North Shore wastewater flows from Dollar Point to the Truckee River Interceptor pipeline, which is owned and operated by the Tahoe Truckee Sanitation Agency (TTSA).

The District participates in the "Tahoe Truckee Area Emergency Contingency Plan Agreement for Mutual Aid". The Agreement is a mutual aid agreement that sets forth a policy of mutual cooperation to provide sewer and/or water emergency aid. Thirteen agencies are signatories to the Agreement including TCPUD, SVPSD, TSD, TTSA, NCSD, NTPUD, and ASCWD, which are also covered in this MSR.

14.8: Water Services

Water Service Overview

The TCPUD provides water service to 4,188 customers (TCPUD, 2013, p. 3) via three major systems (Tahoe City Main, Rubicon, and McKinney) and two minor systems (Alpine Peaks and Truckee-Tahoe Forest Tract). Although groundwater is the primary water source for TCPUD,

the District does maintain intakes to obtain water from the Lake for both treatment and emergency raw water supply. TCPUD's water systems are regulated and permitted by the California State Water Resources Control Board - Division of Drinking Water (DDW) for water quality and delivery.

Within Tahoe City PUD sewer service boundaries, an additional 12 other water companies provide water service to customers. These other companies are comprised primarily of private investor owned utilities, a few mutual water companies and two other public water providers (Talmont Resort Improvement District and McKinney Water District). The geographic relationship between these other water companies and the TCPUD is shown in Figure 14.4 (next page).

The District operates five separate and non-contiguous water systems as listed below:

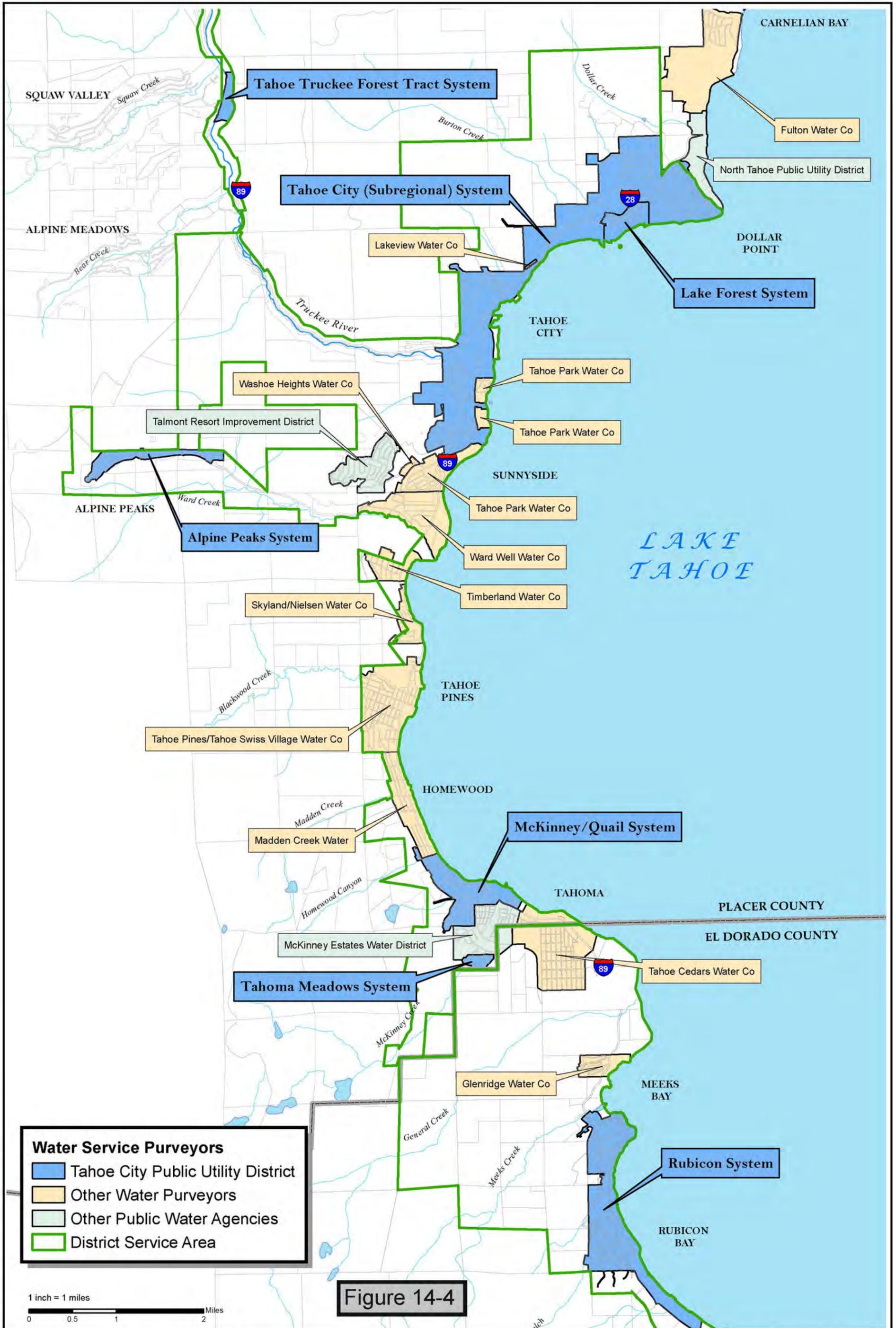
- Tahoe City Main System: Extends from Dollar Point to Tahoe Tavern. Includes the former Lake Forest Water Company acquired in 2012.
- Quail Lake/McKinney System: Extends from Homewood south and east along the shoreline to McKinney Creek. Now includes the former Tahoma Meadows Mutual Water Company consolidated in 2013.
- Alpine Peaks System: A small system approximately five miles west of Tahoe City, serving the area west of Tahoe Tavern.
- Rubicon System: Serves the area between Meeks Bay and Bliss State Park, including the Meeks Bay Vista system and the former Tamarack Mutual Water System.
- Truckee-Tahoe Forest Tract System: Serves a small area across from the entrance to Squaw Valley. This area is served purchased water from Squaw Valley Public Services District and is not described in further detail below.

Water Supply/Demand

Water Supply

Tahoe City Main System

The Tahoe City Main system supply is currently provided by groundwater, although there are three lake intakes (Dollar point, Grove Street, and Cedar Point) that are currently used for emergency use only. Active groundwater wells include Tahoe Tavern Well (500 gpm), Tahoe City Well No. 2 (1050 gpm), Tahoe City Well No. 3 (1500 gpm), Highlands Well No. 1 (60 gpm), and Highlands Well No. 2 (170 gpm). In addition to the lake intakes, the District has one standby well - Tahoe City Well No. 1 (up to 500 gpm). The District is currently redrilling Tahoe City Well No. 1 to remove it from standby status with an estimated capacity of 750-1000 gpm. Overall, the supply available to the Tahoe City Main system is 3,280 gpm (CDPH, 2013).



TAHOE CITY PUBLIC UTILITY DISTRICT



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DISTRICT SERVICE AREA WATER PURVEYORS



Map prepared by: KH
Date: Sep. 11, 2013

Quail/McKinney System

The Quail/McKinney supply system consists of both groundwater and surface water from Lake Tahoe. Groundwater consists of the Crystal Way Well, which was drilled in 1994 and has a pumping capacity of 500 gpm. The system also has two other inactive wells (McKinney Wells No. 1 and 2) that have high iron content and have been recommended for destruction. The District also has a 300 gpm intake and interim surface water treatment plant on Lake Tahoe at Chambers Landing, which is in use only during summer months. The District also has an emergency interconnection with the McKinney Water District which can provide water to either agency and is regulated by an agreement. The system has an overall capacity of 800 gpm (CDPH, 2012b). Although the Crystal Way Well has a pumping rate of 500 gpm, the aquifer that supplies the well has limited capacity and cannot supply year round system demand. Water supply must be supplemented from the interim surface water treatment plant during the summer to prevent the aquifer from being depleted. The TCPUD is currently in preliminary design and permitting phase of the construction of a new, permanent water treatment plant. The initial design incorporates sufficient capacity to serve the Quail/McKinney System's projected build out as well as a number of private water systems nearby.

Alpine Peaks System

The Alpine Peaks water system is supplied by Riley Springs, which is comprised of two horizontal wells manifolded together. The first horizontal well was drilled in 1974 and the second well was drilled in 1980. Total horizontal depths of the wells are 320 and approximately 400 feet, respectively. The spring is located in steep terrain that is accessible from the local neighborhood. The spring outlets and associated valves are enclosed by concrete rings with commercial aluminum hatch covers. The combined capacity of the springs is approximately 175-200 gpm (CDPH, 2012a).

Production Facility	Estimated Reliable Pumping Capacity (gpm)	Storage Facility ¹	Capacity (million gallons)
TCPUD Main			
Tahoe City Well 01	Up to 500	Bunker Tank	0.5
Tahoe City Well 02	1,050	Tahoe Tavern Tank	0.5
Tahoe City Well 03	1,500	Four Seasons Tank	0.5
Tahoe Tavern Well	500	Rocky Ridge Tank	0.5
Highlands Well No. 1	60	Lower Highlands Tank	0.5
Highlands Well No. 2	170	Upper Highlands Tank	1.2
<i>Subtotal</i>	<i>3,280</i>	<i>3.7</i>	
Quail/McKinney			
Chrystal Way Well	500	Quail Tank	0.375
Lake Tahoe Intake (summer only)	300		
<i>Subtotal</i>	<i>1,100</i>		<i>0.375</i>
Alpine Peaks			
Riley Spring	120-130	Steel Tank	0.5
<i>Subtotal</i>	<i>130</i>		<i>0.5</i>
Rubicon system			
Rubicon Well 01	260	Rubicon Tank 01	0.20
Rubicon Well 02	280	Rubicon Tank 02	0.28
Rubicon Well 03	500	Rubicon Tank 03	0.08
<i>Subtotal</i>	<i>1,040</i>		<i>0.56</i>
Total Capacity	5,550	5.135	

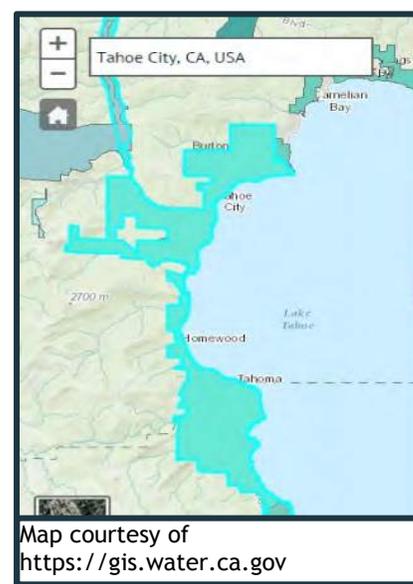
Source: CDPH Annual Reports for the four systems. 2012, 2013.

Rubicon System

The Rubicon supply system consists of three groundwater wells: Rubicon Well 01-Silvertip was drilled in 1962 (260 gpm), Rubicon Well 02-Lakeview was drilled in 1985 (280 gpm), and Rubicon Well 03-Ridge was drilled in 1998 (500 gpm). The combined capacity of the wells is 1,040 gpm. In 2010, the annual production was 43.9 mg(CDPH, 2012c).

Water Demand

Within the TCPUD service area, water is primarily used for residential and commercial purposes; there are no significant industrial, manufacturing or agricultural land uses (TCPUD, TCPUD 2010 Urban Water Management Plan, Amended 2011, pp. 3-3). The District serves approximately 200 commercial



customers and 7,500 homes (TCPUD, Personal communication with TCPUD staff, 2013), and in 2012 had 4,106 customers which are defined as utility connections. Commercial use accounts for about 15 percent of the total water demand and is not expected to change significantly because it is assumed that the District's commercially zoned area is at buildout. The exception to this is redevelopment such as the Homewood Ski Resort development, which includes 25,000 square feet of commercial space and a 30,000 square foot skier services lodge. Except for the parks, there is very little recreational water demand. The golf course located within the service area has a private water supply (TCPUD, TCPUD 2010 Urban Water Management Plan, Amended 2011, pp. 3-4). Water demand by district customers in 2014 was only 413.3 million gallons⁸, the second lowest amount of water on record, indicating good results from water conservation efforts.

The TCPUD relies primarily on groundwater to meet normal demands, with the exception of summer time surface water diversions to augment supply in the McKinney/Quail system as discussed above. Due to restricted growth in the TCPUD's current service area, future demands are expected to stay relatively flat (TCPUD, TCPUD 2010 Urban Water Management Plan, Amended 2011, pp. 3-5), with the exception of acquisition of other water systems. To promote water conservation and comply with State law, the District has installed water meters at all service connections and since 2008 has billed customers using consumption based rates. Additionally, in April 2015, the District released its Water Conservation and Drought Response Standards (Ordinance 284) (TCPUD, 2015).

Tahoe City Main System

The Tahoe City Main system serves 2,762 customers and has an estimated population of 4,000 permanent residents and up to 15,000 seasonal (CDPH, 2013). The 9-year average of the maximum day demands (MDD) (2003-2011) was 0.70 gpm per connection, with a high of 0.78 gpm per connection since meters were installed on all service connections in 2007 (CDPH, 2013).

Quail/McKinney System

The Quail/McKinney water system serves an estimated permanent population of approximately 750 and a seasonal population of 1,600. The 8-year average of the maximum day demands (MDD) (2003-2010) is 1.02 gpm per connection (CDPH, 2012b).

Alpine Peaks

Alpine Peaks is a community water system serving a residential community with 95 connections. The community has a year-round population of 12 and a maximum seasonal population of 250. The Alpine Peaks water system annual water usage was 6.6 mg in 2010, with a maximum month usage at 1.03 mg and peak usage in July. The maximum day demand (MDD) was shown as 0.06 mg. The California Waterworks Standards (CWS) requires a water system to meet MDD through its source capacity. The MDD of 0.06 mg corresponds to 42 gpm;

⁸ Data source: <http://www.moonshineink.com/news/news-briefs-february-13-march-12-2015>

therefore, the reported source capacity of 120 gpm meets the MDD requirement. Further, for water systems with less than 1,000 service connections, the CWS requires the storage capacity to equal the MDD to meet peak demands, of which the existing 0.5 mg storage meets the 0.06 mg MDD (CDPH, 2012a).

Rubicon System

The Rubicon system is located entirely within El Dorado County and it serves a maximum population of up to 1,200 persons. The average maximum day demand (MDD) over the 6-year period 2003-2010 was 0.76 gpm per connection with a high of 0.93 gpm per connection (CDPH, 2012c).

	Acre-feet/Year				
	2012	2017	2022	2027	2032
Supply Available	2178	2178	2178	2178	2178
Demand	1486	1401	1436	1455	1473
Surplus/Deficit	+692	+777	+741	+723	+705

Notes: Due to the installation of water meters, consumption based rates, and conservation programs, the water demand in the system has decreased dramatically since 2007. The 2012 demand was high due to a very dry year. Demands estimated for 2017-2032 are based on an average of the dry year of 2012 and the wet year of 2011 and increase proportional to those increases predicted in the 2010 Urban Water Management Plan (TCPUD, 2013, p. 12).

Water Infrastructure and Facilities

Treatment Systems

Tahoe City Main System

The District provides continuous disinfection of each groundwater well source. Surface water sources, which are for emergency purposes only, would also be provided with continuous disinfection if put into use in emergencies. The District injects 12.5 percent sodium hypochlorite solution into the discharge pipe at each well to disinfect the water for consumption. The water produced by the District's wells meets all current primary and secondary drinking water standards (CDPH, 2013).

Quail/McKinney

The Quail/McKinney system has a temporary water treatment plan (WTP) that is direct filtration and has a 300 gpm design capacity. The plant is known as the McKinney Quail Interim Surface WTP and is only operated during summer months. The WTP consists of pre-treatment, filtration, screening, reclamation, and disinfection (CDPH, 2012b).

Alpine Peaks System

No treatment is provided at the Alpine Peaks water system.

Rubicon System

Since disinfection is precautionary only, chlorination of all wells is not required. However, Rubicon Well 01 has a substandard sanitary seal. Because of this substandard sanitary seal, continuous disinfection is performed. No other treatment facilities are within the system (CDPH, 2012c).

Water Storage

Community water systems serving more than 1,000 connections are required to provide sufficient source and storage capacity to meet peak hour demands for a minimum of four consecutive hours. The water system must be able to meet these requirements in each pressure zone as well as the system as a whole. Peak hour demands are estimated to be 150 percent of the average maximum day flow rates. These requirements do not include emergency and fire water storage requirements.

Tahoe City Main System

The estimated peak hour demand for the Tahoe City Main system as a whole is 3,300 gpm, which is approximately the same as the District's source capacity of 3,280 gpm; therefore, the District's total storage capacity of 3.7 mg is sufficient to meet the requirements of the system as a whole as well as in each pressure zone. See Table 14.12 for a summary of storage within the system.

Quail/McKinney System

Storage within the Quail/McKinney water system consists of Quail Tank, a welded steel tank with a capacity of 0.375 mg.

Alpine Peaks System

Water for the Alpine Peaks water system flows from the wells by gravity from 7,286 feet elevation to the distribution system and a 500,000-gallon welded-steel storage tank located at 7,268 feet elevation. The tank was constructed in 1970 and in 2008 a video inspection indicated no repairs were needed. No treatment is provided at this site (CDPH, 2011).

Rubicon System

The Rubicon system's storage consists of three steel tanks with a total capacity of 560,000 gallons.

Distribution and Transmission

TCPUD Main

The District's Tahoe City Main system has six pressure zones, which range from 25 to 140 psi. The District maintains adequate pressure at all service connections in compliance with current Waterworks Standards. Distribution lines consist of approximately 39 miles of steel, plastic, asbestos cement (AC), polyvinylchloride (PVC), and ductile iron (DI) pipes ranging from 2 to 12 inches in size. The smaller diameter pipes are generally in poor to good condition, while the larger diameter pipes (8-12 inches) are in average to excellent condition. Further, the District is transitioning to high density polyethylene (HDPE) lines near sewer

mains. The system also includes two pressure sustaining valves (PSVs), a pump station, and backup generator. In 2012, the CDPH found the distribution system to be in good overall condition, with the exception of some older undersized mains, which are in poor condition (CDPH, 2013).

Quail/McKinney

The Quail/McKinney system has two pressure zones, which ranges from 35 to 120 psi. The distribution system consists of a treated water pump station, two PRV stations, and approximately 7.4 miles of steel, AC, PVC, HDPE, and DI pipelines. The steel lines tend to be in poor to average condition and are scheduled for replacement. The remaining lines are all in generally good condition.

Alpine Peaks System

The Alpine Peaks water system is comprised of AC pipe ranging from 4-12 inch diameter, which is being replaced with PVC during repairs and maintenance activities. A pressure reducing station controls pressures in the lower pressure zones. Most service lines are galvanized pipe, and polyethylene pipe is used when replacing those lines. There are no known low-head

Photo Courtesy of Duncan Golf

pipelines in the system, and no known lead pipes, joints or lead solder. Operating pressures in the upper pressure zone are approximately 30 to 100 psi; the lower pressure zone has 40 to 100 psi pressures. Service connection PRVs are required when service connection pressure is above 60 psi. There are 14 backflow prevention devices, all of which were tested in 2010. The backflow prevention program meets the intent of the cross-connection regulations (CDPH, 2012a).



Rubicon System

The system serves 614 connections within five pressure zones. The zones range from 30 to 180 psi and have a total storage capacity of 0.56 mg (CDPH, 2012c, p. 3). The Rubicon water system has approximately 15.3 miles of main lines consisting of galvanized steel, steel, asbestos-cement (AC), polyvinyl chlorine (PVC), or ductile iron. The distribution system includes two booster pump stations, one of which is portable, and two pressure reducing valves. The Rubicon system has no transmission infrastructure. Overall the system is reported to be in good condition by the CDPH, which noted that the District's sources met all primary and secondary drinking water standards (CDPH, 2012c).

Challenges in Provision of Water Services

The District noted a number of challenges to its adequate provision of water services to customers, citing operation of five separate and non-contiguous water systems, serving half as many water customers as sewer customers due to the presence of other water purveyors as the most significant. The interspersing of twelve other water purveyors (i.e. private and/or mutual water companies) within the Districts service area result in a situation where

approximately 50% of the wastewater service connections of the District are served water by other water purveyors. The consequence is a disjointed, inefficient water delivery system of approximately 17 separate water systems within the District's service area, with each system requiring separate water sources and separate water storage reservoirs. The redundancy and overlap of water infrastructure for 7,636 connections results in an uneconomical delivery of water to all residences and businesses in the area. Many of the small systems lack the customer-base to address significant infrastructure needs such as sufficient storage, redundant sources, and fire suppression ability. Although the District's CIP is designed to address challenges for the District's water services, it is not designed to address the needs of these other systems if they fail.

Other challenges include aging infrastructure, drought, power outages, climate change, and new mandates and regulations. Most communities in California utilize new residential and commercial developments as opportunities to upgrade local infrastructure. However, in the north Lake Tahoe area there has been a lack of new development for a variety of reasons and this reduces the amount of private capital invested into the water system. Many of these challenges are similar to those faced by other service providers in the Basin. It is noted that 2014 is the third year of a significant drought and conditions have been deemed "extreme" by state water agencies. The Tahoe City Public Utility District's Board of Directors declared Stage 2 drought restrictions for its water service areas in July 2014.

Climate Change

The US Bureau of Reclamation manages water supply in the Truckee River Basin and is undertaking a number of studies to evaluate the degree to which water supply and demand may be impacted by future changes in climate. This includes the Truckee River Basin Study, as well as funding researchers at the Desert Research Institute to develop an integrated groundwater, surface water, and climate change model of the Martis Valley Groundwater Basin. Scenarios specific to the District accounting for climatically shifting runoff availability have not been completed. However, the District stands poised with redundant water sources to account for anticipated growth and reductions in available supplies.

The District participates in the Tahoe-Sierra Integrated Regional Water Management Partnership, which identifies regional climate change scenarios and impacts.

Water Service Adequacy

The District currently provides sufficient water service to its customers. Further, to better meet the long-term needs of the District, the West Lake Tahoe Regional Water Treatment Plant (WTP) project is currently under design, which consists of a 1.0 mgd, expandable to 1.5 mgd, surface water treatment plant. The WTP could provide treated water to the west shore of Lake Tahoe from the Meeks Bay area north to the Timberland area (TCPUD, 2013).

The CDPH annual inspection reports for the 4 water systems generally indicate:

- Source capacity is adequate to meet maximum day demands

- Storage capacity is adequate in accordance with Section 64554 of the California Waterworks Standards
- Water deliveries meet all current primary drinking water standards
- Water systems appear to be operated in professional and conscientious manner

14.9: Wastewater Services

Wastewater Service Overview

The TCPUD provides wastewater collection services to customers within its service area. Wastewater from Dollar Point to Tahoe City is conveyed through the Joint Sewerage Facilities, which conveys TCPUD wastewater, comingled with North Tahoe PUD wastewater, in the Dollar Point interceptor. Wastewater from the Tahoe City area, south to Emerald Bay is conveyed through the West Shore Export pipeline. Flows from the Dollar Point Interceptor and the West Shore Export combine in the Cal Trans Tahoe City yard, which marks the beginning of the Truckee River Interceptor. The Truckee River Interceptor pipeline, which is owned and operated by the Tahoe Truckee Sanitation Agency (TTSA), conveys all TCPUD and NTPUD wastewater from this point all the way to Truckee. All treatment and disposal is provided by TTSA.



Wastewater Capacity

The TCPUD provides wastewater collection services to approximately 7,540 customers within its boundaries, 232 of which are commercial and/or industrial. In recent years the average daily flow was 0.8 mgd. The Design Daily Flow, or allocated maximum flow, to the TTSA is 7.8 mgd. According to the 2014 TCPUD Risk-Based Sewer System Management Plan, there are no known hydraulic capacity limitations within the collection system during either dry or peak wet weather events.

Average flows from TCPUD are approximately 0.8 mgd for the time period 2005-2013. The design daily flow, which is an allocated maximum flow to TTSA, is 7.8 mgd. Peak flows are generally experienced in late March through May due to snow melt and runoff, and in July and August due to high occupancy rates. Flows are lowest in October and November due to climate and low occupancy (TCPUD, 2014, pp. 8-9).

Timeframe	Average Day Demand	Peak-Hour Flow
	MGD	MGD
Current	0.8	1.6
Projected Increases	0.05-0.10	N/A

Source: TCPUD response to LAFCO Request for Information, 2013.

No significant growth is expected within the District’s boundaries. Given that the wastewater collection system is underutilized (i.e. has additional capacity within the design daily flow, of 7.8 mgd) the District does not anticipate any need for expansion within the planning period of this MSR.

Wastewater Infrastructure and Facilities

Treatment Systems

The District does not provide any wastewater treatment. Wastewater treatment is provided by T-TSA.

Collection and Transmission

The TCPUD collects wastewater from within its service area, which extends from D.L. Bliss State Park to the Dollar Point area, north from Tahoe City to the Placer/Nevada County line just south of Truckee town limits. The District’s collection system consists of pipelines ranging in size from 4 to 36 inches in diameter (TCPUD, 2014, pp. 8-2).

Table 14.14: Sewer System Characteristics

Tahoe City PUD System Facilities	
Number of Connections	8,103
Length of Gravity Mains	150 miles
Length of Force Mains	7 miles
Manholes	2,349
Wastewater Pump Stations	21
<i>Source: TCPUD SSMP, 2014 (page 8-2)</i>	

The TCPUD discharges wastewater to the TTSA Truckee River Interceptor (TRI) for conveyance out of the Basin and to a treatment plant in Truckee (TCPUD, 2014, pp. 8-9). The TRI is owned and operated by TTSA and conveys all raw sewage 17 miles to Truckee where it is treated at the TTSA regional water reclamation plant , which also treats wastewater for Squaw Valley, Alpine Meadows, Northstar and areas of Truckee. Sewage flow and infiltration/inflow (I/I) is critical to the design of sewer collection and transport systems. The District has a preventive maintenance and repair plan included within its Sewer System Monitoring Program (SSMP) that addresses I/I flow issues.

Under the TCPUD Capital Improvement Plan (CIP), a number of updates to the sewage system are underway. The primary focus of the CIP in 2013 was the Tahoe City Residential System Rehabilitation, which will commence with planning and design work in 2014. Other project priorities include pump and control upgrades, sewer flow meter and pump station bypass facilities (Placer County, 2014, pp. 4-22).

Wastewater Challenges

The District noted aging infrastructure, power outages, and increased regulation and oversight by other agencies as challenges. Most communities in California utilize new residential and commercial developments as opportunities to upgrade local infrastructure. However, in the north Lake Tahoe area there has been a lack of new development for a variety of reasons and this reduces the amount of private capital invested into the

wastewater system. However, the PUD also notes that providing wastewater service to private development projects can also sometimes be a challenge. The District's CIP is designed to address the challenges described in this paragraph.

Wastewater Service Adequacy

Based on the available data (described herein) the District provides adequate collection of wastewater to its customers.

14.10: Park and Recreation Services

Park Service Overview

In 1947 the District began maintenance of Commons Beach and local street lighting. In 1968 the District added recreation uses to its provision of services (District Resolution No. 295). Recreation facilities operated by the District include parks, trails, beaches, boat landings, golf course, campgrounds, and community centers. Additionally, the Tahoe Rim Trail goes through Tahoe City in its circuitous route around Lake Tahoe. It is estimated that over 1,000,000 recreationalists use the District's facilities annually (TCPUD, 2013, p. 11).



Infrastructure Needs and Deficiencies

The District's Parks and Recreation Department operates and maintains 7 athletic fields, 9 community parks, 3 beach parks, campground, boat ramp, 6 tennis courts, dog park, 22 miles of trails and 5 community buildings receiving over 1 million use visits annually. The Department also oversees the Nordic center, 5 playgrounds, river ingress/egress facilities, 2 portable stages, sidewalks and 118 streetlights, 4 public plazas and Tahoe City Wye islands (TCPUD, 2013, p. 61). Most of these facilities are owned by other agencies and operated by TCPUD under various agreements and contracts.

Type of Facility	Acres
Day Use Beaches	108
Day Use Areas	54.6
Community Sports and Recreation	16
Community Centers	3.9
Golf Courses	35.8
Campgrounds	2.13
Total	220.43

Source: Draft Tahoe Community Area Plan, (Placer County, 2014, pp. 5-2) at <http://www.placer.ca.gov/~media/cdr/Planning/CommPlans/TahoeBasinCPUUpdate/DraftPolicyDoc/Ch5RecPublicSvc.pdf>

The District does not currently have adopted park standards. However, they do follow standards set by California Parks and Recreation Society and National Recreation and Parks Association. The District is currently in the process of updating its 2000-2010 Master Plan where recreation needs and deficiencies will be identified and prioritized.

The District has a number of maintenance agreements with other agencies which partially defray costs. A Placer County Maintenance Service Agreement provides partial funding for Lake Forest Beach Park, Commons Beach Park, Heritage Plaza, Customs House, Squaw Valley Park and Squaw Valley bike trails. The State of California Department of Transportation Maintenance Agreement addresses maintenance of the bike trails, including the following: State Route 89 from Sugar Pine Point State Park to Squaw Valley Road and State Route 28 from 400 north of Jack Pine Avenue to Dollar Drive. The District also has maintenance agreements with California State Parks, U.S. Forest Service, California Tahoe Conservancy and Tahoe Truckee Unified School District to maintain and operate some of their facilities in the District boundaries. The State of California Department of Boating & Waterways grant helps to support the sailing program (TCPUD, 2013, p. 58).

The District also provides both indoor and outdoor recreation programs, activities and community events, which are provided at a discount to residents. TCPUD's Recreation Department served over 75,000 users through 65 programs in 2012, with the Commons Beach concerts being the largest serving over 12,000 participants. Some of the programs include aquatics, adult sports, RAP Afterschool Program, day camp, special events, youth sports, and Rideout Community Center recreation programs (TCPUD, 2013, p. 79).

Park and Recreation Challenges

Some of the challenges the District faces in the area of Parks and Recreation are coordinating maintenance and obtaining funding with multiple agencies including Placer County, California State Parks, U.S. Forest Service and Tahoe Truckee Unified School District. Other challenges include regulatory requirements for projects, lack of adequate funding from the other agencies, and meeting ADA requirements in a mountain community. Additionally, the lack of

new development in the North Tahoe region results in a lack of private capital being invested in park facilities, as compared to other communities in the State. If the current drought conditions continue, the District may face the difficult challenge of balancing water use with the need to irrigate certain facilities like sports fields and the golf course.

Recreation Service Adequacy

The District provides a wide variety of parks and recreation opportunities to its residents and visitors to the Lake Tahoe region. The District continues to actively seek and obtain grant funding to increase and maintain its facilities, such as the recent acquisition of a golf course and improvements to the Lake Forest Boat Ramp. Other local adjoining agencies like Squaw Valley and Alpine Meadows do not provide recreation or parks services and many of their residents rely on the District's services. North Tahoe Public Utility District provides parks services and limited recreational programs.

14.11: Determinations

Population and Growth

1. Currently there are approximately 10,130 residential units housing within the District. This includes 4,192 housing units located in multi-family structures and 5,938 single family homes.
2. The District serves a total of 17,814 people on average and this represents 8,524 permanent residents and approximately 9,290 visitor/vacationers on an average day.
3. Peak overnight visitors are estimated to be 17,307 persons. This does not include day-use only visitors.
4. Approximately 33 percent of the homes within the District boundaries are full-time residences.
5. The District projects that future growth will occur at a rate of 1.0 percent.

Disadvantaged Unincorporated Communities

6. The Lake Forest neighborhood in north Lake Tahoe meets the financial criteria to be classified as a DUC. This neighborhood does receive water service and wastewater collection services from TCPUD. Fire protection services are provided to this neighborhood by the North Tahoe Fire Protection District. No health and safety issues have been identified.
7. A portion of TCPUD's boundaries that cross into El Dorado County have been identified as a DUC by DWR. A portion of this area does receive water services and wastewater collection services from TCPUD. Fire protection services are provided by the Meek's Bay Fire Protection District, which contracts to the North Tahoe Fire Protection District. No health and safety issues have been identified.

Present and Planned Capacity of Public Facilities

8. The Tahoe City Public Utility District was originally formed in 1938.

9. The District currently provides wastewater collection, water, parks and recreation services within its boundaries.
10. The District utilizes its Capital Improvement Plan to plan and budget for needed infrastructure.

Water

11. In general, the District has sufficient water supplies to meet average and maximum day demands.
12. The District noted a number of challenges to its adequate provision of water services to customers, citing aging infrastructure, climate, drought, equipment failure, power outages, and new regulations.
13. The District currently provides sufficient water service to its customers.
14. To better meet the long-term needs of the District, the West Lake Tahoe Regional Water Treatment Plant (WTP) project is currently under design, which consists of a 1.0 mgd, expandable to 1.5 mgd, surface water treatment plant.
15. The District prepares an Urban Water Management Plan and annually updates a 5-year Capital improvement Plan.
16. Water conservation is important to the District and it has recently taken several measures to support customer water conservation including: 1) compliance with State law by installing water meters at all service connections; 2) adopting Ordinance 284 Water Conservation and Drought Response Standards on April 2015.
17. Water delivery appears to be adequate in the foreseeable future.

Wastewater

18. The District's wastewater service provision is limited to collection services. All treatment and disposal is provided by the Truckee-Tahoe Sanitation Agency, of which the District is a member.
19. The District has a SSMP and 5-Year Capital improvement Plan in place to identify and plan for needed maintenance and upgrades of its system.
20. The District provides adequate collection of wastewater to its customers.
21. The District noted equipment failures, aging infrastructure, and power outages as challenges to the provision of services. The District's 5-year Capital improvement Plan is aimed towards addressing these challenges.

Parks and Recreation

22. The District provides a wide variety of parks and recreation opportunities to its residents and visitors to the Lake Tahoe region.
23. The District follows standards set by California Parks and Recreation Society and National Recreation and Parks Association.
24. It appears that the park facilities are adequate at this time.
25. The District continues to actively seek and obtain grant funding to increase and maintain its facilities, such as the recent acquisition of a golf course and improvements to the Lake Forest Boat Ramp.

Financial Ability of Agency to Provide Services

26. On an annual basis, the TCPUD adopts a comprehensive budget. The FY 2015 budget is available to the general public via the District's website. This budget demonstrates adequate finances for the continued ability of the District to provide services and to meet current obligations and those expected in the near future.
27. Daily operations and maintenance of water and wastewater services are funded by the regular service charges and fees. Property taxes also contribute to these services.
28. The District's operating revenues exceed expenditures.
29. Information on the District's rates is posted on its website at: <http://www.tahoecitypud.com/>
30. The District practices cost reduction through careful purchasing, bidding processes, and other mechanisms. In the short-term, no additional cost-avoidance opportunities have been identified at this time.

Status of, and Opportunities for, Shared Facilities

31. Although the District does not directly share its facilities with other agencies, it does have several cooperative agreements with neighboring service providers including:
 - a. water purchase agreement with Squaw Valley Public Service District to serve customers along Hwy 89.
 - b. participation in the "Tahoe Truckee Area Emergency Contingency Plan Agreement for Mutual Aid" which sets forth a policy of mutual cooperation to provide sewer and/or water emergency aid.
 - c. an agreement with the McKinney Water District, Tahoe Park Water Company, and North Tahoe PUD for an emergency interconnection which can provide water to either agency.
 - d. Placer County Maintenance Service Agreement provides partial funding for Lake Forest Beach Park, Commons Beach Park, Heritage Plaza, Customs House, Squaw Valley Park and Squaw Valley bike trails.
 - e. State of California Department of Transportation Maintenance Agreement addresses maintenance of the bike trails, including the following: State Route 89 from Sugar Pine Point State Park to Squaw Valley Road and State Route 28 from 400 north of Jack Pine Avenue to Dollar Drive.
 - f. maintenance agreements with California State Parks, U.S. Forest Service, California Tahoe Conservancy and Tahoe Truckee Unified School District to maintain and operate some of their facilities within the District boundaries.
 - g. State of California Department of Boating & Waterways grant helps to support the sailing program.
32. No additional opportunities for facility sharing have been identified at this time.

Accountability for Community Service Needs, Including Governmental Structure and Operational Efficiencies

33. The District demonstrated accountability through its prompt disclosure of information requested by LAFCo for preparation of this MSR.
34. Board meetings are publicly noticed and comply with the Brown Act, California's open meeting law. They are held monthly.
35. No boundary changes are pending or proposed at this time. It is recommended that Placer LAFCO staff work to resolve the three "Review Areas" shown on Figure 14-2 to address concerns that TCPUD and El Dorado LAFCO have with the Placer County GIS data on the boundary/SOI.
36. All Board members have access to District data, records and information.
37. The District has adequate public outreach, with a public website featuring meeting minutes, and general information.
38. The District has a strategic plan that outlines its mission statement, vision statement, and goals and objectives.
39. The TCPUD encourages two-way communication with its constituents and recently published a "District Report Card" on its website.

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CHAPTER 15

Tahoe Forest Hospital District



(photo courtesy of www.google.com/maps)

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15.1 AGENCY PROFILE

TAHOE FOREST HOSPITAL DISTRICT		
Type of District:	Local Hospital/Health Care	
Enabling Legislation:	The Local Health Care District Law: Health and Safety Code sections 32000-32492	
Functions/Services:	Critical Access Hospital, skilled nursing, Home Health, Hospice, Cancer Center	
Main Office:	10121 Pine Avenue, Truckee, CA	
Mailing Address:	P.O. Box 759, Truckee, CA 96160	
PHONE No.:	530-582-6011	
Fax No.:	530-587-2532	
Web Site:	www.tfhd.com	
Email:	information@tfhd.com	
Administrator:	Harry Weis, CEO	Email: sjackson@tfhd.com
Phone:	530-582-3480	
Other Contact:	Ted Owens	Email: towens@tfhd.com
Phone:	530-582-6551	
Governing Body:	<u>Elected Board of Hospital Directors</u>	<u>Term Expires</u>
	Karen Sessler, M.D., President	December 2016
	Charles Zipkin, M.D., Vice President	December 2018
	Greg Jellinek, M.D., Secretary	December 2018
	Dale Chamblin, Treasurer	December 2018
	John Mohun, Director	December 2016
Meeting Schedule:	Fourth Thursday of each month at 6:00 p.m.	
Meeting Location:	Tahoe Truckee Unified School District Admin Offices, 11603 Donner Pass Road Truckee, CA	
Date of Formation:	May 3, 1949	
Principal County:	Placer County	
Other:	Multi-county district serving Placer County and Nevada County	

15.2 OVERVIEW OF AGENCY

SUMMARY DESCRIPTION OF EXISTING SERVICES

The Tahoe Forest Hospital District provides hospital and related medical services to residents of Placer and Nevada counties as well as those residing in more outlying areas, including Sierra County and Western Nevada. See Figure 15-1 for District boundary and Sphere of Influence. This is the second Municipal Service Review (MSR) for the District.

TYPE AND EXTENT OF SERVICES

Healthcare facilities under the District's jurisdiction include the Tahoe Forest Hospital in Truckee and Incline Village Health Center, located in Nevada. The hospital provides services that include acute and long-term medical care, outpatient/ambulatory care medical clinic, cancer care, hospice, and home health care. There is also a heliport onsite to accommodate helicopter ambulances. The District also operates a health service satellite facility in Tahoe City, which provides radiology, laboratory, and physical therapy services. The Incline Village Hospital is also operated by TFHD, which extends the District's service area outside of their delineated boundary and into the state of Nevada.

LOCATION AND SIZE

TFHD is located in the unincorporated area north and west of Lake Tahoe and encompasses portions of both Placer County and Nevada County. The District's boundaries encompass 390,585 acres (610 square miles); although its service area is much larger. The communities of Truckee, Soda Springs, Tahoe City, and Tahoma lie within the District boundaries.

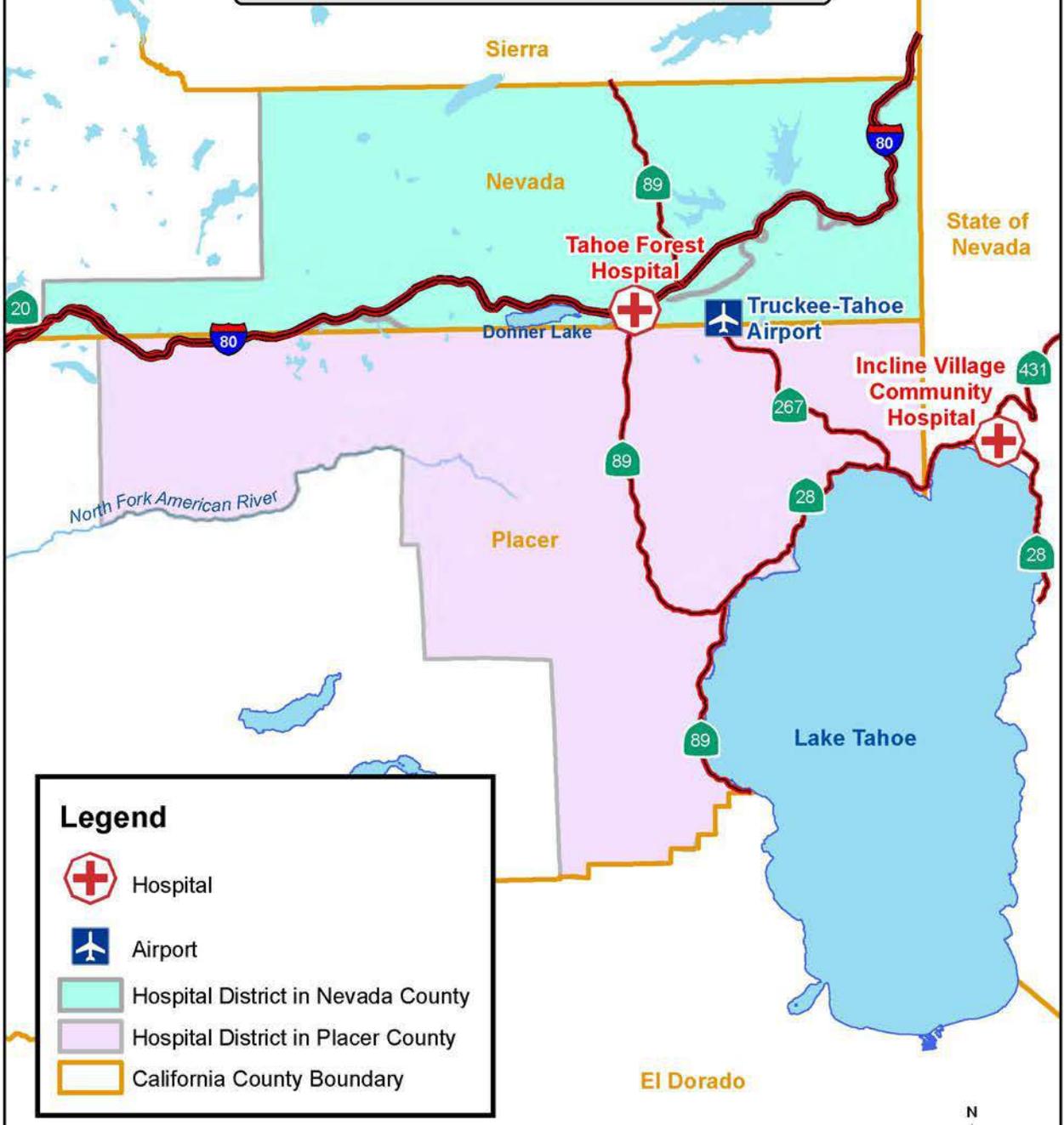
15.3: FORMATION AND BOUNDARY

The District was formed on May 3, 1949 as an independent special district via a vote by local residents. The formation of this District was enabled under the provisions of The Local Health Care District Law as set forth in the Health and Safety Code (Section 32000 *et seq.*) of the State of California. A Resolution of the Board of Supervisors for Nevada County authorizing the District's formation was approved on May 2, 1949 and this Resolution was filed with the California Secretary of State on the following day.

BOUNDARY HISTORY

The District's boundaries were originally established in 1949. Since then, Placer LAFCo approved annexations into the District in 1972, 1976, and 1984. The District's sphere of influence was adopted in 1986. The boundaries include portions of both Placer County and Nevada County as shown in Figure 15-1. Placer County has the majority of assessed value of land, and is therefore, the Principal County, and the District is under Placer LAFCo jurisdiction.

Tahoe Forest Hospital District



Legend

-  Hospital
-  Airport
-  Hospital District in Nevada County
-  Hospital District in Placer County
-  California County Boundary

**Created by Nevada County GIS Division
4/6/2016**

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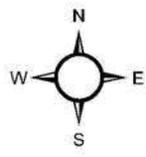


Figure 15-1: TFHD Boundary Map

Alpine

SPHERE OF INFLUENCE

The District's Sphere of Influence (SOI) includes portions of Nevada and Placer Counties, and extends southerly for a short distance into El Dorado County (Refer to Figure 15-2). Although the District's SOI extends briefly into El Dorado County, the TFHD does not own or manage any facilities in El Dorado County. The District feels that its existing sphere of influence is sufficient for its needs. However, the District does own and operate facilities that are located outside the SOI as discussed in the following paragraph.

EXTRA-TERRITORIAL SERVICES

The District's website states that it serves a total of six rural counties in two states and covering 3,500 square miles. The District's formal boundaries include 610 square miles and its SOI adds an additional 306 square miles. This leaves the remaining 2,584 square miles of service area unmapped by LAFCO. TFHD does provide service to residents of the state of Nevada via its facilities located in Incline Village. TFHD also provides service to residents in Sierra County. That portion of the District's service area that is located in the state of Nevada and in Sierra County is located outside the District's formal boundaries and SOI.

Additionally, TFHD serves visitors who may require medical attention while visiting within in the North Lake Tahoe-Truckee region. The proximity to Interstate 80 with its sometimes challenging driving conditions due to periodically poor weather conditions produces transient patients in need of emergency services. This is understandable, given the vacation, recreational and tourism draw and the geographic elevation of the Truckee and North Lake Tahoe region.

AREAS OF INTEREST

TFHD did not identify specific areas outside the District boundaries that require services from the District. It is not clear what services TFHD provides in Sierra County.

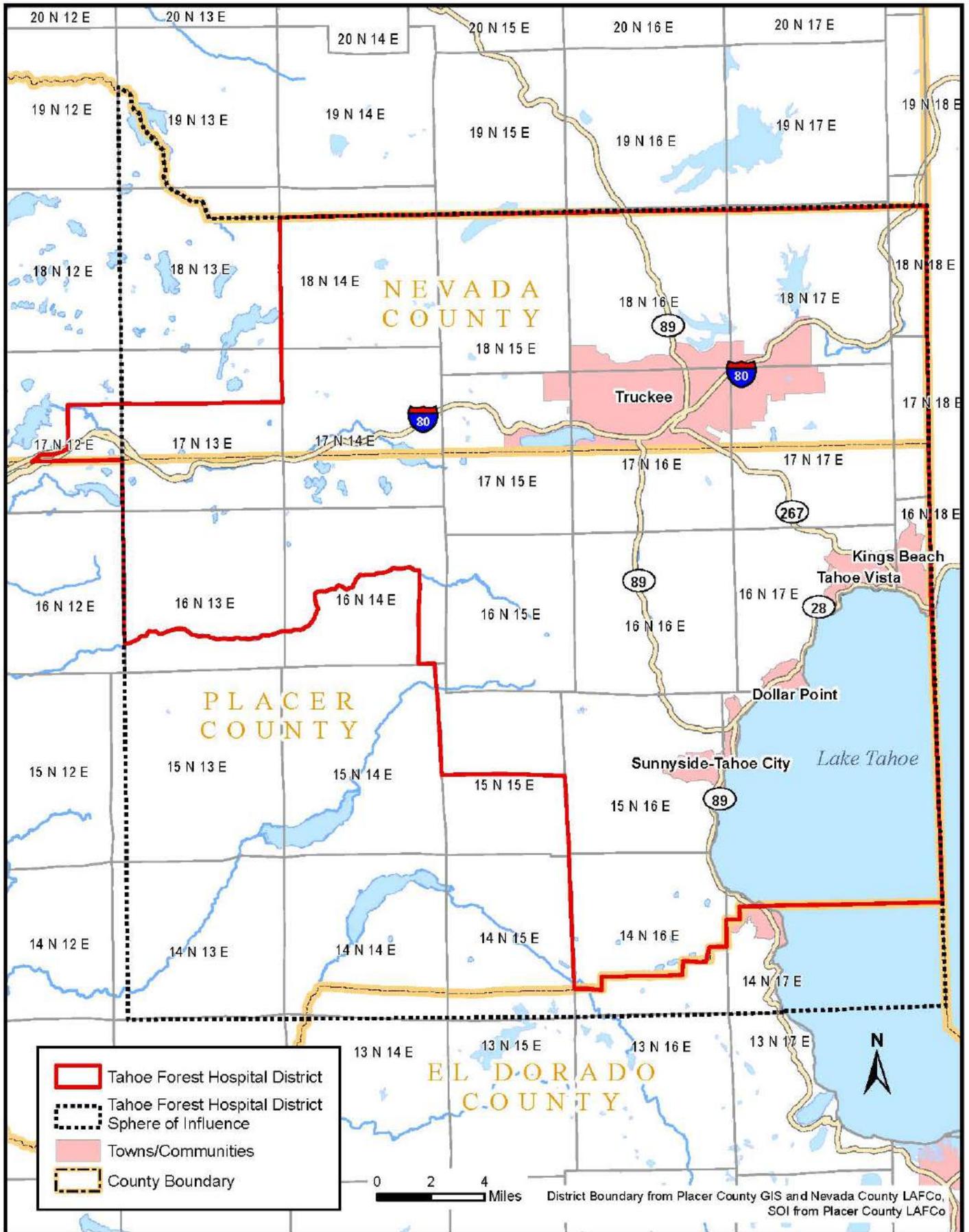


Figure 15-2

TAHOE FOREST HOSPITAL DISTRICT

15.4: ACCOUNTABILITY AND GOVERNANCE

The District is governed by a five member Board of Directors, who are elected by registered voters within the District boundaries. Regularly scheduled meetings are held on the fourth Thursday of each month at 6:00 p.m. Meetings are located at the Tahoe Truckee Unified School District Admin Offices, 11603 Donner Pass Road, Truckee, CA. The current Board members are as follows:

Name	Role	Term
Karen Sessler, M.D.	President	2012 - 2016
Charles Zipkin, M.D.	Vice President	2014 - 2018
Greg Jellinek, M.D.	Secretary	2014 - 2018
Dale Chamblin	Treasurer	2014 - 2018
John Mohun	Director	2012 - 2016

Directors serve a four year staggered term of office. Compensation is \$100 per meeting capped at \$500 per month. Health benefits are offered to directors during the time of their service on the board. Health benefits can be extended to immediate family (TFHD, 2014). In the most recent election (held in November 2014), seven candidates vied for three positions with a voter turnout of 73%. The District is a “registered voter district,” as the board members are elected by registered voters residing within the District’s boundaries.

Meetings of the Board of Directors are open to the public and conducted in compliance with the Ralph M. Brown Act. Legal counsel is present at all public meetings to ensure Brown Act compliance. “Public Input” is called for by the Board President and is so noted on the public meeting agenda, and recorded in the meeting minutes (TFHD, 2014).

Meeting notices/ agendas are posted throughout the Health System (several campus and foundation locations) at least 72 hours before a regularly scheduled meeting. Agendas are also posted on the TFHD website and emailed directly to constituents that have requested such. Minutes are posted on the TFHD website following approval by the Board.

Board meetings have recently been moved to the Tahoe Truckee Unified School District Admin



Offices, 11603 Donner Pass Road, Truckee, CA. This meeting location allows board meetings to be “livestreamed” on the Truckee Tahoe Community Television website, ttctv.org and by link on TFHD’s website, TFHD.com, so that residents and vacation homeowners can view the meeting in real time.

To efficiently manage the District, the Board of Directors has established several sub-committees including the Governance Committee, Retirement Committee, Board Finance Committee, Board Community Benefit Committee, Board Personnel Committee, and the Board Quality Committee. No action is taken at the committee level, but recommendations are made to the Board. The Board invites and welcomes the community to attend the committee meetings. Committee meetings also meet the requirements of the Brown Act. Committee meeting agendas and minutes are posted on the District's website. In addition to regular Board meetings and committee meetings, the Board also has a number of Special Meetings.

CONTACT INFORMATION:

Harry Weis, CEO
10121 Pine Ave,
Truckee, CA 96161
(530) 582 3480

Ethics are important to hospital administration. The Board most recently reviewed ethics laws during its retreat in Tahoe City on March 17, 2015. Additionally, the District's practices with compliance ethics, ethics in patient care, and ethics in business practices are posted on its website at: <http://www.tfhd.com/compliance-ethics.asp>. These practices are consistent with the requirements of California Government Code §53235.

TFHD approved its conflict of interest code in 1978. This code was revised in 1991, 2010, 2014, and 2015. The Political Reform Act (California Government Code Section 81000, et seq.) requires local government agencies to adopt and promulgate conflict-of-interest codes. The Fair Political Practices Commission has adopted a regulation (2 California Code of Regulations Section 18730) that contains the terms of a standard conflict-of-interest code, which can be incorporated by reference in an agency's code. TFHD has designated positions that are required file their statements of economic interests with the District. (See also California Government Code §87203).

15.5: MANAGEMENT EFFICIENCIES AND STAFFING

Authority of the TFHD lies primarily with the elected Board of Directors. TFHD's Chief Executive Officer (CEO) is hired by the Board and reports directly to the Board. The CEO has responsibility of the overall operations system and this includes insuring that TFHD delivers high-quality, cost effective care and coordinating the development of services and facilities. The CEO has several direct reports including the Foundations, CFO, COO, CNO, CIO, and the Human Resources Department.

Bob Schapper served as CEO for twelve years from 2003 to 2015 and he retired from TFHD with agreement of the Board. Virginia Razo was interim CEO from January 28, 2015 to April

2015. Jake Dorst was appointed as the District's interim CEO on May 1, 2015. In November 2015, the Board appointed a new permanent CEO named Harry Weis.

The TFHD Chief Financial Officer is charged with supervision of the patient financial services, material management, as well as a budget analyst. The medical staff including the retail pharmacy, reports to the District's COO. There are more than 25 specialties and sub-specialties represented on the medical staff. The medical staff is 100% board certified.

TFHD has received many awards including:

- Exceptional 5-star rating for Patient Satisfaction from the Centers for Medicare & Medicaid Services,
- One of America's Top 100 Critical Access Hospitals in 2012 by the National Rural Health Association
- Rural Center of Excellence by UC Davis,
- and many others.

There are approximately 750 full-time and part-time employees of the District organized as shown in Figure 15-2.

Complaints

Part of management's responsibility is responding to customer complaints. Complaints may be directed to the TFHD Patient Advocate, Trish Foley at (530) 582 6567 or by email at PFoley@TFHD.com. Complaints that are delivered to the members of the board, administration or other staff are directed to the Patient Advocate. In 2015 TFHD received 104 total complaints, 64 related to Care, 35 related to Service Delivery and 5 related to Billing (TFHD, 2016).

Mission Statement

We exist to make a difference in the health of our communities through excellence and compassion in all we do.

Permits

The Tahoe Forest Hospital District is licensed as a Critical Access Hospital by the CA Department of Public Health (CDPH), which is renewed on an annual basis. The license establishes a capacity of 72 beds including 25 for general acute care and 37 for skilled nursing and ten others. TFHD received permission to operate specialized equipment for its Cancer Center on August 7, 2012 from the CDPH. The Office of Statewide Health and Planning must approve all new construction projects proposed by the District. There are currently no legal or administrative challenges regarding existing permits held by TFHD.

Since the District operates a facility in the state of Nevada, they are required to be licensed by the Nevada Department of Human Resources, Division of Health. The Tahoe Forest Hospital Laboratory has also received accreditation and awards for excellence from COLA, a non-profit accreditation organization.

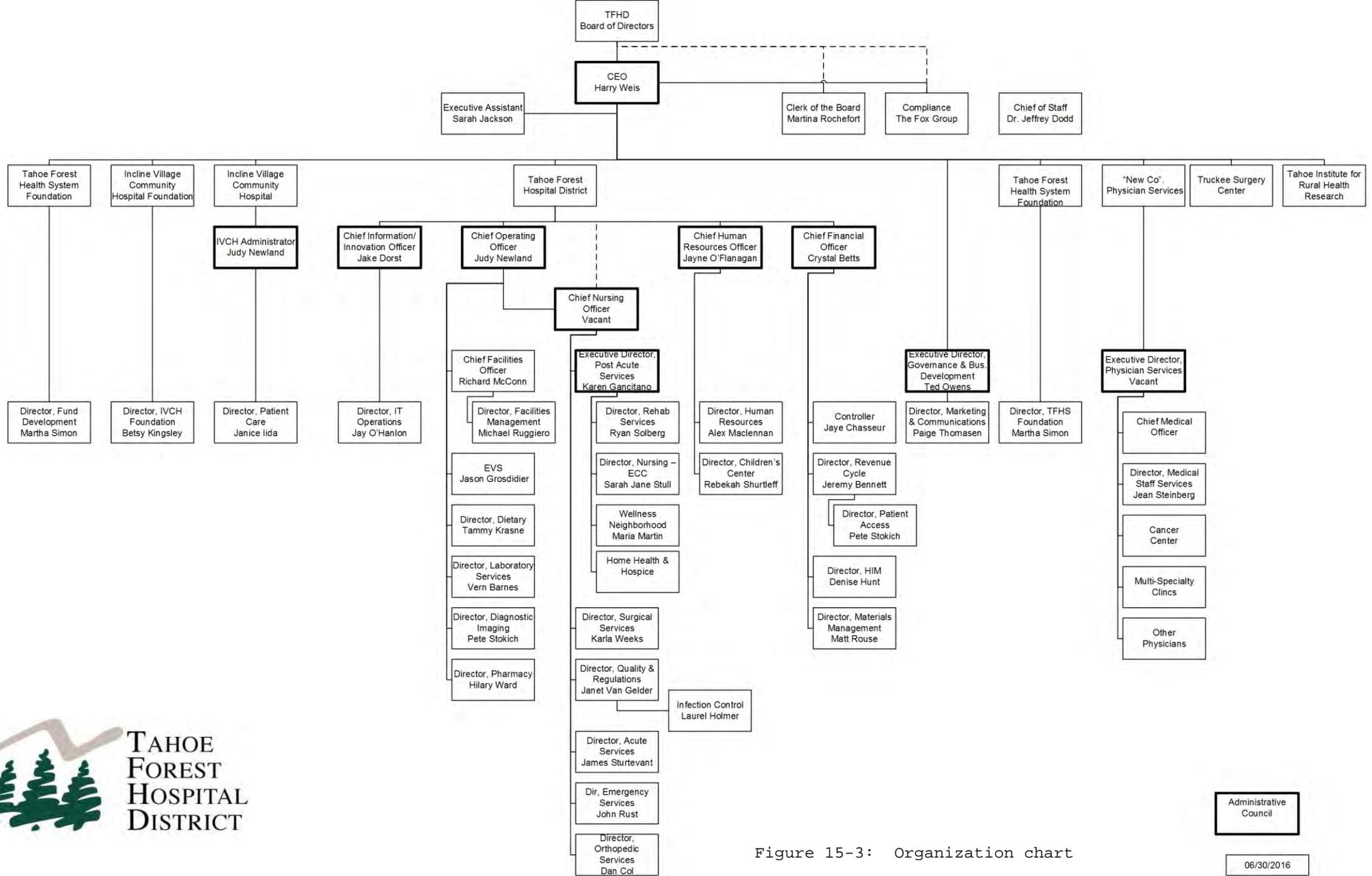


Figure 15-3: Organization chart

Administrative Council

06/30/2016

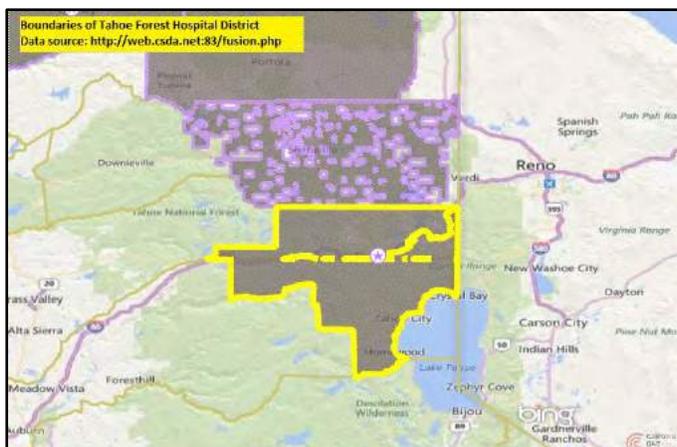
The District's Truckee facilities received accreditation from the California Medical Association/Joint Commission of Accreditation of Healthcare Organizations in June of 2000. The District maintains all required permits and is not currently named in any investigations, government inquiries, or litigation. Industry standards in the medical field are established by various agencies including, but not limited to, Department of Health Services, Joint Commission of Accreditation of Healthcare Organizations, Health Care Financing Administration, Title 22, Medicare, and MediCal. The District is subject to both planned and "no notice" inspections. The results of such inspections typically rated the TFHD as meeting and/or exceeding industry standards.

15.6: POPULATION AND GROWTH

The existing population and projected future growth are analyzed in MSRs because they are directly related to existing and future demand for most public services.

POPULATION

The size of the existing population throughout the Tahoe Forest Hospital District boundary area is substantially affected by seasonal variations, distinct user groups and the abundance of second homes. It is beyond the scope of this MSR to project seasonal populations; although we have provided rough estimates based upon studies that describe and characterized some of the seasonal population dynamics along with the visitor accommodations are referenced herein.



TFHD's boundaries encompass several distinct sub-regions including:

1. Tahoe City
2. North Tahoe
3. Squaw Valley
4. Alpine Springs
5. Northstar
6. Truckee
7. Donner Summit

The population within these subareas, with the exception of Truckee, has been studied in other chapters of this MSR. The population in these six sub-regions, when added together, yields the population residing within TFHD's boundaries, as shown in Table 15.1, below.

Table 15.1: Existing Population in Six Sub-Regions of TFHD's Boundary

<i>Sub-Regions in TFHD's Boundary</i>	<i>Existing Permanent Population</i>	<i>Estimated Current Visitor Population¹</i>	<i>Peak</i>
Tahoe City	8,524 ²	17,307	
North Tahoe	5,486	11,138 ³	
Squaw Valley	950	3,500 ⁴	
Alpine Springs	191	1,546 ⁵	
Northstar Community Services District	136	12,000	
Truckee	17,897 ⁶	21,473 ⁷	
Donner Summit/Serene Lakes	298	2502	
Total in TFHD	33,482	69,466	

Based on the data shown in the above table, it is estimated that TFHD's boundaries encompass an Existing Permanent Population of 33,482 persons. The overnight visitor population during peak season is estimated at 69,466 persons as of the year 2015. The Town of Truckee represents 54% of the permanent population and 31% of the visitor population.

PROJECTED GROWTH AND DEVELOPMENT

Land Use Planning Documents

Projections for future development and hence increased service demands within the Martis Valley, North Lake, and Highway 89 Corridor areas comprising TTAD's boundary area are based on information provided in the 1994 Placer County General Plan and related area plans, 1995 Nevada County General Plan, 2003 Martis Valley Community Plan, 2025 Town of Truckee General Plan, Tahoe Regional Planning Agency documents and other sources. At the time when the Placer County portion of Martis Valley Community Plan was completed in 2003 and the Truckee 2025 General Plan was updated in 2006 (and updated in 2009), the area was in a phase of rapid growth and development, the recent economic downturn was unforeseen and,

¹ This column shows the # overnight visitors. (Day-use only visitors are not included.)

² See Chapter 14 for details.

³ Calculated from total population of 14691 (=5523*2.55 persons per household). Subtracted 5507 = 9184.

⁴ 1315 housing units from absentee owners (i.e. visitors) x 2.55 persons per household. Please note that several thousand move visitors could be accommodated in hotel rooms located within the District.

⁵ Overnight visitor population for ASCWD calculated from 653 units x 2.55 persons per household and 89% absentee owner unit rate.

⁶ Calculated from 16211 persons in Town of Truckee per DOF data on website:

<http://www.townoftruckee.com/departments/planning-division/growth-and-development/truckee-population-and-housing-estimates> plus 1686 persons in Martis Valley per 2010 census.

⁷ Calculated from 6692 vacation homes in Truckee plus 1729 vacation homes (not permanently occupied) in Martis Valley * 2.55 persons per household.

as a result, both plans have overestimated growth. It is important to note, however, that planned capacity for growth still remains. See discussion below under Town of Truckee General Plan.



Future population growth within the North Tahoe and Martis Valley region is dependent upon zoning and general plan policies and land-use designations in the region. Regional population and zoning/general plans are described in detail in Chapter 3 of this MSR. The three local land use jurisdictions that have authority to grant entitlements to new development within TFHD’s boundaries include Nevada County, Placer County, and the Town of Truckee. Additionally, there are several federally managed properties located near the airport including the Martis Creek Lake National Recreation Area (U.S. Army Corps of Engineers) and the Tahoe National Forest (U.S. Forest Service).

The Placer County General Plan which is largely applicable to the North Lake Tahoe Basin and Highway 89 corridor area was adopted in 1994. Each of the major communities in the Lake Tahoe area is also covered by area or community plans, which are being incorporated into the Proposed/Review Draft Tahoe Basin Area Plan, June 2015. The Placer County General Plan serves as an umbrella plan for the five sub-plans listed below it in the table including: 2003 Martis Valley Community Plan; Proposed/Review Draft Tahoe Basin Area Plan; 1983 Squaw Valley General Plan and Land Use Ordinance; Proposed Draft Village at Squaw Valley Specific Plan; and the Alpine Meadows General Plan. For the most part (not including Alpine Meadows and Squaw Valley planning area), the Tahoe Basin is under the oversight planning control of the Tahoe Regional Planning Agency (TRAPA). The following table provides an overview of the various land use planning documents applicable to the TFHD boundary area and relevant to projections of future growth in the area.

Table 15.2: Planning Documents

<i>Planning Document</i>	<i>Jurisdiction</i>	<i>Citation</i>	<i>Year Adopted</i>
2025 Truckee General Plan	Town of Truckee	(Truckee, 2006). ⁸	2006
Nevada County General Plan (1996 with 2014 Land Use Element and Housing Element, 5th Revision)	Nevada County	(Nevada County, 1996) ⁹	1996. Updated 2014)
1994 Placer County General Plan (as updated May 21, 2013)	Placer County	(Placer County, 1994) ¹⁰	1994 (Updated 2013)

⁸ Truckee General Plan: <http://laserfiche.townoftruckee.com/WebLink/PDF/uloj2y45db1nasz14f00di45/19/Town%20of%20Truckee%202025%20General%20Plan.pdf>

⁹ Nevada County General Plan at: <https://www.mynevadacounty.com/nc/cda/planning/Pages/Nevada-County-General-Plan.aspx>

• 2003 Martis Valley Community Plan ¹¹	Placer County	(Placer County, 2003) ¹²	December 16, 2003
• Proposed/Review Draft Tahoe Basin Area Plan	Placer County	(Placer County, 2015) ¹³	Not yet Adopted. Draft on June 2015
• 1983 Squaw Valley General Plan and Land Use Ordinance	Placer County	(Placer County, 1983)	1983
• Proposed Draft Village at Squaw Valley Specific Plan	Placer County	(Squaw Valley Real Estate, LLC, 2014)	Not yet Adopted. Draft on October 2014
• Alpine Meadows General Plan	Placer County	(Placer County, 1968) ¹⁴	1968
2012 Lake Tahoe Regional Plan	TRPA	(TRPA, 2012) ¹⁵	2012

The majority of land contained within the district is managed by the United States Forest Service. The primary developed land use is residential and commercial/retail in small communities such as Truckee, Tahoe City and Kings Beach. Other existing land uses are resort/recreation such as ski resorts and golf course communities.

New approved developments¹⁶ that will affect population growth within TFHD’s boundaries include:

- Martis Camp (formerly known as Siller Ranch) was approved by Placer County to allow a with 650 lot subdivision, an 18-hole golf course and a 50,000-square-foot lodge.
- Coldstream Specific Plan was approved by Town of Truckee August 25, 2014 for a 178.6± acre parcel to allow development of residential, mixed use commercial, and open space. The project was formerly known as PC-1 and owned by the Tiechert Corporation. It is located east of Donner State Park.
- Joerger Ranch Specific Plan (PC-3) was approved by Truckee Town Council on March 24, 2015 allowing a mixed use planned community located at the intersection of

¹⁰ General Plan on County website at:

<http://www.placer.ca.gov/~media/cdr/Planning/CommPlans/PCGP/PCGP2013.pdf>

¹¹ The urban core of Martis Valley is the Town of Truckee. Outlying areas will continue to support and be supported by the services found within the Town. The Nevada County portion of the 1975 plan area has not been updated, although the 2025 Town of Truckee General Plan covers their portion of the Martis Valley.

¹² Martis Valley Comm Plan at: <http://www.placer.ca.gov/~media/cdr/Planning/CommPlans/MartisValley/MartisValleyCommPlanDec2003.pdf>

¹³ <http://www.placer.ca.gov/departments/communitydevelopment/planning/tahoebasinareaplan>

¹⁴ Alpine Meadows GP at: <http://www.placer.ca.gov/~media/cdr/Planning/CommPlans/NTahoeCPs/AlpineMeadowsGeneralPlan.pdf>

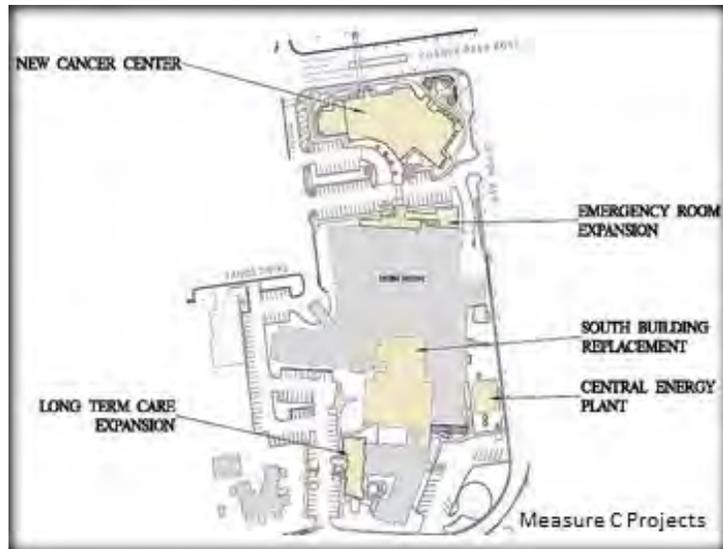
¹⁵ LT Regional Plan, 2012 at: <http://www.trpa.org/regional-plan/>

¹⁶ Recent property development approved by and considered by the Town of Truckee is listed on its website at: <http://www.townoftruckee.com/departments/planning-division/growth-and-development/major-development-projects>

Highway 267, Brockway Road and Soaring Way. The Specific Plan provides zoning for a variety of land uses including commercial/retail, office, industrial, residential and open space.

Proposed developments that are not yet approved include:

- Canyon Springs is a proposed subdivision creating 177 single-family parcels, eight parcels for affordable housing and approximately 171 acres of open space. Access is proposed off of Martis Peak Road with a gated emergency access off of Edinburgh Drive. This project has not yet been approved by Truckee Town Council.
- Pollard Station - A senior neighborhood located on the 8.05-acre Davies/Fitch property. The project proposes 118 separate residential units, and 40, two-bedroom condominium units for independent senior living.
- Truckee Springs Summary Plan is under consideration and if approved by Truckee would allow either 80 multi-family residential units or 120 hotel/lodging units plus public facilities and a few single-family residential units within the Downtown Master Plan area.



Projected Population Numbers

Hospital service demands are projected by estimating the total population of an area and the age of the population. Age is an important factor in hospital demand, because older patients are more likely to utilize hospital services. The 2004 MSR projected that the population within the Tahoe Forest Hospital District would grow at a rate of approximately 3.2 percent annually. This growth rate was not realized because of slower population and economic growth in the region. For planning purposes TFHD relies upon the University of Nevada Technical Report entitled "The Impact of Tahoe Forest Hospital on the Local Economy 2012" states that "The District's 2013 population of 38,600 represented a 3.9% increase in population over the past five years. This is lower than the 4.9% population increase for the state of California. District population is projected to increase by 2.3% by 2017". Using the projected growth rate of 2.3 percent annually, future population residing within the District's boundaries is estimated as shown in Table 15.3, below.

Year	2017	2022	2027	2032
Estimated Permanent Population	39,488	40,396	41,325	42,276
<i>Data Source: TFHD, 2014</i>				

For this MSR, a new analysis was conducted using equivalent dwelling units (EDUs) as a metric to relate to population growth. The projected EDU's shown in in Table 15.4, below, for the years 2017 to 2032 are based upon anticipated future population growth from the total growth in the 6 sub-regions. The economic downturn from 2009 to present may have resulted in pent up demand for development. For example, projected planned growth associated with the 2025 Town of Truckee General Plan has not occurred on pace with expectations. The same can be said for Northstar-at-Tahoe. Northstar-at-Tahoe will experience growth that should approach buildout by 2034 (See Northstar CSD MSR). Other resort communities (Tahoe City, Kings Beach, etc.) in the Lake Tahoe Basin are not expected to achieve a high level of growth. The projections in Table 15.4 reflect a more modest and conservative increasing growth curve through 2032.

TABLE 15.4: EDU PROJECTIONS WITHIN TFHD BOUNDARY AREA

	2003	2008	2012	Projections			
				2017	2022	2027	2032
EDUs	35,374	39,150	40,572	42,557	44,857	48,195	51,792
Percent change	--	11%	4%	5%	5%	7%	7%
Percent change per year	--	2%	0.90%	1%	1%	1.50%	1.50%
Total (i.e. permanent plus visitor) Population Calculated from EDU's ¹⁷				108,520	114,385	122,897	132,069
<i>Data Source: 1) Table 16.3, T-TSA EDU Projections, 2) EDU data from Chapter 7, Donner Summit Public Utility District, and 3) EDU data from Chapter 11, Sierra Lakes County Water District.</i>							

In the year 2032, the area is expected to have a total population of 132,069. Assuming that 65% of the dwelling units are owned by absentee owners, the permanent population¹⁸ calculates to 46,224 and the visitor (i.e. vacation/absentee home) population calculates to 85,845. The hospital's estimate of future growth presented in Table 15.3 is slightly lower than this MSR's estimate presented in Table 15.4 above.

¹⁷ 2.55 persons per household is the metric used to convert EDUs into population, based on data from 2010 census and more recent data from CA Dept. of Finance.

¹⁸ This estimate assumes that 89% of dwelling units are utilized by visitor or secondary vacation homes.

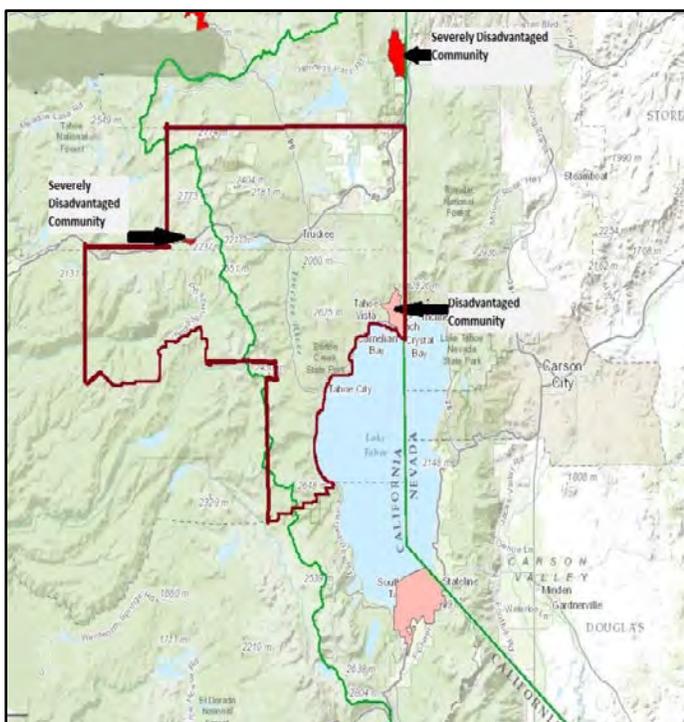
DISADVANTAGED UNINCORPORATED COMMUNITIES

As described in Chapter 3, LAFCo is required to consider the provision of public services to disadvantaged unincorporated communities (DUCs). Senate Bill (SB) 244 requires LAFCo to identify and consider disadvantaged unincorporated communities (DUCs) when preparing MSRs and Sphere updates for cities and special districts that provide sewer, water, or structural fire protection services. Although TFHD does not provide critical services such as sewer, water, or structural fire protection, information regarding DUCs within TFHD's boundaries is provided herein to portray socio-economic information.

A DUC is defined by the Water Code as one in which the median annual household income (MHI) is 80 percent of the statewide average. In 2010, the statewide MHI was \$60,883; 80 percent of that is \$48,706. Severely disadvantaged communities are defined as areas with a median income of less than 60% of the State's median household income.

Relevant data were reviewed for the TFHD boundary area. Two DUCs have been identified within the TFHD boundary, its SOI, and/or adjacent areas. The California Department of Water Resources (DWR) has developed a methodology to determine the location of DUCs using the census-designated places¹⁹ (CDPs). DUC status is determined based on the DUC definition provided in DWR's Proposition 84 and 1E Integrated Regional Water Management Guidelines, dated August, 2010. DWR has developed a mapping tool to help determine which communities in an Integrated Regional Water Management (IRWM) region meet the DUC median household income (MHI) definition for grants²⁰. The maps and geographic information system files are derived from the US Census Bureau's American Community Survey and are compiled for the five-year period 2006-2010. DWR has included, in the maps, a calculated field which indicates the DUC status for different census geographies (Place, Tract, and Block Group). Within TFHD's boundaries two areas, Soda Springs and Kings Beach are recognized by the

FIGURE 15.3: DUC'S IDENTIFIED BY DWR



¹⁹ The U.S. Census Bureau identifies "census designated place" as the statistical counterpart of a city in that it is a named place with a concentration of residents, housing, and commercial activity, but is located in a county's unincorporated territory.

²⁰ Department of Water Resources IRWM Grant Program, Disadvantaged Communities (DAC) Mapping Tool. www.water.ca.gov/irwm/grants/resourceslinks.cfm.

Department of Water Resources as DUCs as shown in Figure 15-3. The median household income as of July 1, 2015 for the Kings Beach Census Designated Place was \$40,621 and for the Soda Springs²¹ CDP was \$44,621.

Additionally, data from the California Department of Finance²² has mapped areas of low unemployment / low poverty in order to exclude these designated areas

from the New Employment Credit program.

The areas shown in Figure 15.4 have

incomes which are higher than average. Another indicator of income is determining whether a census tract is eligible for special home financing by California Home Financing Agency. There are no neighborhoods in the North Tahoe/Martis Valley region that are eligible²³ for this type of home financing because median incomes are too high to qualify.



FIGURE 15.4: HIGH INCOME AREAS BY DOF

15.7: DISTRICT SERVICES

SERVICE OVERVIEW

TFHD is a full-service health system and it offers inpatient, outpatient, and community services. The major change since LAFCo's 2004 MSR is the construction of the Gene Upshaw Cancer Center located in a stand-alone building on the hospital campus. This cancer center is associated with UC Davis. TFHD's inpatient, outpatient, and community services are listed below:

Inpatient Services:

- Medical
- Surgical
- Obstetric
- Orthopedic
- Swing Bed Program
- Extended Care
- Intensive Care

Outpatient Services:

- Ambulatory Surgery
- Diagnostic Imaging
- Laboratory
- Emergency Services

²¹ Data Source: <http://california.hometownlocator.com/ca/nevada/soda-springs.cfm>

²² Data source: <http://maps.gis.ca.gov/gobiz/dga/default.aspx>

²³ Data source: <http://qct.huduser.org/tables/1statetable.odt?statefp=6.0&DDAYEAR=2013>

- MultiSpecialty Clinics
- Oncology
- Hospice
- Home Health
- Health Clinic/Occupational Health
- Physical Therapy
- Integrative Health Services
- Retail Pharmacy

Community Services:

- Health Education
- Health Screenings
- Wellness
- Disease Prevention Programs

In addition, the system provides a number of medical specialties including:

- Asthma/Allergy
- Cardiology
- Chronic Pain Management
- Dermatology
- Ear, Nose, Throat
- Emergency Medicine
- Family Practice
- Gastric Surgery
- Gastroenterology
- General and Vascular Surgery
- Internal Medicine
- OB/GYN
- Oncology
- Ophthalmology
- Oral Surgery
- Orthopedics
- Pediatrics
- Plastic Surgery
- Podiatry
- Pulmonology
- Radiology
- Sleep Disorders
- Urology

DEMAND FOR DISTRICT SERVICES

Inpatient services typically include the care of patients whose condition requires formal admission to a hospital. Usually patients are only admitted to a hospital when they are extremely ill or have severe physical trauma. The District’s Audited Financial Statement for FY2013/2014 provided the data presented in Table 15.5, below, regarding inpatient services.

Table 15.5: INPATIENT BUSINESS ACTIVITY		
Acute	2014	2013
Admissions	1,617	1,661
Length of stay	2.89	2.95
Average daily census	12.8	13.4
Occupancy percentage	44.2 %	46.4%
Patient days	4,679	4,907
Total ICU days	914	983
Total medical/surgical days	2,845	3,040
Total obstetrics days	920	872
Total M/S swing days	283	252
Nursery days	877	797
Deliveries	366	365
Skilled Nursing Unit		
Patient days	12,133	11,723
Average daily census	33	32
Occupancy percentage	89.8%	86.8%
<i>Data Source: Matson & Isom, 2014</i>		

The above data indicates that admissions, patient days, and occupancy decreased in Acute Care for 2014, as compared to the previous year. However, patient days and occupancy increased in the Skilled Nursing Unit for 2014, as compared to the previous year.

Outpatient services are typically medical procedures or tests that can be done in a medical center without an overnight stay. Many procedures and tests can be done in a few hours. For example, a blood test at a lab is an outpatient service. The District’s Audited Financial Statement for FY2013/2014 provided the data presented in Table 15.6, below, regarding outpatient services.

Table 15.6 OUTPATIENT BUSINESS ACTIVITY		
	2014	2013
Emergency department visits	16,264	16,324
Laboratory tests	143,751	146,388
Home health visits	3,778	3,980
Radiology exams	10,600	10,542
Ultrasound exams	3,848	3,658
Cat scan exams (including PET CT)	3,951	3,889
MRI scan exams	1,851	1,705
Radiation oncology procedures	4,174	3,599
Surgery cases	1,093	1,132
Surgery minutes	99,961	86,167
<i>Data Source: Matson & Isom, 2014</i>		

The above data indicates that emergency room visits, lab visits and home health visits all declined slightly in 2014 as compared to the previous year. However, radiology exams, ultrasound exams, and cat scans all increased slightly in 2014 as compared to the previous year.

15.8: INFRASTRUCTURE AND FACILITIES

The District owns and operates the Tahoe Forest Hospital located at 10121 Pine Avenue, near Donner Pass Road, Truckee, CA (in Nevada County). The hospital was initially constructed in 1950 and since then has undergone a series of expansions, in 1966, 1980, 1986, 1978, 1991, 1995, and 2002. This hospital offers a 24-hour emergency room, diagnostic imaging, health clinic, hospice, ICU, inpatient and outpatient surgery, laboratory, long term care, obstetrics, occupational health, and a sleep disorders clinic.

Incline Village Community Hospital is located at 880 Alder Avenue, near Tahoe Blvd., in Incline Village, NV, 89451. This hospital is located outside of the District boundaries approved by LAFCO. It serves the population of the North Lake Tahoe area including Kings Beach, Crystal Bay and Incline Village. Incline Village Community Hospital offers 24-hour emergency care, in- and outpatient surgery, complete diagnostic capabilities with state-of-the-art CT scanner, full-service laboratory, sleep disorder center, physical therapy and multispecialty clinics.

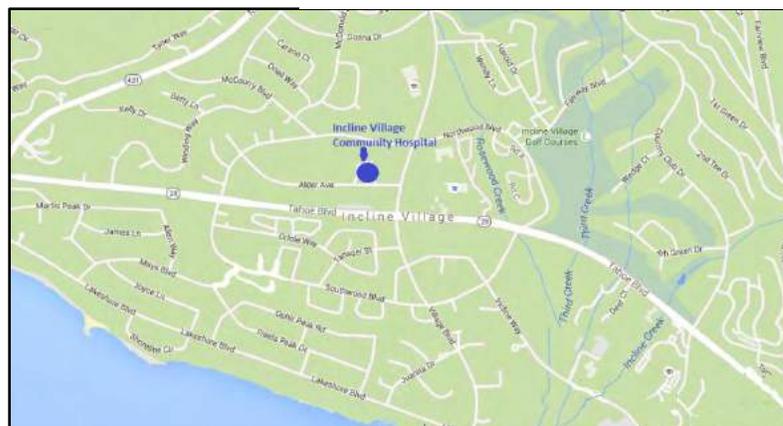
In addition to the two hospitals, the District offers a cancer center, the Tahoe Institute for Rural Health Research, and the Tahoe Center for Health and Sports Performance. The District also owns 51% of Truckee Surgery Center, LLC.

CAPITAL IMPROVEMENTS

With the passage of Measure “C” in 2007, TFHD issued \$98.5 million in bonds to improve healthcare facilities. A Facilities Development Plan (TFHD, 2015) was created to guide prioritization and construction of these facilities. Consistent with the California Environmental Quality Act (CEQA), the District adopted a mitigated negative declaration for the Facilities Development Plan in July 2010. Construction was completed on several capital improvement projects during the years 2010 to 2016 including:

- Pharmacy relocation and remodel
- Dietary relocation and remodel (phase one)
- Cancer Center building
- Central Energy Plant Upgrades/Relocation
- Skilled Nursing Facility addition and remodel
- Interim birthing at Western Addition
- Office relocations
- IT Data Center
- Fluoroscopy and diagnostic Imaging Equipment Replacement
- Medical records at the '66 building (conceptual design in progress)
- Emergency Department and Sterile Processing Department - Increment II (construction in progress)
- South Building, Birthing/Dietary Phase II
- South Building, Birthing Fourth LDR
- South Building, Phase 5 Interim Birthing

FIGURE 15.5: INCLINE VILLAGE HOSPITAL



OPPORTUNITIES TO SHARE FACILITIES AND TO COLLABORATE

Tahoe Forest Hospital District (TFHD) is the only hospital district in the Eastern Placer County and Eastern Nevada County areas. Although there are no opportunities for shared facilities with other hospital districts, TFHD does collaborate with the local school district which allows TFHD to utilize its administrative offices for public meetings.

Memorandums of understanding (MOU's) are a mechanism to formalize agreements for collaboration among various parties. TFHD and Washoe County have a MOU for a Mutual Aid

and Evacuation Plan. TFHD and the Truckee Donner Recreation & Parks District have a MOU to support the local hospital in the event of an emergency (TFHD, 2014).

15.9: FINANCING

This MSR analysis only reviews the financial information for the Tahoe Forest Health System. The District also has the benefit of two private foundations: the Tahoe Forest Hospital Foundation and the Incline Village Hospital Foundation. Financial information for these two private foundations is not included in this MSR analysis. Information on the Incline Village Community Hospital (IVCH) is not provided in this MSR since it is located in the State of Nevada. IVCH it has its own budget (separate from the Tahoe Forest Hospital District budget) and this budget is audited separately, using a methodology that is consistent with the regulations of the State of Nevada. The budget, including projected revenues, for IVCH is partially based on insurance program reimbursement rates that are unique to Nevada such as its State-based Marketplace, known as Nevada Health Link and Nevada Medicaid.

The District utilizes a rigorous budget preparation methodology and fixed asset accounting. Budgets are adopted in public meetings on an annual basis. The fiscal year begins on July 1 and ends on June 30. Both budgets and audits are available to the public via the District's website. This MSR reviewed the independent auditor's report for Fiscal Year (FY) 2013/2014 and dated October 24, 2014, as attached to the District's Financial Statements. The audit found that there were no issues of noncompliance with financial regulations that could have an effect on the financial statement (Matson & Isom, 2014). The most recent financial statement is for FY 2014-2015 and is dated February 8, 2016.

The District complies with guidelines from Local Health Care District Law and the Office of Statewide Health Planning and Development of the State of California in regards to the maintenance of financial records (Matson & Isom, 2014). TFHD utilizes enterprise fund accounting, meaning that the charges for services are intended to pay for the costs of providing such services. Revenues and expenses are recognized on the accrual basis consistent with Governmental Accounting Standards Board (GASB) Statement No. 62 (Matson & Isom, 2014).

A financial summary for the fiscal year ending June 30, 2014 is:

- Total assets were \$254,624,083.
- Total cash and cash equivalents were \$79,664,461.
- Net patient account receivables were \$ 21,124,945.
- Days net patient service revenue in net patient accounts receivable was 72 days.
- Net Capital assets were \$ 144,885,000.
- Assets Limited as to Use were \$ 1,878,250.
- Total liabilities were \$ 159,691,235.
- The net position was \$97,263,475.00

REVENUES

The TFHD's sources of revenue consist of payment of patient fees, district taxes, income from interest on investments, as well as philanthropy. The portion of revenue from patient fees primarily comes from third-party payors, including Medicare, Medi-Cal, and commercial insurance organizations. Revenues can be divided into two basic types:

- Operating revenues are received from fees associated with the direct provision of health care services.
- Non-operating revenues include property tax revenues, grants, and other contributions.

Although amounts vary from year to year, Operating Revenues consist of Daily Hospital Services (approximately 13%), Ambulatory Services (16%), and Ancillary Services (71%). From those revenues are subtracted bad debts, charity care, Medicare and Medi-Cal contracted adjustments, and other contracted adjustments and deductions. This results in the 'Net Patient Revenues' detailed in Table 15.7. Other operating revenue are derived from additional costs for services. Non-Operating Revenue is derived from property taxes, interest income, rental income, and donations, minus interest expense as detailed in Table 15-7. The following table is a summary of District revenues as reported in the Audited Financial Statements for FY 11/12, FY 12/13 and FY 13/14.

Table 15.7: Revenues TFHD

Years Ended June 30	2012	2013	2014
OPERATING REVENUES			
Net Patient Revenue	\$99,795,015	\$101,566,879	\$107,664,272
Other revenue	6,711,124	6,142,592	6,710,952
Total Operating Revenues	106,506,139	\$107,709,471	\$114,375,224
Years Ended June 30	2012	2013	2014
NON-OPERATING REVENUES (EXPENSES)			
Property tax revenue	\$4,824,796	\$5,716,834	\$4,902,246
Property tax revenue - general obligation bonds	3,222,798	4,986,760	4,744,356
Gain (Loss) recognized on joint venture	59,376	(30,517)	(191,666)
Interest income	300,070	330,077	280,574
Rental income - net	17,559	242,348	237,992
Donations	677,690	549,507	659,104
Gain (Loss) on disposal of assets	24,125	(11,867)	1,000
Interest expense	(4,483,822)	(4,448,220)	(5,390,206)
Total Non-operating Revenues (Expenses)	\$4,642,592	\$7,334,922	\$5,243,400

Data Source: Matson & Isom, 2012, 2013 and 2014

As shown in Table 15.7 above, total revenues increased by four percent from 2013 to 2014. In FY 13/14, non-operating revenues were 22 percent of total revenues. Property tax revenue accounts for approximately 12 percent of total revenue; however, about half of this amount (i.e. 6 percent) is derived from general obligation bonds and used for capital improvements. It is the Board's practice to limit the use of tax revenues to pay for capital needs, bond debt, community health, and as a contribution to reserves.

INVESTMENTS

TFHD has an adopted investment policy which serves to establish the District's cash investment objectives, authority and responsibility, approval, instrument limitations, concentrations, terms, reporting, judgment and care, and the liability of the District Treasurer, CEO, and CFO/Controller. The stated investment objective is, "to maximize the return on invested cash while minimizing risk of capital loss and adhering to the investment policy..."

The District's investment concentrations include unlimited investments in the California Local Agency Investment Fund, as well as U.S. Government guaranteed investments. The District is generally authorized, under state statute and local resolutions, to invest in demand deposits with financial institutions, savings accounts, certificates of deposit, U.S. Treasury securities, federal agency securities, State of California notes or bonds, notes or bonds of agencies within the State of California, obligations guaranteed by the Small Business Administration, bankers' acceptances, commercial paper, and the LAIF.

TFHD has \$36,733,000 invested in capital facilities such as the hospitals, and net capital were \$144,900,000 as of FY13/14. Additionally, TFHD had \$79,664,461 in total cash, deposits, and other investments as of FY13/14.

EXPENDITURES

The following is a summary of District Operating Expenses as reported in the Audited Financial Statements for FY 11/12, FY 12/13 and FY 13/14.

Years Ended June 30	2012	2013	2014
OPERATING EXPENSES			
Salaries and wages	\$37,130,794	\$38,778,617	\$40,492,967
Employee benefits	20,399,939	19,943,943	20,764,643
Professional fees	14,040,941	17,850,419	18,673,595
Supplies	12,893,813	15,206,878	14,939,799
Purchased services	7,404,230	7,680,764	10,104,398
Depreciation and amortization	4,991,727	7,239,280	8,642,417
Insurance	550,407	636,454	711,516
Other	5,766,233	6,133,885	5,938,373

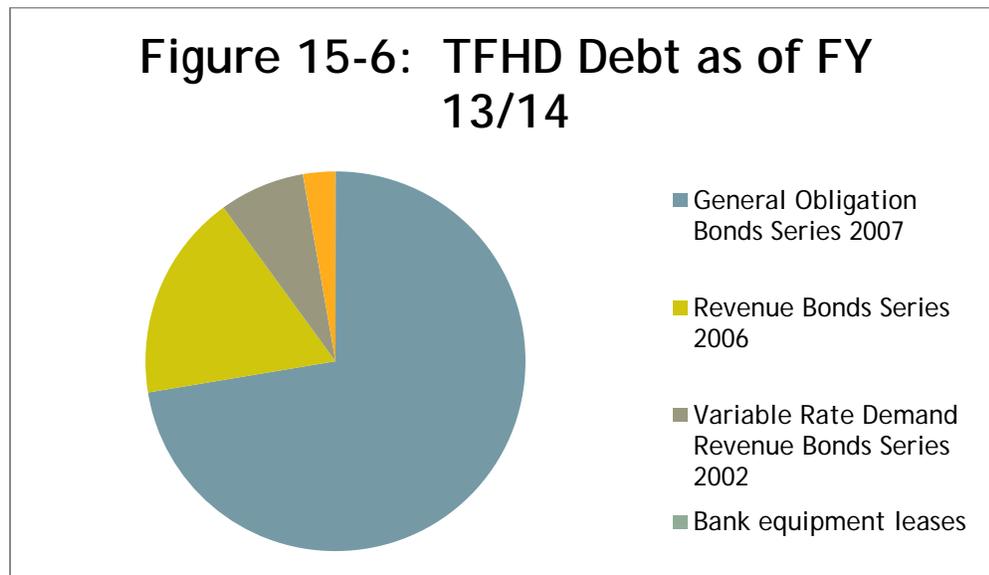
Total Operating Expenses	\$103,178,083	\$113,470,240	\$120,267,708
NET OPERATING INCOME (OR LOSS)	\$3,328,056	(\$5,760,769)	-5,892,484

Data Source: Matson & Isom, 2012, 2013 and 2014

In both FY 13/14 and FY 12/13, operating expenses exceeded operating revenue; however, total revenues (including non-operating revenue) did NOT exceed TFHD expenses and the District’s net position at the end of the fiscal year 13/14 13/14 was \$97.3 million, indicating a very stable financial situation.

DEBT

TFHD does have \$136,086,838 in debt as of June 30, 2014, with a current annual payment totaling \$2,295,193. Most of the debt is related to the capital improvements approved by voters as part of Measure C in 2007 as shown in Figure 15-6. TFHD maintains a bond rating of BBB- (Lower medium grade) as published by credit rating agencies.



Measure “C” was passed by 72 percent of District voters in both Nevada and Placer counties in 2007. Measure “C” authorized the Tahoe Forest Hospital District to issue \$98.5 million in bonds to improve healthcare facilities including:

- expansion and enhancement of the Emergency Room;
- maintenance of critical medical services including pediatrics, maternity, long term care for seniors and cancer care; and
- upgrade facilities that are outdated or do not meet state-mandated earthquake safety standards.

A Citizens Oversight Committee reviews annual independent audit reports and reviews the expenditure of Measure C funds. The Committee monitors expenditures of Measure C funds by

reviewing the monthly balance sheets, profit and loss statements, and monthly invoices related to Measure C projects. The Committee's findings are communicated to the TFHD Board, and to the community via a separate website at: <http://hospitalcoc.org/>. In January 2014, as part of its annual report, the Committee issued the following finding: *"The COC believes that the district is in compliance with the letter and intent of Measure C based on the detailed oversight exerted during the past year."*

RATE RESTRUCTURING

The hospital(s) is an enterprise activity in which fees are charged for service. The District charges all patients equally based on an established pricing structure for services rendered. The Master Schedule of Charges is evaluated on an ongoing basis to ensure that only allowable are billed in order to comply with insurance practices including Medicare and Medi-Cal regulations. It should be noted that the Gene Upshaw Cancer Center does accept cancer patients regardless of their ability to pay.

COST AVOIDANCE

TFHD uses several financial mechanisms to avoid unnecessary costs. The District participates in a joint-powers authority structured organization to obtain professional liability insurance. The organization, which is known as the BETA group, is governed by a board of directors drawn from the participating agencies. Because of the joint structure, the BETA group is not required to pay federal or state income taxes or state premium tax, which results in additional savings of the cost of the insurance.

The District is self-insured to provide employee health insurance including group medical, dental, and vision coverage. A third party administers these coverages for the District. The District is self-insured for workers' compensation insurance. A third party administers this coverage for the District.

All billing and payroll activities are performed within the District's administration, as opposed to employing outside consultants. The District does not anticipate that growth throughout the area will result in exceedance of service capacity or decrease in the level of service. Contracts for TFHD projects are solicited through the selective bid process, ensuring the most efficient cost per project. Contractors are paid comparable rates for the same quality of service.

There are no opportunities for the District to participate in joint financing and/or funding practices, as TFHD is the only hospital district in the area. The District has not defaulted on bonds or any of the other financing mechanism.

15.10: CHALLENGES

Retaining a permanent CEO has recently been a challenge for the District. However with the appointment of a new permanent CEO in the Fall of 2015, it is hoped that a productive relationship between the Board and the CEO can be established. It should be noted that other upper management positions appear to be stable with minimal turnover.

Hospital staff that directly deliver patient care often work long hours; however overtime pay seems to be minimal in comparison to other hospitals. Future workforce planning that considers whether staff should be added, reduced, or shifted around and future discussions regarding overtime pay should be conducted in an open and transparent manner.

The Affordable Care Act of 2012 may provide benefits to hospitals over the long-run through an expansion of the number of patients with health insurance, increased patient revenues, and a presumable reduction in emergency visits. However, all hospitals may feel challenged to meet the new requirements of the ACA including significant changes in the financing model for the California Medi-Cal program; increases in the demand for care; and, and lower uncompensated care costs for the uninsured. Most significantly, The Affordable Care Act shifts the hospital reimbursement model from one based on the volume of care given to one based on the quality of care. TFHD is in a unique situation because although it is a rural hospital, it cares for a population composed of both residents and tourists.

15.11: SERVICE ADEQUACY

Determining the adequacy of service to patients in hospitals relates to quality measures and it is difficult to find recent publicly reported listings, rankings, report cards and recognition for California hospitals.

The Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS) has created a standardized survey instrument and data collection methodology for measuring patients' perspectives on hospital care. While many hospitals have collected information on patient satisfaction, prior to HCAHPS there was no national standard for collecting or publicly reporting patients' perspectives of care information that would enable valid comparisons to be made across all hospitals. HCAHPS survey items complement the data hospitals currently collect to support improvements in internal customer services and quality related activities. The HCAHPS survey asks patients to rate hospitals in 12 categories, as listed in Table 15.9, below. The results of the HCAPS survey for the Tahoe Forest Hospital are shown via a visualization tool at the Hospital Quality Institute website at: <http://www.hqinstitute.org/post/hcahps-star-ratings-data-visualization-tool-california>. The HCAHPS survey rated Tahoe Forest Hospital as a 5 star facility (the highest rating out of a max of 5 stars).

HCAHPS Performance Measure	Patient Survey Star Rating for Tahoe Forest Hospital as of April 2015
Care transition	5
Cleanliness	4
Communication about medicines	4
Discharge information	4
Doctor communication	4
Nurse communication	5
Overall hospital rating	5
Pain management	5
Quietness	3
Recommended hospital	5
Staff responsiveness	5
Summary star rating	5
<i>Data source: http://www.hqinstitute.org/post/hcahps-star-ratings-data-visualization-tool-california</i>	

The category that Tahoe Forest Hospital received its lowest score was “quietness” which was rated as 3-star. All other categories were rated either 4-star or 5-star. Although there are several other indicators of service adequacy for hospitals such as the number of complaints, patient wellness and other outcomes, hospital occupancy rates, community acquired pneumonia mortality rates, and inpatient mortality rates, we found data for these indicators to be either: 1) over ten years old, or 2) not readily available. The best indicator for hospital quality that the consultant team was able to find is the HCAHPS survey results presented in Table 15.9 above and this data shows that TFHD provides very high quality service.

15.12: DETERMINATIONS

GROWTH AND POPULATION PROJECTIONS

1. The current permanent population residing with TFHD boundaries is estimated to be 33,482 persons. The overnight visitor population during peak season is estimated at 69,466 persons as of the year 2015.
2. The future growth rate of the Agency service area is approximately 2.3 percent.
3. While there is planned growth that has been a part of the various planning programs for many years,



there are no projections, projects or plan updates on the horizon that would suggest that growth will exceed those levels reflected in the respective lead agency planning documents.

DISADVANTAGED UNINCORPORATED COMMUNITIES

4. Within TFHD boundaries, the communities of Kings Beach, Carnelian Bay, some neighborhoods within Tahoe City and Soda Springs meet the State's standard for DUCs (i.e. income is less than 80 percent of the state median family income).
5. This MSR describes how the core services (water, sewer, and structural fire protection services) are adequately provided to disadvantaged communities within eastern Placer County. TFHD is not responsible for assuring that these services are adequately provided to disadvantaged communities. No health and safety issues have been identified within the DUCs.

PRESENT AND PLANNED CAPACITY OF PUBLIC FACILITIES

7. Hospital facilities are sufficient to ensure that the Tahoe Forest Hospital District will be able to provide sufficient service in the future.
8. TFHD is continuing its course to complete several capital improvement projects aimed at ensuring older facilities are earthquake compliant and finishing other construction projects (such as the Gene Upshaw Cancer Center) utilizing Measure C funds.
9. Occupancy rate at Tahoe Forest Hospital is 44.2 % in Acute Care and 89.8% in Skilled Nursing.
10. The Tahoe Forest Hospital has enough beds to accommodate current and projected demands for service. The recently constructed facilities authorized by Measure C will ensure TFHD's ability to deliver health care services into the future.
11. Facilities at the Incline Village Hospital were not analyzed in this MSR because this facility is located outside the District boundaries and is located in a different state.
12. There are no outstanding infrastructure deficiencies identified in analysis of the Tahoe Forest Hospital District and its operations. Existing review mechanisms appear sufficient to ensure that facilities and equipment will continue to be replaced and upgraded as service needs require.

FINANCIAL ABILITY OF AGENCY TO PROVIDE SERVICES

13. The Tahoe Forest Hospital District has sufficient financing mechanisms in place to ensure short- and long-term provision of services within its current boundaries. The District adequately finances improvements and services through existing fees and revenue streams, and has financial reserves and assets sufficient to ensure financial stability. The District does not appear to need to find additional sources of revenue to meet projected service demands associated with service provision.
14. The District currently has over \$136 million in debt and its repayments are on schedule.

15. Most of TFHD's revenues (i.e. 78 percent) is classified as "operating revenue" and is derived directly from fees paid by patients and their insurers for health care service.
16. The District does have a facility located in the State of Nevada. However, no tax dollars from the district cross the state line. The IVC hospital has a separate budget and separate audit.

STATUS OF, AND OPPORTUNITIES FOR, SHARED FACILITIES

17. TFHD collaborates with the local school district which allows TFHD to utilize its administrative offices for public meetings.
18. TFHD and Washoe County have a MOU for a Mutual Aid and Evacuation Plan.
19. TFHD and the Truckee Donner Recreation & Parks District have a MOU to support the local hospital in the event of an emergency.
20. No other opportunities for shared facilities or other government structure options were identified in the MSR. These opportunities are limited in that the District is geographically isolated in the mountainous region of the Sierra Nevada and is located a substantial distance from other hospitals and healthcare districts.

ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS, INCLUDING GOVERNMENTAL STRUCTURE AND OPERATION EFFICIENCIES

21. TFHD is governed by an elected five-member Board of Directors.
22. All major administrative documents related to the Board and the District, such as meeting agendas, meeting minutes, financial statements, budgets and other information are made s available to the public through a variety of distribution mechanisms including e-mail and the District website.
23. TFHD readily responded to LAFCO's request for information, thereby demonstrating accountability and cooperation.
24. Healthcare facilities under the District's jurisdiction include the Tahoe Forest Hospital in Truckee; Incline Village Health Center, located in Nevada; and a health service satellite facility located in Tahoe City, Operation of the Incline Village Hospital extends the District's service area outside of their delineated boundary and into the state of Nevada.
25. It is recognized that hospital districts are unique, when compared to other public service districts in that patients may travel to seek health care services.

15.13: REFERENCES

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Chapter 16

Tahoe-Truckee Sanitation Agency



This Municipal Service Review (MSR) describes the Tahoe Truckee Sanitation Agency. This Agency was formed in 1971 and currently provides collection, treatment, and disposal of sewage and industrial wastewater service within its boundaries.

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16.1: Agency Profile

Tahoe-Truckee Sanitation Agency			
Type of District:	Statutorily created Special Purpose District		
Enabling Legislation:	Water Code Appendix, Chapter 114		
Functions/Services:	Collection, treatment, and disposal of sewage, and industrial wastewater		
Main Office:	13720 Butterfield Drive, Truckee, CA 96161		
Mailing Address:	same		
Phone No.:	(530) 587-2525		
Fax No.:	(530) 587-5840		
Web Site:	www.ttsa.net		
General Manager:	LaRue Griffin	Email:	lgriffin@ttsa.net
Governing Body:	Board of Directors		
	Dale Cox	Squaw Valley Public Service District	2014-2018
	S. Lane Lewis	North Tahoe Public Utility District	2012-2016
	Jon Northrop	Alpine Springs County Water District	2012-2016
	Erik Henrikson	Tahoe City Public Utility District	2014-2018
	O.R. Butterfield, Chair	Truckee Sanitary District	2014-2018
Meeting Schedule:	2nd Wednesday of the month at 9:00 a.m.		
Meeting Location:	Agency Board Room 13720 Butterfield Drive, Truckee, CA 96161		
Date of Formation:	November 17, 1971		
Principal County:	Placer County		

16.2 Overview of Agency

Summary Description of Existing Services

The Tahoe-Truckee Sanitation Agency (T-TSA or Agency) is the sole operator of wastewater treatment facilities for Eastern Placer County and Eastern Nevada County. The T-TSA is a regional agency, located in Truckee, California, which was established to treat and dispose of wastewater generated in the area located between Truckee and Lake Tahoe. The T-TSA receives wastewater from its member districts at various locations along the Truckee River interceptor sewer line which runs from Tahoe City to the T-TSA Water Reclamation Plan east of the Town of Truckee (see Figure 16-1 - T-TSA Service Area Map). The T-TSA oversees collection, treatment, and disposal of sewage, and industrial waste within the agency's service area. As provided in the formation legislation, the member agencies include the following:

- Truckee Sanitary District (TSD)
- North Tahoe Public Utility District (NTPUD)
- Squaw Valley Public Service District (SVPSD)
- Alpine Springs County Water District (ASCWD)

- Tahoe City Public Utility District (TCPUD)

Northstar Community Services District (NCSD) is also served by T-TSA facilities through a contract with TSD for shared use of TSD's collection system infrastructure in route to the T-TSA.

Location and Size

The T-TSA headquarters and Water Reclamation Plant (WRP) is located in the Martis Valley, east of the Town of Truckee, and its service areas covers portions of Nevada County and Placer County, as well as a small portion of El Dorado County. The Truckee River borders the WRP to the north and Martis Creek is located east of the facility.

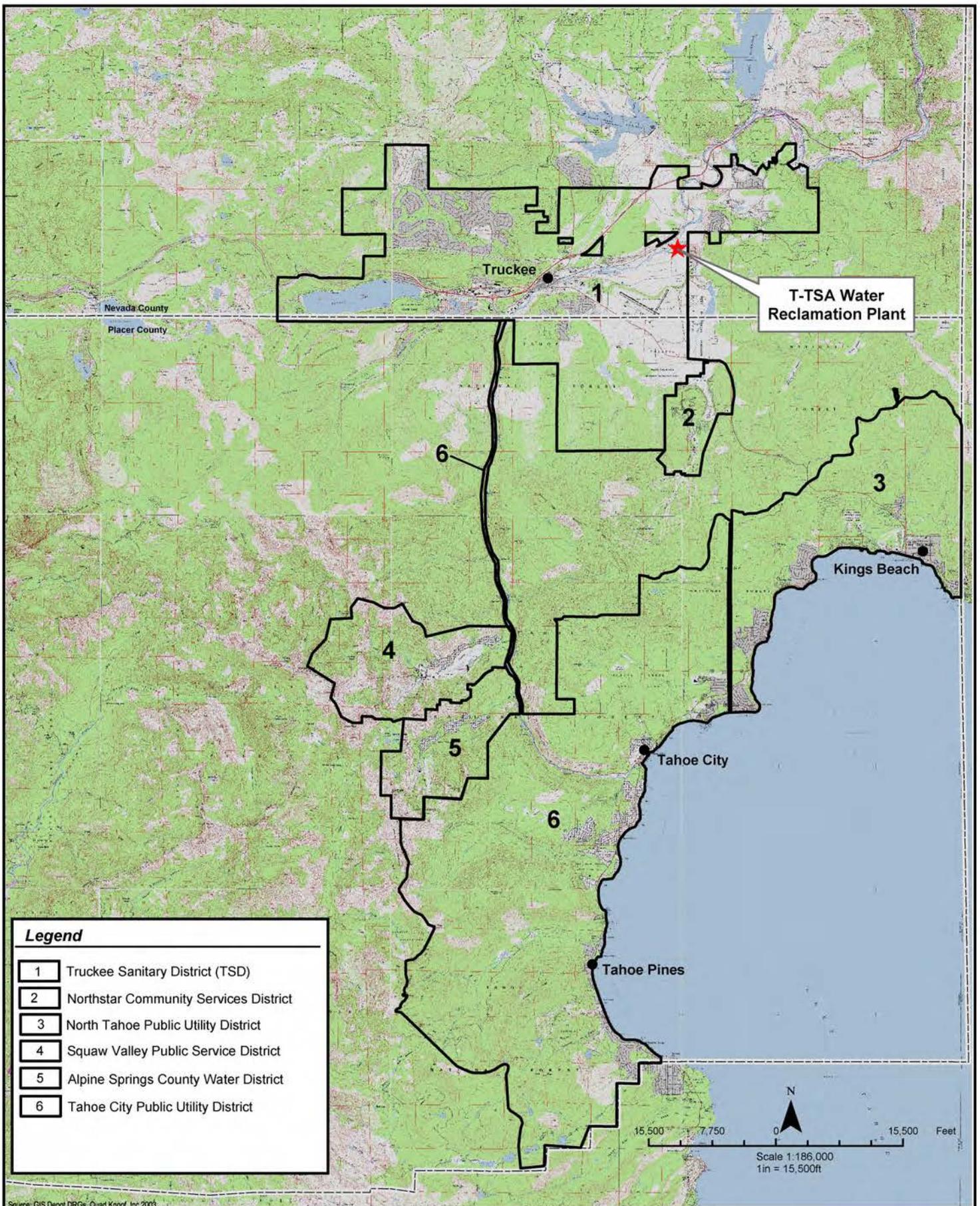
16.3: Formation and Boundary

The Porter Cologne Act mandated that all sewage be exported from the Tahoe Basin and that all non-compliant treatment facilities be replaced (Placer LAFCO, 2004, pp. 4.2-53). Therefore, the T-TSA was formed by a special act of the California Legislature known as the Tahoe-Truckee Sanitation Agency Act, which became effective in November 1971. This Act created the T-TSA for the collection, treatment, and disposal of sewage, industrial waste and storm water within the agency; prescribing its organization, powers, and duties; and repealed the North Lake Tahoe-Truckee River Sanitation Agency Act (Chapter 1503 of the Statutes of 1967).

Boundary History

The legislation creating T-TSA recognizes two types of annexations; annexation of territory within a member district and annexation of territory not within a member district. Jurisdiction for the first type of annexation is given to the LAFCo of the principal county of the member district. For example, an annexation of TSD territory to T-TSA within Placer County would be subject to the jurisdiction of Nevada LAFCo since TSD's principal county is Nevada County. Annexation of territory not within a member district, such as the territory of the NCSD, is subject to Placer County LAFCo's review because Placer County is T-TSA's principal county (Quad Knopff, 2003, pp. 2-2).

Although a number of annexations have occurred in conjunction with annexations to member districts in Nevada and Placer Counties, no separate LAFCO actions were required (LAFCO files). LAFCO approved two annexations: in 1975, the T-TSA annexed the territory of the TSD (Bald Mountain Annexation); and in 1974, the T-TSA annexed the Alder Hill Annexation. The boundary for T-TSA is shown in Figure 16.2.



**Tahoe - Truckee Sanitation Agency (T-TSA)
Service Area**

Figure 16-1
Nevada County LAFCo
Eastern County
Wastewater MSR

Sphere of Influence

No formal sphere of influence (SOI) for the T-TSA has ever been adopted by either Placer or Nevada LAFCo. However, the Agency noted that Placer LAFCO has deemed its SOI is the combination of the spheres of its member entities (T-TSA, 2013a, p. 4).

Extra-territorial Services

NCS D is served by way of a contract with TSD, one of T-TSA's member entities. NCS D collects wastewater within its boundaries and transmits raw sewage through a section of the TSD collection system in route to the T-TSA WRP for treatment. The NCS D maintains a contract with TSD for use of their transmission lines. Although not directly a member, wastewater from NCS D is accepted into the T-TSA facilities through its contract with TSD. In 2016, the number of connections served by NCS D had increased to 138 commercial accounts and 1,789 residential services (personal communication, T-TSA, 2016).

Areas of Interest

The T-TSA service area covers portions of both Placer and Nevada Counties. Although T-TSA was identified with Nevada LAFCO in the past, Placer LAFCO has since been determined to be the principal LAFCO because a larger portion of its service area is located in Placer County. The two LAFCOs have a memorandum of understanding for Coordination on Cross-County Proposals, dated August 2009.

16.4: Accountability and Governance

The T-TSA Board includes a representative from each of the five member agencies listed above. The legislation provides for a membership of five entities with a total of four votes, with the TCPUD, TSD, and NTPUD each having one vote, and the ASCWD and SVPSD each having one-half vote. Of the four votes, two are from within the Tahoe Basin (TCPUD and NTPUD), and the other two votes are outside the Tahoe Basin (TSD, ASCWD and SVPSD). Membership can only be granted by an act of the State Legislature.

The T-TSA Board Members are appointed to the Board by the elected Boards of Directors of its member entities for four year terms. Board Members are appointed to the Board and receive compensation of \$100 per meeting which typically occurs once per month. The current Board of Directors is identified in the Agency Profile section at the beginning of this chapter.

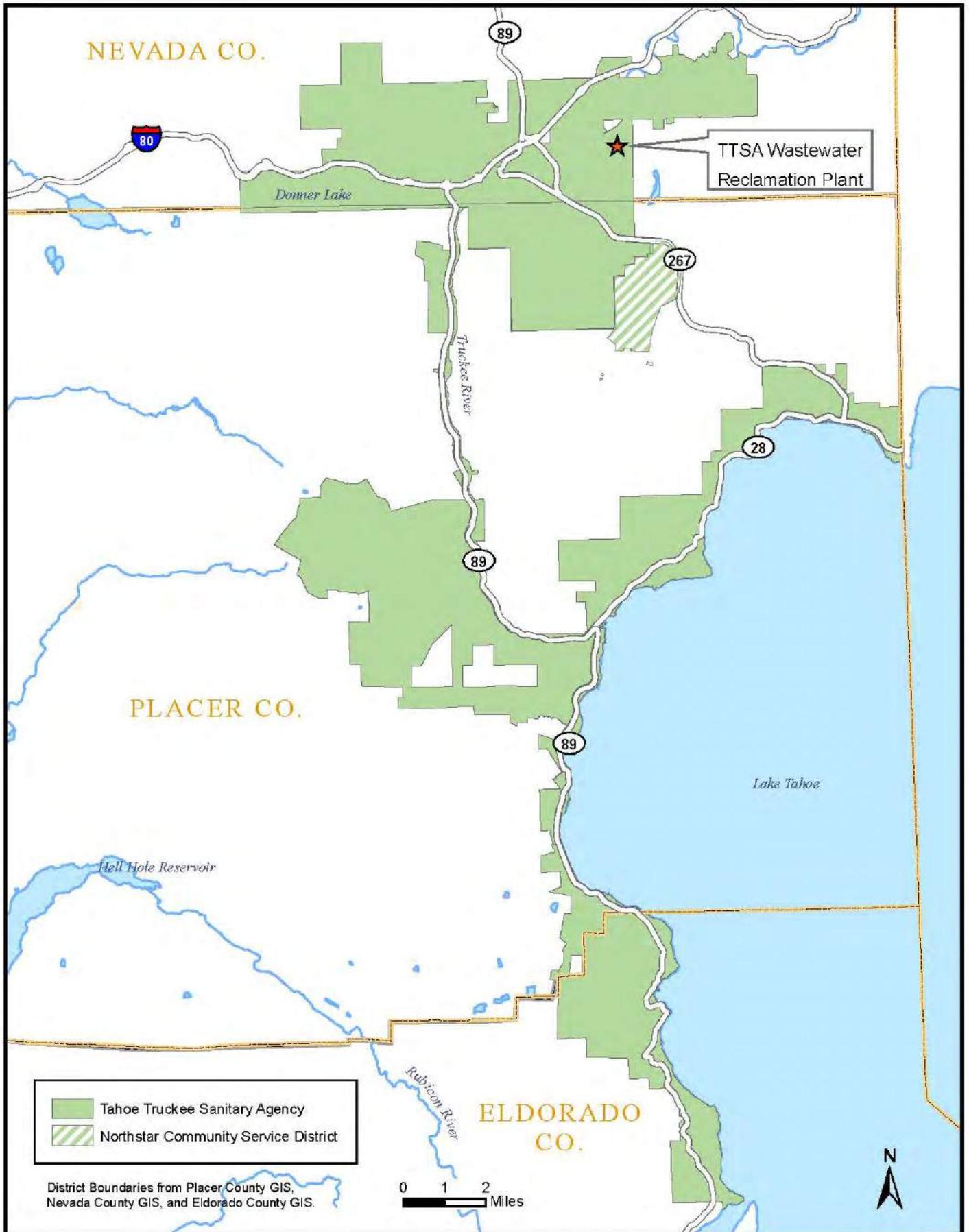


Figure 16-2

TAHOE TRUCKEE SANITATION AGENCY

The Agency's operations are led by a General Manager providing daily oversight and management of staff and resources. The Agency holds regularly scheduled meetings on the second Wednesday of each month, at 9:00 a.m. Agency staff indicates that all meetings are held in compliance with the Brown Act and all laws governing public meetings including public posting of notices and agendas.

The Agency and its activities undergo public review procedures, including financial review by independent auditors. There are sufficient mechanisms in place to ensure that actions and operating procedures of the District are open and accessible to the public. The Agency maintains a website at www.ttsa.net where residents can obtain Agency news, Board meeting agendas, and other information.

Customers can send their comments or complaints to the Agency office by mail, phone, or email. No complaints have been received in recent years.

16.5: Management Efficiencies and Staffing

The Agency consists of a five-member Board of Directors who oversees the functions of the General Manager. The General Manager has full charge and control of the maintenance, operation and construction of the wastewater treatment systems of the Agency, with full power and authority to employ and discharge all employees and assistants, other than the Secretary to the Board, Treasurer, Attorney and Auditor, prescribes their duties and fixes their compensation. General Manager performs such duties as may be imposed on him or her by the Board. For example, the General Manager prepares and submits to the Board plans, programs and budgets required to accomplish the goals and objectives of the Agency; prepares reports and financial statements and makes recommendations to the Board; responsible for solution of all problems related to maintenance, operation and construction of the treatment works; negotiates agreements for service and develops standard ordinances for regulation of the sewer system; acts as agency's representative with respect to all services to be provided; transmits instructions, receives information, interprets and defines Agency policies and decisions. (T-TSA, 2013a, p. 2).

The Agency employs a total of 49 full-time employee equivalents (FTE), 36 of which work in wastewater service and 13 who work in administration and management. The District has five departments including maintenance, operations, administration, engineering, and information technology as shown in Figure 16-3.

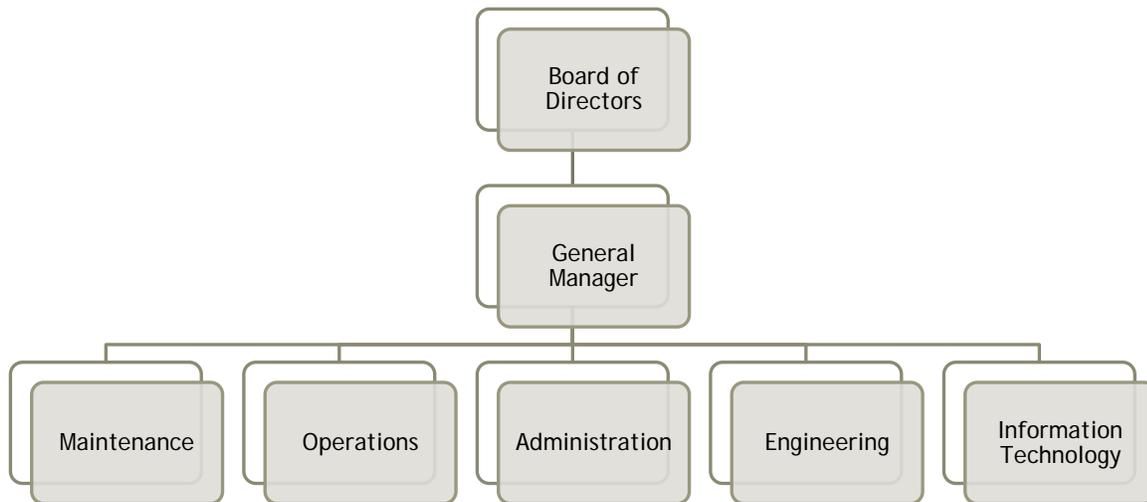


Figure 16.3: T-TSA Organizational Chart

Contract Services

The T-TSA utilizes a competitive bid process for projects.

Technology/Management

T-TSA utilizes industry standard technologies and constantly evaluates technological advancements and operation improvements available in the industry (T-TSA, 2013a, p. 11).

16.6: Population and Growth

Existing Population

Population characteristics throughout the Truckee-Tahoe Sanitation Agency (T-TSA) service area are substantially affected by seasonal variations, distinct user groups and the abundance of second homes. There are seasonal variations in demand for wastewater treatment services, due to the popularity of skiing and winter recreation in the area. The seasonal day user also creates a significant portion of peak demand on urban services, including wastewater collection and treatment. It is beyond the scope of this MSR to project seasonal populations; although we have provided rough estimates based upon studies that describe and characterize some of the seasonal population dynamics along with the visitor accommodations. The latter are reflective in equivalent dwelling unit connections that serve the tourism and hospitality industry.

The population analysis contained in this wastewater municipal service review for T-TSA reflects the projections for service demand for each of the Agency's member districts. T-TSA serves five member districts as listed below:

1. Tahoe City Public Utility District (TCPUD)
2. North Tahoe Public Utility District (NTPUD)
3. Squaw Valley Public Service District (SVPSD)
4. Alpine Springs County Water District (ASCWD)
5. Truckee Sanitary District (TSD)

In addition to the five districts listed above, wastewater from NCSD is treated at the T-TSA WRP through an agreement with the TSD. The population in these six districts, when added together, yields the population served by T-TSA as of early 2015, as shown in Table 16.1, below.

<i>District Served by T-TSA</i>	<i># of Wastewater Connections</i>	<i>Existing Permanent Population</i>	<i>Estimated Current Peak Visitor Population¹</i>
Tahoe City Public Utility District	7,540	8,524 ²	17,307
North Tahoe Public Utility District	5,524	5,486 ³	11,138
Squaw Valley Public Service District	1,073 ⁴	950	3,500 ⁵
Alpine Springs County Water District	653	191	1,546 ⁶
Truckee Sanitary District ⁷	11,751 ⁸	17,897 ⁹	21,473 ¹⁰
Northstar Community Services District	1820 ¹¹	136	12,000
Total in T-TSA	28,361	33,184	66,964

¹ This column shows the # overnight visitors. (Day-use only visitors are not included.)

² See Chapter 14 for details.

³ See Chapter 10 for details.

⁴ Data Source: T-TSA, personal communication. This includes 39 commercial connections. In 2016 the number of connections at SVPSD is approximately 1082.

⁵ Please note that several thousand more visitors could be accommodated in hotel rooms located within the District. See Chapter 12 for additional details.

⁶ Overnight visitor population for ASCWD calculated from 653 units x 2.55 persons per household and 89% absentee owner unit rate. See Chapter 6 for details

⁷ Nevada LAFco is the primary agency over TSD and analysis of TSD is not included in this MSR. The Town of Truckee overlays much of the area served by the Truckee Sanitary District. In 2016 TSD has 11,929 connections.

⁸ Source: TSD website at: http://www.truckeesan.org/home/index.php?site_config_id=109&page_selection=2331&s_page= . This includes 10,800 residential and 650 commercial connections.

⁹ Calculated from 16211 persons in Town of Truckee per DOF data on website: <http://www.townoftruckee.com/departments/planning-division/growth-and-development/truckee-population-and-housing-estimates> plus 1686 persons in Martis Valley per 2010 census.

¹⁰ Calculated from 6692 vacation homes in Truckee plus 1729 vacation homes (not permanently occupied) in Martis Valley * 2.55 persons per household.

¹¹ 2015 data. In 2016, NCSD's number of connections had grown to 1,831, which includes 1,767 residential accounts and 64 commercial accounts, per E. Martin, NCSD, Sept. 2016.

Based on the data shown in the above table, it is estimated that as of 2015 T-TSA's boundaries encompassed a permanent population of 33,184 persons. The overnight visitor population during peak season is estimated at 66,964 persons as of the year 2015.

Projected Growth and Development

Projections for future development and hence increased service demands within the Martis Valley, North Lake, and Highway 89 Corridor areas comprising T-TSA's service area are based on information provided in the 1994 Placer County General Plan and related area plans, 1995 Nevada County General Plan, 2003 Martis Valley Community Plan, 2025 Town of Truckee General Plan, Tahoe Regional Planning Agency documents and other sources. At the time when the Placer County portion of Martis Valley Community Plan was completed in 2003 and the Truckee 2025 General Plan was updated in 2006 (and updated in 2009), the area was in a phase of rapid growth and development, the recent economic downturn was unforeseen and, as a result, both plans have overestimated growth. It is important to note, however, that planned capacity for growth still remains. See discussion below under Town of Truckee General Plan.

Future population growth within the North Tahoe and Martis Valley region which T-TSA serves is dependent upon zoning and general plan policies and land-use designations in the region. Regional population and zoning/general plans are described in detail in Chapter 3 of this MSR. The Placer County General Plan which is largely applicable to the North Lake Tahoe Basin and Highway 89 corridor area was adopted in 1994. Each of the major communities in the Lake Tahoe area is also covered by area or community plans, which are being incorporated into the Proposed/Review Draft Tahoe Basin Area Plan, June 2015. The Placer County General Plan serves as an umbrella plan for the five sub-plans listed below it in the table including: 2003 Martis Valley Community Plan; Proposed/Review Draft Tahoe Basin Area Plan; 1983 Squaw Valley General Plan and Land Use Ordinance; Proposed Draft Village at Squaw Valley Specific Plan; and the Alpine Meadows General Plan. For the most part (not including Alpine Meadows and Squaw Valley planning area), the Tahoe Basin is under the oversight planning control of the Tahoe Regional Planning Agency (TRAPA). The following table provides an overview of the various land use planning documents applicable to the T-TSA service area and relevant to projections of future growth in the area.

<i>Planning Document</i>	<i>Jurisdiction</i>	<i>Citation</i>	<i>Year Adopted</i>
2025 Truckee General Plan	Town of Truckee	(Truckee, 2006). ¹²	2006
Nevada County General Plan (1996 with 2014 Land Use Element and Housing Element, 5th Revision)	Nevada County	(Nevada County, 1996) ¹³	1996. Updated 2014)
1994 Placer County General Plan (as updated May 21, 2013)	Placer County	(Placer County, 1994) ¹⁴	1994 (Updated 2013)
• 2003 Martis Valley Community Plan ¹⁵	Placer County	(Placer County, 2003) ¹⁶	December 16, 2003
• Proposed/Review Draft Tahoe Basin Area Plan	Placer County	(Placer County, 2015) ¹⁷	Not yet Adopted. Revised Draft on April 2016
• 1983 Squaw Valley General Plan and Land Use Ordinance	Placer County	(Placer County, 1983)	1983
• Proposed Draft Village at Squaw Valley Specific Plan	Placer County	(Squaw Valley Real Estate, LLC, 2014)	Not yet Adopted. Draft on October 2014
• Alpine Meadows General Plan	Placer County	(Placer County, 1968) ¹⁸	1968
2012 Lake Tahoe Regional Plan	TRPA	(TRPA, 2012) ¹⁹	2012

T-TSA Projected EDUs

T-TSA reported the total equivalent dwelling unit connections (EDUs) to the regional waste water treatment plant from 2003 through 2012 as shown in Table 16.3, below. The projected EDU's shown in the table for the years 2017 to 2032 are based upon anticipated future population growth from the total growth in the 6 member agencies. The economic downturn from 2009 to present may have resulted in pent up demand for development. For example,

¹² Truckee General Plan:

<http://laserfiche.townoftruckee.com/WebLink/PDF/uloj2y45db1nasz14f00di45/19/Town%20of%20Truckee%202025%20General%20Plan.pdf>

¹³ Nevada County General Plan at:

<https://www.mynevadacounty.com/nc/cda/planning/Pages/Nevada-County-General-Plan.aspx>

¹⁴ General Plan on County website at:

<http://www.placer.ca.gov/~media/cdr/Planning/CommPlans/PCGP/PCGP2013.pdf>

¹⁵ The urban core of Martis Valley is the Town of Truckee. Outlying areas will continue to support and be supported by the services found within the Town. The Nevada County portion of the 1975 plan area has not been updated, although the 2025 Town of Truckee General Plan covers their portion of the Martis Valley.

¹⁶ Martis Valley Comm Plan at: <<http://www.placer.ca.gov/~media/cdr/Planning/CommPlans/MartisValley/MartisValleyCommPlanDec2003.pdf>>

¹⁷ <http://www.placer.ca.gov/departments/communitydevelopment/planning/tahoebasinareaplan>

¹⁸ Alpine Meadows GP at: <<http://www.placer.ca.gov/~media/cdr/Planning/CommPlans/NTahoeCPS/AlpineMeadowsGeneralPlan.pdf>>

¹⁹ LT Regional Plan, 2012 at: <<http://www.trpa.org/regional-plan/>>

projected planned growth associated with the 2025 Town of Truckee General Plan has not occurred on pace with expectations. The same can be said for Northstar-at-Tahoe, whose growth is expected approach buildout by 2034 (See Northstar CSD MSR). Other resort communities (Tahoe City, Kings Beach, etc.) in the Lake Tahoe Basin are not expected to achieve a high level of growth. The projections in Table 16.3 reflect a more modest and conservative increasing growth curve through 2032.

	2003	2008	2012	Projections			
				2017	2022	2027	2032
EDUs	33,720	37,496	38,918	40,903	43,203	46,541	50,138
Percent change	--	11.1	3.8	5.1	5.6	6.9	7.7
Percent change per year	--	2.2	.76	1.0	1.1	1.4	1.5

Disadvantaged Unincorporated Communities

By state definition, a disadvantaged unincorporated community (DUC) has a median household income (MHI) less than 80 percent of the statewide average. According to 2010 Census data, California's MHI is \$60,883, which qualifies any community with a MHI less than \$48,706 as a DUC. Within the Agency's service area (NTPUD and TCPUD), the communities of Kings Beach, Carnelian Bay, and some neighborhoods within Tahoe City meet the states standard for DUCs of 80 percent of the state median family income. As described in this MSR, the communities do receive water, wastewater, and fire protection services. No public health and safety issues have been identified. No public health and safety issues have been identified. For additional information, please refer to Chapter 3, Section 3.6, Disadvantaged Unincorporated Communities, in this MSR.

16.7: Financing

This section evaluates the factors affecting the financing of operations and improvements for T-TSA. Information on Agency financing is derived from audited financial statements for the Fiscal Year 2011/2012 and 2010/2011, as well as information provided by Agency staff. These statements represent the financial statements of the Agency and follow Government Accounting Standards Board (GASB) method of Accrual accounting.

Revenues and Expenses

Revenues are derived from connection fees, service charges and property taxes. The Agency relies on property tax revenue, classified as non-operating revenue, to fund a portion of its general and administrative operating expenses. Property tax revenue of \$2.6 million was consistent with prior year and provided a source of revenue that T-TSA relies upon (Damore, Hamric & Schneider, Inc., 2012, p. 7). T-TSA also relies on connection fee income for funding capital improvements and expansion projects. Service charges cover the cost of maintenance and operations, while property taxes contribute to certain administrative costs.

The Independent Auditor's Report for fiscal years ending June 30, 2012 and 2011 determined that the Agency demonstrated a favorable variance in service charge revenue and property tax revenue. The favorable variance in property tax revenue is due to a conservative approach to budget estimates in the uncertain climate of California property tax allocation. The actual Operations and Maintenance and Administrative and General Expenses are less than the budgeted amount because of a combination of vacant employee positions; experiencing some long unpaid employee absences due to injury or illness; obtaining competitive bids for maintenance and operations projects that were less than anticipated; postponing some capital projects that were budgeted into the following budget year; and receiving more favorable utility rates than were projected by the major utility company at the time the budget was prepared (Damore, Hamric & Schneider, Inc., 2012, p. 8).

	Fiscal Year Ending	
	2011/2012	2010/2011
Revenues		
Property Taxes	\$2,177,609	\$2,212,915
Service Charges	12,067,555	11,934,529
Other Services	300,661	331,936
Connection Fees	1,403,875	906,450
Interest Earned	185,732	241,866
In-Lieu Taxes	395,110	386,689
Aid from other Governmental Agencies	24,001	23,754
Other Income	375	300
Total Revenues	\$16,554,918	\$16,038,439
Expenditures		
Operations & Maintenance	\$11,649,682	\$11,842,309
Administrative & General	1,271,706	1,188,341
Interest Expense	1,111,961	1,166,078
Depreciation	3,022,715	3,001,788
Total Expenditures	\$17,056,064	\$17,198,516
Change in Net Assets	\$(501,146)	\$(1,160,077)
Beginning Net Assets	97,804,253	98,964,330
Ending Net Assets	\$97,303,107	\$97,804,253

Source: T-TSA Independent Auditor's Report, June 30, 2012 and 2011; pg. 11.

Agency/District Assets and Liabilities

Table 16.5 summarizes activities leading to a decrease of net assets by one percent. Unrestricted current liabilities at fiscal year ending June 30, 2011 were \$1.5 million compared

to \$1.5 million at fiscal year ending June 30, 2012. The 12 percent increase for the category “Restricted for State Loan” is the result of compliance with the State Water Resources Control Board loan agreement, which requires T-TSA to increase the balance in the State Revolving Fund Wastewater Capital Reserve account annually by 0.5 percent of the original \$53,154,954 loan amount (Damore, Hamric & Schneider, Inc., 2012, p. 6).

Assets and Liabilities	Fiscal Year Ending		Percent change
	June 30, 2012	June 30, 2011	
Assets			
Current Assets	\$ 17,820,382	\$17,140,997	4%
Restricted Assets	28,164,354	29,378,973	-4%
Capital Assets	95,608,761	97,774,417	-2%
Total Assets	\$141,593,497	\$114,292,387	-2%
Liabilities			
Current Unrestricted Liabilities	\$1,488,215	\$1,557,403	-4%
Current Restricted Liabilities	2,887,888	2,864,715	1%
Long Term Liabilities	39,914,287	42,068,016	-5%
Total Liabilities	\$44,290,390	\$46,490,134	-5%
Net Assets			
Investment in Capital Assets	\$53,540,745	\$53,607,250	0%
Restricted for Wastewater Capital Reserve	24,830,372	26,288,557	-6%
Restricted for State Loan	2,599,823	2,324,852	12%
Unrestricted	16,332,167	15,583,594	5%
Total Net Assets	\$97,303,107	\$97,804,253	-1%

Source: T-TSA Independent Auditor’s Report, June 30, 2012 and 2011; pg. 6.

Long Term Debt and Investments

The T-TSA entered into a State Revolving Fund (SRF) loan with the California State Water Resources Control Board on February 24, 2004 to provide financing for the plant capacity expansion. Over the course of the project, the Agency borrowed \$50.1 million, which it will repay over 20 years at an annual payment of approximately \$3.2 million (Damore, Hamric & Schneider, Inc., 2012, p. 5). The SRF loan the Agency received has a fixed 2.6 percent rate, which consists of 1.6 percent in interest and a 1 percent service charge (Damore, Hamric & Schneider, Inc., 2012, p. 8).

Asset Maintenance and Replacement

The T-TSA reviews capital improvement needs annually and it projects improvements needed over a 5-year time frame. The Agency's Upgrade and Rehab Fund identifies a total of \$9,210,917 in maintenance and update projects. For FY 2013/2014, the Agency proposed improvements and repairs in the amount of \$1,822,755 for Rehab projects and \$2,915,257 in capital outlay projects (T-TSA, 2013b).

Rate Restructuring

The Independent Auditors Report determined that the T-TSA sets adequate levels of rates and charges which have resulted in the Agency's ability to operate and maintain the plant and to service the debt requirements of the State of California State Revolving Fund Loan for the portions of the Expansion Project, which benefit current users (Damore, Hamric & Schneider, Inc., 2012, p. 8).

Cost Avoidance

The T-TSA routinely seeks ways in which to reduce overhead and operational costs. T-TSA has reduced staffing through reorganization of duties as employees have retired and some vacancies have not been filled. Plant operations have been automated through use of Programmable Logic Controllers (PLCs) and SCADA programming. Additionally, some plant processes have been changed to lower the demand for purchase of chemicals. T-TSA also takes advantage of pooled insurance as a cost savings measure and is a member of the California Sanitation Risk Management Authority for insurance and workers' compensation coverage (T-TSA, 2013a, pp. 4, 12).

16.8: Wastewater Services

Service Overview

T-TSA provides regional wastewater collection, treatment, disposal and industrial wastewater disposal within its service area. Additionally, T-TSA participates in the Tahoe Truckee Area Emergency Contingency Plan, which provides a framework for assistance to all public utility, improvement and county water districts within the Tahoe-Truckee area in times of emergency or natural disasters affecting the services provided (T-TSA, 2013a, p. 4). Approximately 20 percent of the Agency's services are to commercial customers; there are currently no industrial customers.

T-TSA's WRP is subject to permits issued by the Lahontan Regional Water Quality Control Board (Lahontan RWQCB). A Waste Discharge Requirements (WDR) Order No. R6T-2002-0030, signed April 9, 2002, allows the effluent from the plant to be disposed of in a subsurface effluent disposal field.

The Lahontan RWQCB specifies waste discharge requirements and regulates the waste discharged into the leach field and the Truckee River. The Lahontan RWQCB also has effluent requirements for the plant.

Capacity

T-TSA served approximately 28,361 connections in 2014- 2015. This increased to 28,655 connections in the year 2016. The Agency has a treatment capacity of 9.6 million gallons per day (mgd) for a maximum of a week, or 8.3 mgd for a maximum of a month. The average annual flow volume is 4.0 mgd²⁰. Peak instantaneous flow capacity is 15.4 mgd (T-TSA, p. 7). The Agency anticipates that future demand for services will increase at a rate of approximately one percent per year (T-TSA, 2013a, p. 7).

Treatment System

The WRP provides tertiary level treatment, which consists of influent screening, grit removal, primary sedimentation, pure oxygen activated sludge, biological phosphorus removal, chemical treatment, mixed media filtration, biological nutrient removal, ion exchange ammonia removal, and final chlorination. Organic sludge is digested anaerobically, dewatered and transported to a landfill or used as a solid amendment. The T-TSA completed its wastewater treatment facility expansion in 2008, which increased capacity sufficiently to serve the region through 2025 (Nevada LAFCo, 2013, p. 4). Effluent is disposed of in a subsurface effluent disposal field; solids are hauled to the Lockwood Facility and Bently Farm in Nevada (T-TSA, 2013a, p. 6).

The Agency utilizes a soil aquifer treatment system, an underground disposal system which allows plant effluent to percolate into the permeable glacial outwash soil in Martis Valley near the WRP (T-TSA, p. 6). This disposal practice departs from the typical practice of discharging plant effluents directly into receiving water bodies. Instead, the facility discharges to the Martis Valley Groundwater Basin, which eventually migrates toward the Truckee River and Martis Creek, both of which are within a half mile of the disposal site (Lahontan RWQCB, 2002, p. 4).



Aerial photo of T-TSA Wastewater Reclamation Plant

High rate subsurface effluent disposal is possible because of the highly permeable glacial outwash materials that overlay the older, much less permeable materials of the Truckee Formation. The disposal system consists of 78,000 feet of underground perforated piping (T-TSA, p. 3).

²⁰ Peak flow in 2012 was 8.67 mgd (T-TSA, 2013a).

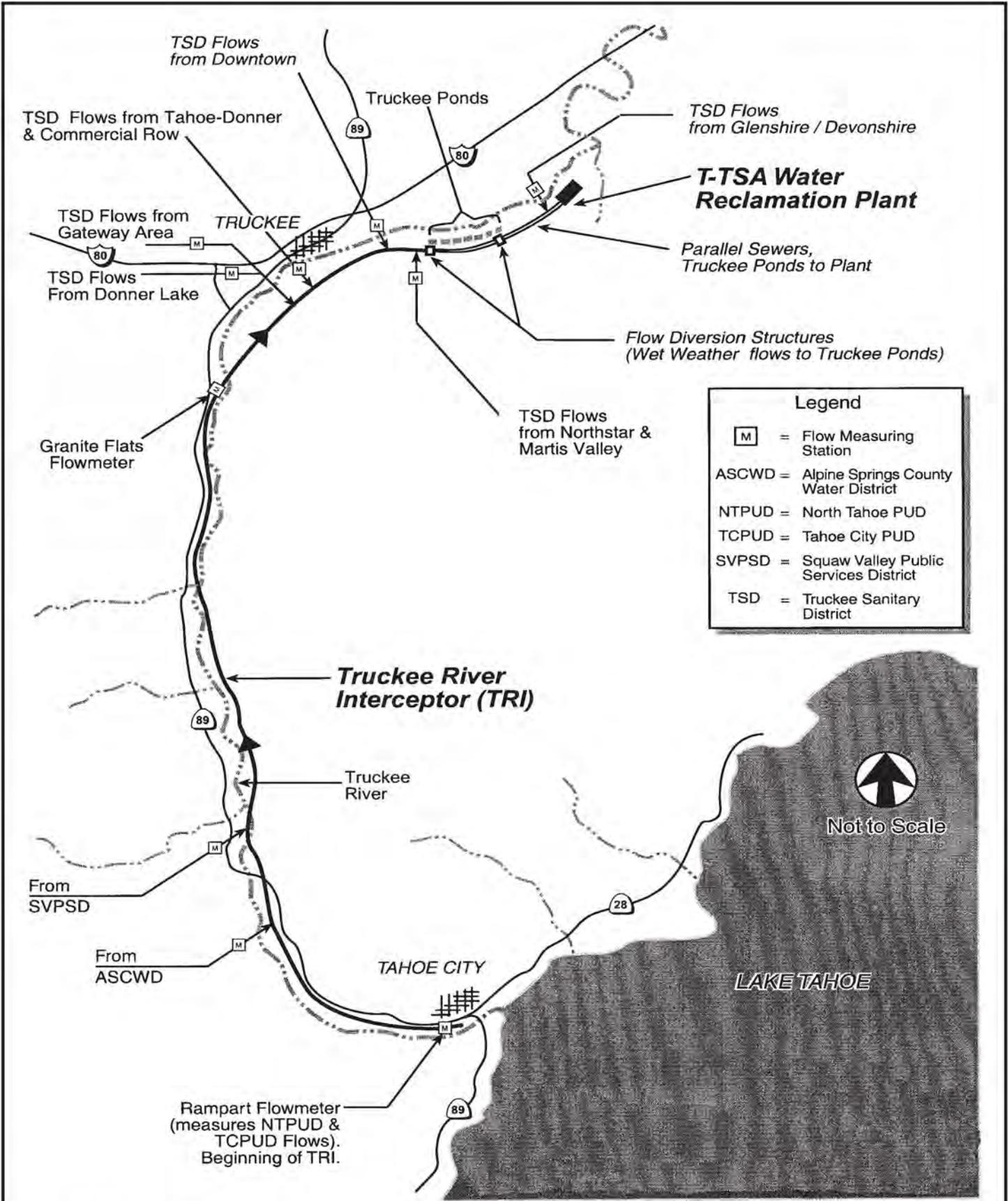
Waste activated sludge is pumped to an organic sludge thickener for thickening before being fed to the anaerobic digesters. The digesters serve to stabilize the material for dewatering and disposal. Methane gas, a byproduct of the digester process, is drawn off and stored to supply a series of boilers which furnish facility and process heat. Once stabilized, the sludge is put through centrifuges for dewatering. The dewatered solids are then discharged to a conveyor system for transfer to storage hoppers. Both inorganic and organic sludges are generated at the water reclamation plant. Inorganic sludges are hauled to the Lockwood Landfill, east of Reno/Sparks. Organic sludges are hauled to agricultural operations in Nevada for use as a soil amendment (T-TSA, pp. 18-19).

Although the plant expansion was originally sized to meet demand through 2015, due to the economic downturn, those projections have been extended to 2020 or 2025 depending on actual growth. The Agency indicated that the plant capacity available is expected to meet the needs of its members, including any annexations to the member districts and T-TSA during that timeframe.

Collection and Transmission

In addition to the treatment facilities, the T-TSA provides regional conveyance of wastewater in the Tahoe region and owns and maintains the Truckee River Interceptor (TRI), a main trunk line for raw sewage conveyance (Figure 16-4, TRI Map). The 19-mile long TRI pipeline runs along the Truckee River corridor between Tahoe City and the Water Reclamation Plant (WRP) in Truckee. The interceptor flows exclusively by gravity and varies in size from 24-42 inches in diameter. The TRI conveys all of the untreated, raw sewage collected from the northern and western shores of Lake Tahoe, as well as from the communities at Alpine Meadows and Squaw Valley. Collection within the member districts is handled by the respective districts. Additionally, as previously described, NCSO is also served by the T-TSA via an export agreement between the NCSO and TSD (Placer County, 2013, pp. 14-18).

The T-TSA's SSMP details the Agency's maintenance and inspection protocols for its collection infrastructure, including the TRI. Close-circuit television (CCTV) or digital scanning inspection work is performed on each reach of the TRI at a frequency of at least every four years. Findings from CCTV or digital scanning inspection work may indicate that root intrusion, sediment accumulation, corrosion, or other defects have occurred on a particular reach. Additionally, annual field inspections at manhole sites occur in the spring and fall of each year. For the spring inspections, the goal is to determine whether the sites are accessible and whether erosion or landslides are potentially affecting the integrity of the pipeline (T-TSA, 2009/2013, pp. 4-2).



Legend	
M	= Flow Measuring Station
ASCWD	= Alpine Springs County Water District
NTPUD	= North Tahoe PUD
TCPUD	= Tahoe City PUD
SVPSD	= Squaw Valley Public Services District
TSD	= Truckee Sanitary District

Source: Nevada County, Quad Knopf, Inc 2003.

	<h2>Wastewater Collection</h2>	<p>Figure 16-4 Nevada County LAFCo Eastern County Wastewater MSR</p>
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In general, the TRI is considered to be in relatively good condition based on findings from inspections and its age. CCTV or digital scanning inspection activities performed to date have revealed that, overall, the system has had very few problems. In addition, compared to many other systems throughout the country, the TRI is considered a relatively young sewage system, with the bulk of the piping installed in the late 1970s (T-TSA, 2009/2013, pp. 4-3). The most significant project after the initial construction activities was the installation of a parallel TRI pipeline from the emergency storage ponds to the treatment facility (T-TSA, 2009/2013, pp. 5-1).

Infrastructure Needs and Deficiencies

Future improvement needs have been identified to address future capacity deficiencies along the TRI, which runs directly adjacent to the environmentally-sensitive Truckee River. These improvements were identified in the planning and environmental review phases of the most recent plant expansion project, but were characterized as Phase II work to be completed in the future. The proposed improvements would reduce the likelihood of accidental releases of raw sewage into the Truckee River during extreme flow events, floods, environmental catastrophes, and other types of emergencies. The specific proposed future improvements include modifications of a total of 21 manholes in one of the following three ways: raising manholes, modifying tops of manholes, or converting to pressure manholes (T-TSA, 2009/2013, pp. 4-3).

16.9: Challenges

No challenges were identified by the T-TSA during the preparation of this MSR. However, in general wastewater dischargers are challenged by continuously restrictive discharge requirements imposed by the State RWQCB to protect water quality. Because the T-TSA WRP was recently upgraded, it is current with its discharge permit requirements.

16.10: Service Adequacy

The Agency provides excellent public service to its member districts. The Agency has received two honors in recent years: the California Water Environment Association Sierra Section Plant of the Year Award for 5-20 mgd Plant and the California Sanitation Risk Management Authority Workers' Compensation Excellence Award in the Large Agency Category for 2010-2011 and 2011-2012 (T-TSA, 2013a).

16.11: Determinations

Population and Growth

1. T-TSA served a permanent population of 33,184 persons and a visitor population of 66,964 persons as of 2014-2015.
2. The growth rate within the Agency service area is approximately two percent in the Truckee and Squaw Valley areas and less than one percent in the North Tahoe special district areas.
3. While there is planned growth that has been a part of the various planning programs for many years, there are no projections, projects or plan updates on the horizon that would suggest that growth will exceed those levels reflected in the respective lead agency planning documents.

Disadvantaged Unincorporated Communities

4. Within the Agency's service area (NTPUD and TCPUD), the communities of Kings Beach, Carnelian Bay, and some neighborhoods within Tahoe City meet the states standard for DUCs of 80 percent of the state median family income. All DUC areas receive adequate water, wastewater, and fire protection services. No public health and safety issues have been identified.

Present and Planned Capacity of Public Facilities

5. Although the plant expansion was sized to accommodate growth until 2015, the economic downturn has extended that until 2020 or 2025, depending upon the future rate of growth.
6. According to current projections, the T-TSA has adequate capacity to serve its member districts, including new annexations to member entities and T-TSA. Analysis for pending development projects will assess the need for additional facility and infrastructure that may be required to support added demand.

Financial Ability of Agency/District to Provide Services

7. The Agency has sufficient financing mechanisms in place to ensure short- and long-term provision of services within its current service area.

Status and Opportunities for Shared Facilities

8. The T-TSA is a shared regional facility that transmits and treats raw sewage from special districts within the North Tahoe region. No other opportunities for shared facilities were identified by the Agency or during the preparation of this MSR.

Accountability for Community Service Needs, Including Governmental Structure and Operation Efficiencies.

9. An appointed five-member Board oversees the management of the Agency's resources. T-TSA meets its statutory financial reporting requirements that ensure its operations are conducted in an open and transparent manner. T-TSA meets its fiscal accountability requirement to its customers through budgetary and financial reporting. The Agency provides public notice of meetings, and posts agendas online as well as by email upon request.
10. A General Manager oversees the Agency administration and operations under the direction of the appointed Board. The Board and management work together in the identification of goals and issues and assignment of staff as appropriate for each type of service provided.
11. No formal sphere of influence (SOI) for the T-TSA has ever been adopted by either Placer or Nevada LAFCo. However, the Agency noted that Placer LAFCo has deemed its SOI is the combination of the spheres of its member entities. Placer LAFCo should consider formally adopting an SOI for the Agency or periodically review its informal SOI for adequacy.

16.12: References

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CHAPTER 17

Talmont Resort Improvement District



The Talmont Resort Improvement District was formed in 1964 and it now provides drinking water and snow removal services.

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17.1: AGENCY PROFILE

Talmont Resort Improvement District

Type of District: Resort Improvement District
Enabling Legislation: Special Districts Act of 1963: Public Resources Code §§ 13000-13233
Functions/Services: Water distribution and snow removal

Main Office: None
Mailing Address: P.O. Box 1294, Tahoe City, CA 96145
Equipment Garage: 2010 Silver Tip Drive, Tahoe City, CA 96145
Phone No.: 530-583-8743
Fax No.: 530-583-0709
Web Site: <https://www.sites.google.com/site/talmontdistrict/meet-directors-staff>
Email: None

Administrative Supervisor: Libby Gregg
Email: libbygregg4@aol.com
Phone: 530-583-1889

Governing Body:	Elected Board of Directors		
	<u>Name</u>	<u>Role</u>	<u>Terms Ends</u>
	Howard Perry	President	November 2018
	James Henderson	Director	November 2018
	John Pang	Director	November 2016
	Kym Pipkin	Director	November 2016
	Leigh Ann Cullen	Director	November 2016

Meeting Schedule: Second Monday of every other even month at 4:00 p.m.
Meeting Location: District garage, 2010 Silvertip Drive, Tahoe City, CA
Date of Formation: 1964
Principal County: Placer County
Other: Powers restricted by Public Resources Code § 13075

17.2 OVERVIEW OF AGENCY

SUMMARY DESCRIPTION OF EXISTING SERVICES

The Talmont Resort Improvement District (TRID/District) provides domestic water delivery and snow removal services within its service area. This is the first complete Municipal Service Review for the District since Talmont RID did not provide data for Placer LAFCo's 2004 MSR.

TYPE AND EXTENT OF SERVICES

The District provides water delivery and snow removal services. Primary activities for the District's water delivery system include repairs and maintenance of infrastructure (e.g., wells, tanks, pipeline, and meters), water metering, water testing, preparation of an annual report for the California Department of Health, and State permitting. Snow removal services involve removal and storage of snow at road dead-ends within the service area, and repairs of the maintenance building and equipment.

CONTACT INFORMATION:

PHONE NO.: (530) 583-8743

FAX: (530) 583-0709

MAILING ADDRESS:

P.O. BOX 1294, TAHOE CITY, CA
96145

TRID is a public corporation organized in 1963 under the authority of Placer County and Public Resources Code §§ 13000-13233 for the primary purpose of providing water to largely seasonal residences in the Talmont Estates and Twin Peak Estates subdivisions in Placer County. These subdivisions contain approximately 380 lots, 30 of which are Tahoe Conservancy lots. The District services 340 of these lots, with the potential to serve the remaining ten undeveloped lots. The District's total budget is \$350,800 annually, of which \$208,163 is for water system expenses, \$87,387 for snow removal expenses, and \$55,250 for general expenses such as insurance, metering, and administration.

LOCATION AND SIZE

The District is located in the Ward Creek watershed, in an unincorporated area of northeastern Placer County approximately two miles southwest of the community of Tahoe City. Lands to the north, south, and west are primarily zoned for recreation and conservation uses, while higher density residential development is situated to the eastern side of the service area before it meets the western shore of Lake Tahoe. The service area



encompasses approximately three square miles (1,920 acres). The community of Tahoe City is the closest socioeconomic center to the Talmont area. See Figure 17.1 for a District map.

17.3: FORMATION AND BOUNDARY

The District was formed in 1964 as a resort improvement district with the goal of providing a host of services to the residents of the Talmont Estates and Twin Peak Estates subdivisions, including water for domestic use, irrigation, sanitation, industrial use, fire protection, and recreation; the collection, treatment, and disposal of sewage, waste water, and storm water; fire protection; garbage collection; public recreation; and street lighting. Snow removal was added to the District's functions in the late 1960s. To the knowledge of District staff, however, since that time only domestic water provision and snow removal have been offered to customers. The District boundaries have not changed since its inception in the early 1960s, and the District is limited in its future growth potential by changes in State law. The District was created to serve residents in the Talmont area, and no annexation proposals have been brought before Placer LAFCo since the initial formation of the District. TRID's boundaries do overlap with those of Tahoe City PUD.

BOUNDARY HISTORY

The District boundaries were originally established in November 1963 as part of Board Resolution 63-330 and subsequently affirmed by voters in a special election in 1964. There have been no changes to the District boundaries since that time.

SPHERE OF INFLUENCE

The District's Sphere of Influence (SOI) is not described in detail in LAFCO's files because the District was formed more than 50 years ago in 1964. However, based upon conversation with LAFCO's Executive Officer, the District's SOI is assumed to be concurrent with its existing boundaries. The District has no plans for expansion of its service area and has not considered a larger SOI than the current boundaries.

EXTRA-TERRITORIAL SERVICES

Service is not provided to areas outside the service boundary.

AREAS OF INTEREST

No specific areas outside the TRID boundaries have been identified that require services from the District.

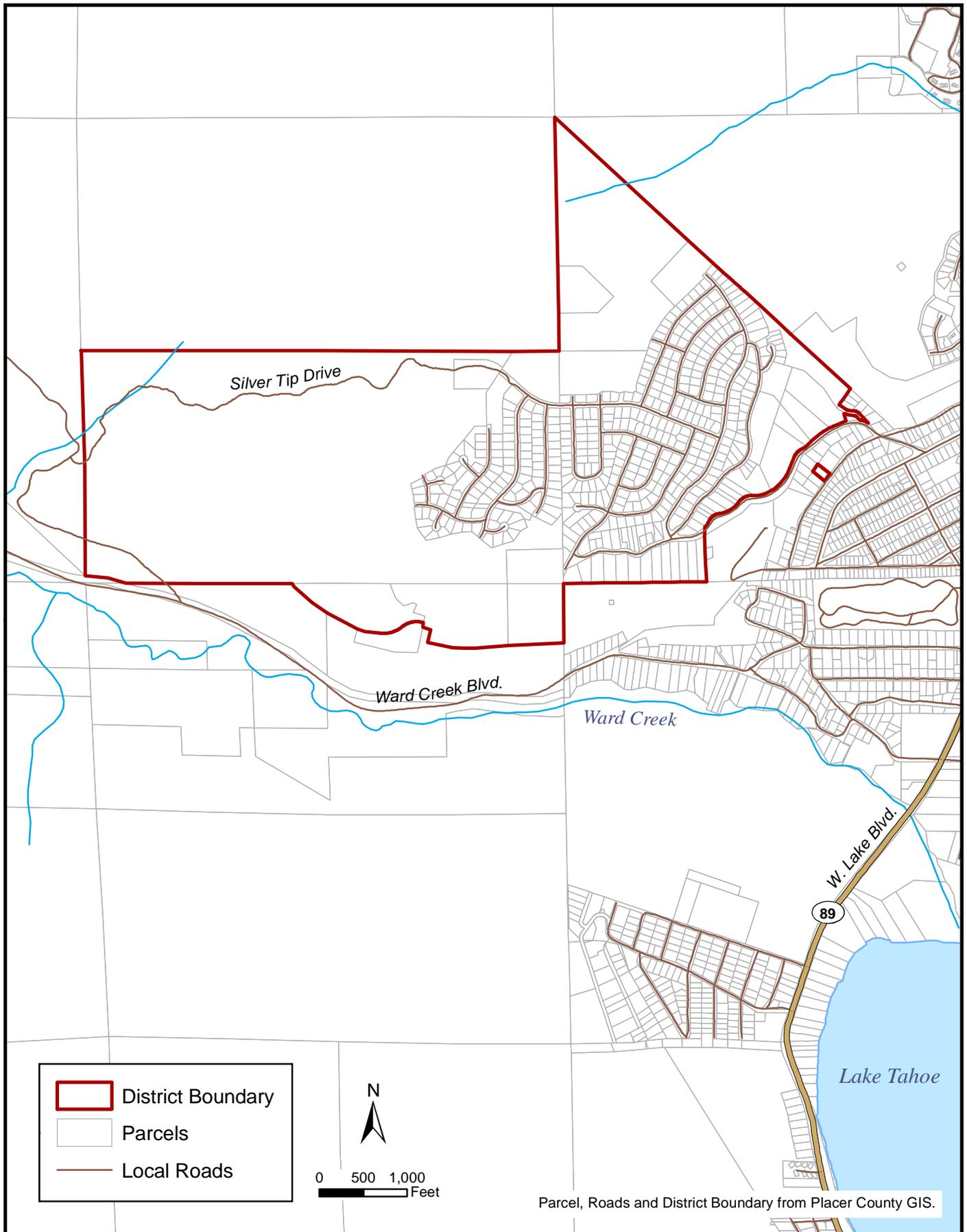


Figure 17-1

TALMONT RESORT IMPROVEMENT DISTRICT

17.4: ACCOUNTABILITY AND GOVERNANCE

The District is small with a range of services limited by its enabling legislation and changes to State law restricting its operational authority. The District is governed by a five-member Board of Directors elected by voters registered within the District boundaries. Regularly scheduled meetings are held on the second Monday of every other even month (February, April, June, etc.) at 4:00 p.m. Meetings are located at the District garage at 2010 Silvertip Drive, Tahoe City, CA.

The current Board members and Manager are as follows:

Name	Role	Term
Howard Perry	President	4 years
James Henderson	Director	4 years
John Pang	Director	4 years
Kym Pipkin	Director	2 years
Leigh Ann Cullen	Director	2 years

All meetings are publicly posted at least one week prior to Board meetings. Meeting notices are posted at the equipment garage at 2010 Silvertip Drive, Tahoe City, CA; on the District's website at <https://sites.google.com/site/talmontdistrict>; and sent via U.S. mail to all addresses within the service area.

The State of California considers Recreation Improvement Districts to be archaic. In 1961, the California Legislature passed the Resort Improvement District Law (Public Resources Code §13000, et seq.; SB 384, Cameron, 1961). In 1965, the California State Assembly held hearings and banned new resort improvement districts (Public Resources Code §13003). As a result, only seven RID's remain operational in the state. In 2010, the Governor approved Senate Bill 1023 (Wiggins) to create an expedited procedure for converting resort improvement districts and municipal improvement districts that operate under archaic statutes into community services districts, without substantive changes to their powers, duties, finances, or service areas. It is recommended that Talmont RID work with LAFCo to consider a process to convert the RID to a Community Service District.

17.5: MANAGEMENT EFFICIENCIES AND STAFFING

Day-to-day operations for the water delivery system are managed by the Administrative Supervisor and Water Manager, both subcontractors for the District. The District employs one part-time staff person for snow removal.

17.6: POPULATION AND GROWTH

POPULATION

The 2010 US Census reported a population of 1,557 in the Sunnyside-Tahoe City area, with a population density of 460.6 people per square mile. This population figure represents a decrease of about 200 people from the 2000 US Census, which reported a population of 1,761. However, the District boundaries are much smaller than the Sunnyside-Tahoe City area, and the 2010 US Census does not provide statistics for the service area alone.

The District indicates that they currently have 340 residential connections and have the potential for 350 total connections. With only ten more residential lots to be developed within the service area, the population will likely plateau in the near future. However, many of the 340 residences are vacation homes with a seasonal visitor population. It is estimated that the year-round (permanent) population of the District is 300 persons¹.

The service area has historically been limited by the boundaries of the Talmont Estate and Twin Peak Estate subdivisions, and without any requests for additional service outside the boundaries or requests for boundary changes, the service area will remain bounded by these subdivisions in the foreseeable future. Nearly all large surrounding parcels are zoned for conservation or recreation uses. Other residential subdivisions in the area are serviced by other public entities or are privately serviced, making requests for additional service from TRID unlikely.

The 2009 Placer County Housing Element Background Report indicates that the average household size is 2.56 persons per residence in unincorporated Placer County. Thus, the total resident and visitor population in the service area during the peak summer season can be estimated at 870. When the total buildout of 350 residences is assumed, the maximum resident and visitor population is estimated at 896 during the peak summer season.

PROJECTED GROWTH AND DEVELOPMENT

The Placer County General Plan serves as the County's vision for long-term land use development and conservation. Placer County's General Plan adopted on August 16, 1994, and updated May 21, 2013, provides a series of goals, policies, standards, and implementation programs to guide the land use, development, and environmental quality of the County.

2014 Permanent Population	2014 Visitor (only) Population during summer peak season	2020 Permanent Population	2020 Visitor Population during summer peak season
300	570	309	587

¹ So. Lake Tahoe PUD. July 2014, Appendix 2.

The population projections in Table 17.1, above assumes that the 10 vacant parcels will be developed by the year 2020. Using the District's average of 0.88 permanent residents per household, the projected population in 2020 will be 309 permanent residents. Using the District's average of 1.67 visitor population per household, the additional 10 units yields a peak visitor population of 587 persons. This brings the total projected max population (permanent resident plus visitor) to a total of 896 persons. Since our calculations assume build-out by the year 2020, the 2020 projections will also be valid for the years 2025, 2030, and 2035. In other words, the District's projected population is predicted to be a flat value for the years 2020 through 2035.

DISADVANTAGED UNINCORPORATED COMMUNITY

As described in Chapter 3, LAFCo is required to consider the provision of public services to disadvantaged unincorporated communities (DUCs). Relevant data were reviewed for the Talmont RID area. No DUCs have been identified within Talmont RID boundaries, its SOI, or adjacent areas. The U.S. Census 2010 found the median household income (MHI) in the 96145 zip code was \$66,628.² This is higher than the DUC threshold MHI of less than \$48,706 (80 percent of the statewide MHI). The DWR mapping tool for locating disadvantage communities was also queried and DWR does not classify the Talmont RID area as disadvantaged. Additionally, this area does receive adequate water, wastewater, and fire protection services as detailed in this MSR. Please see Chapter 3, Section 3.6 of this MSR for more information on disadvantaged unincorporated communities.

17.7: DISTRICT SERVICES

SERVICE OVERVIEW

The District provides snow removal and the distribution of water within the service area. Snow removal occurs during the winter and spring months as needed. There are approximately 10 miles of roadways within the RID boundaries that receive seasonal snow removal services. Although the roads are owned and maintained by Placer County, Talmont RID provides snow removal service consistent with the specifications of its contract with the County.

Water is provided to residents year-round. However peak water use occurs predominantly during the summer months because the service area encompasses a seasonal, resort-style development that is occupied year-round by only 20 percent of the service area home owners. The District monitors its two wells, one a primary working well and the other a back-up well, on an hourly basis. The water system is on an alarm that notifies workers if the water service fails. As part of the permitting process, the data is sent to the California Department of Health along with an annual report. The District is also responsible for repairs and

² 2010 census via American Fact Finder website at:
<<http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?src=CF>>.

maintenance of its infrastructure (wells and pumps, tanks, pipeline, hydrants, and meters), upkeep of its maintenance facility, water metering, and State permitting. Water is minimally treated and consistently meets State water quality standards.

SUPPLY/DEMAND

SNOW REMOVAL

Snow removal demands are affected not by population growth but by the number of paved roads requiring snow removal and the amount of snowfall accumulated. There is no anticipated expansion in the number of road miles. Continued operation of the snow removal service within the District can continue given the existing management structure of the District and available funding and infrastructure. No change in the provision of this service, either in extent of provision or type of service provided, is necessary for the long-term continued operation of the District. Under current State law, the District cannot add new services and could not restart this service if it was stopped. The limited ability to change District operations is a constraint on potential government structure revisions, and there do not appear to be viable alternatives available for other districts to provide this snow removal service in this area.

COURTESY OF WWW.GOOGLE.COM/MAPS



WATER

The District utilizes groundwater as its primary water supply. Groundwater in the region is generally of good quality³. Water wells pump water to the surface where it is treated and then distributed to customers.

Demand for municipal water is typically impacted by development. Population growth or additional service connections increase the water demand and the need for additional infrastructure. Minimal development is anticipated in the remainder of the District. The District's boundaries encompass a subdivision that has only ten remaining undeveloped lots. Approximately 23% of the land in the Talmont area is owned by public agencies⁴, leaving little remaining area to be developed. Furthermore, 80 percent of the homes in the service area are only seasonally occupied during the summer months of June through September.

Water use in the summer of 2014 declined by 10% compared to the summer of 2013 indicating that residents are conserving water during the drought⁵. The District has adopted a drought

³ So. Lake Tahoe PUD. July 2014. Page ES-5

⁴ USDA. 2000. Page 654.

http://gis.fs.fed.us/psw/publications/documents/psw_gtr175/psw_gtr175_ch6.pdf

⁵ Minutes of the Talmont Resort Improvement District. October 15, 2014. Available at: <https://www.sites.google.com/site/talmontdistrict/minutes/july-13-2011>

plan (Resolution 2014-2)⁶ as mandated by the State Water Resources Board. The drought plan includes conservation measures such as limiting outdoor irrigation to hours between 9am-9pm and washing of vehicles with a shutoff nozzle on hose only.

17.8: INFRASTRUCTURE AND FACILITIES

The District maintains a Capital Improvement List to inventory and identify future repair and replacement needs of the District's infrastructure and facilities, and has estimated that between 2011 and 2016, \$160,000 will be needed to repair and replace equipment needed for snow removal, and \$637,000 will be needed to repair and replace water service equipment. These items were taken into account in the 2013-14 budget and will be considered in future budgets as well. The District uses the Capital Improvement List to budget for future needs and ensure that replacement of infrastructure and facilities will be feasible when necessary. All items on the Capital Improvement List are funded from the annual capital improvement assessment that is part of property taxes for lots within the service area.

SNOW REMOVAL

The District provides snow removal services on approximately ten miles of roadways within its District boundaries. All roadways are owned by Placer County, and services are provided according to specifications of a contract with the County. The County maintains the general condition of the roadways and sands the roads during the winter and early spring seasons, while the District provides snow removal services and maintains its own equipment and storage facilities to provide snow removal. The District is responsible for repairs and maintenance of its snow removal equipment, a CAT 966 loader and two graders, as well as a maintenance building for storage of equipment and vehicles. Given the age of equipment, it is likely that significant repairs or replacement will be necessary within the next three years.

WATER

The District owns and operates two wells on Washoe Way, one duty well and one back-up well, both approximately 250 feet deep. Water is pumped into three water tanks, one of which holds 60,000 gallons and two of which hold 200,000 gallons. The water is untreated and consistently meets all the State water quality standards for drinking water. The District is responsible for repairs and maintenance of its wells and pumps, tanks, pipeline, hydrants, and water meters.

OPPORTUNITIES TO SHARE FACILITIES

The District holds its meetings in a building that also serves as the District garage for snow removal equipment. The Administrative Supervisor and Water Manager work from private offices, while the Snow Removal Manager works from the equipment garage.

⁶ Resolution 2014-2 is available at: < <http://apps.tahoedailytribune.com/utills/c2/app/v2/index.php?do=adDetail&adId=10474839#.VOvszy7QDW8>>.

DISTRIBUTION AND TRANSMISSION

The District's water distribution system begins at the two wells, only one of which is active at any given time, and proceeds to three holding tanks from which the water is conveyed through a series of underground pipelines to residential and commercial connections.

17.9: FINANCING

Talmont RID has an adopted management and budget policy addressing budget preparation, accrual basis of accounting, investment of funds, and expense authorization. Budgets are adopted in public meetings on an annual basis. The budget has sufficient organization and content to account for the major expenses to the District. The fiscal year begins on July 1 and ends on June 30. Additionally, an audited financial statement for FY 11/12 was provided to the MSR consultant. Although financial information is generally not made available to the public via the District's website, it is available upon request from the District. Limited financial data for Talmont RID is also available at the CA Controller's website at: <https://bythenumbers.sco.ca.gov/finance-explorer/view-by-special-district> . Please note that the data available at the CA Controller's website is unaudited data that Talmont RID supplied to the Controller's Office. Neither the Controller's Office nor the MSR consultants has verified the accuracy of this data. Although the data provided on the Controller's Office website differs somewhat from the Audited Financial Statement from McClintock Accountancy Corp, we suggest the difference could be attributed to the difference between audited and unaudited information. The data from the Controller's Office is utilized herein only as supplemental information and this MSR analysis relies primarily upon the audited financial statement prepared by McClintock Accountancy Corp.

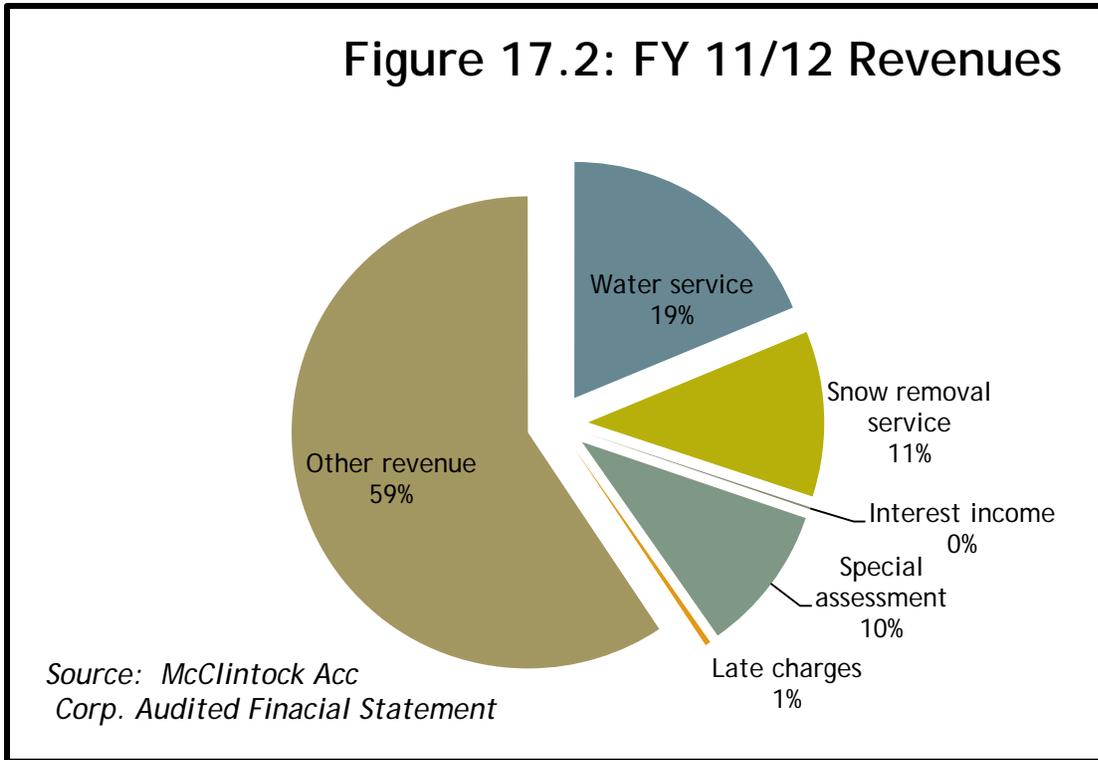
The most recent independent auditor's report was prepared for FY11/12 and dated December 5, 2012, and was attached to the District's Financial Statements. The audit found that there were no issues of noncompliance with financial regulations that could have an effect on the financial statement⁷.

REVENUES

This section describes sources of revenues for Talmont RID. The District operates under one Enterprise Fund that covers both snow removal and water service⁸. The District receives revenue from several sources including user fees, property tax, grants, investments, and other sources. An enterprise fund is intended to ensure the fees collected as customers pay their bills can be accounted for separately. Property tax assessments of properties within the District's boundaries are the revenue mechanism funding snow removal service. Revenues for the FY 11/12 are detailed in Figure 17.2, below:

⁷ McClintock Accountancy Corporation. Financial Statements and Independent Auditor's Report For the Year Ended June 30, 2012.

⁸ McClintock Accountancy Corporation. Financial Statements and Independent Auditor's Report For the Year Ended June 30, 2012.



Sources of revenue in the FY 11/12 included fees for water service at \$189,406, snow removal service property tax at \$114,433, special assessment at \$101,475, late charges at \$3,781 and interest income at \$1,317. The RID’s largest source of revenue, classified as “Other Revenue” represents 59% of the District’s total revenue at \$599,453⁹.

In 2011 the TRID received a \$7,000 grant from the Placer County Water Agency for their water meter program, the major goal of which was to install water meters at all residential and commercial addresses in the service area for water conservation purposes. In May 2014, the Placer County Water Agency Board of Directors granted \$5,000 to the Talmont Resort Improvement District for a project to rebuild a district pump station¹⁰.

EXPENSES

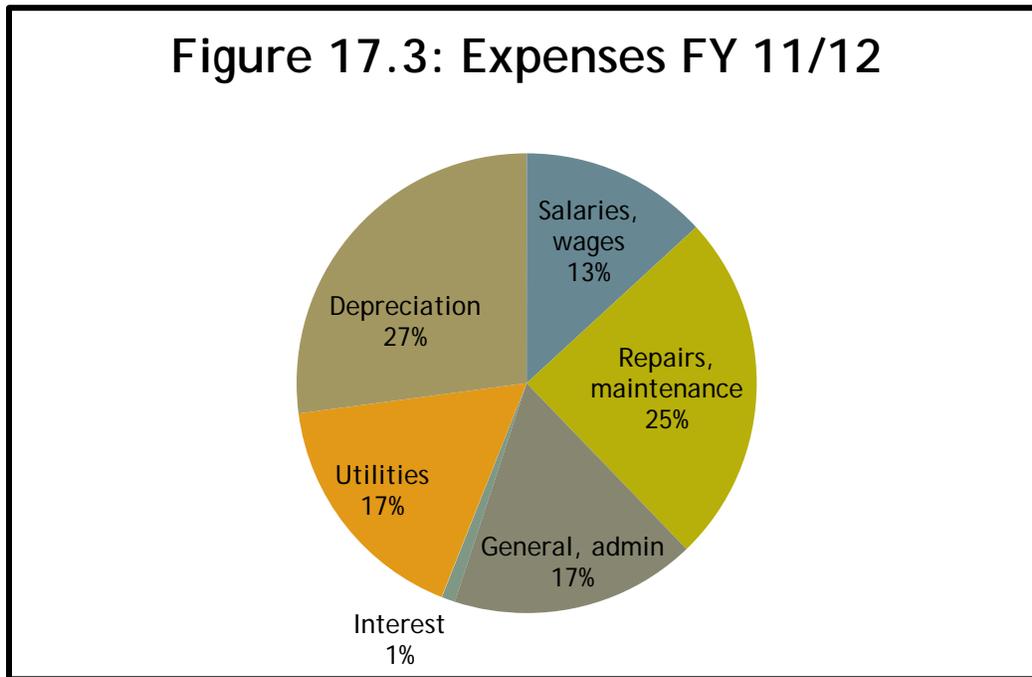
Expenses for the enterprise fund include administrative expenses such as insurance, depreciation of capital assets, and the costs of providing water treatment and distribution, and snow removal services as shown in Figure 17.3 below. In FY 11/12 the RID paid \$47,391 in utility bills, which averages to about \$3,950 per month. Utility bills are one area in which the District may wish to consider implementing projects to improve energy efficiency and thus lower utility bills. Electricity to power the wells to pump groundwater is likely the RID’s largest energy use.

⁹ McClintock Accountancy Corp. Audited Financial Statement.

¹⁰ Additional information about the grant is available here:

http://www.rocklintoday.com/news/templates/community_news.asp?articleid=12969&zoneid=4

Figure 17.3: Expenses FY 11/12

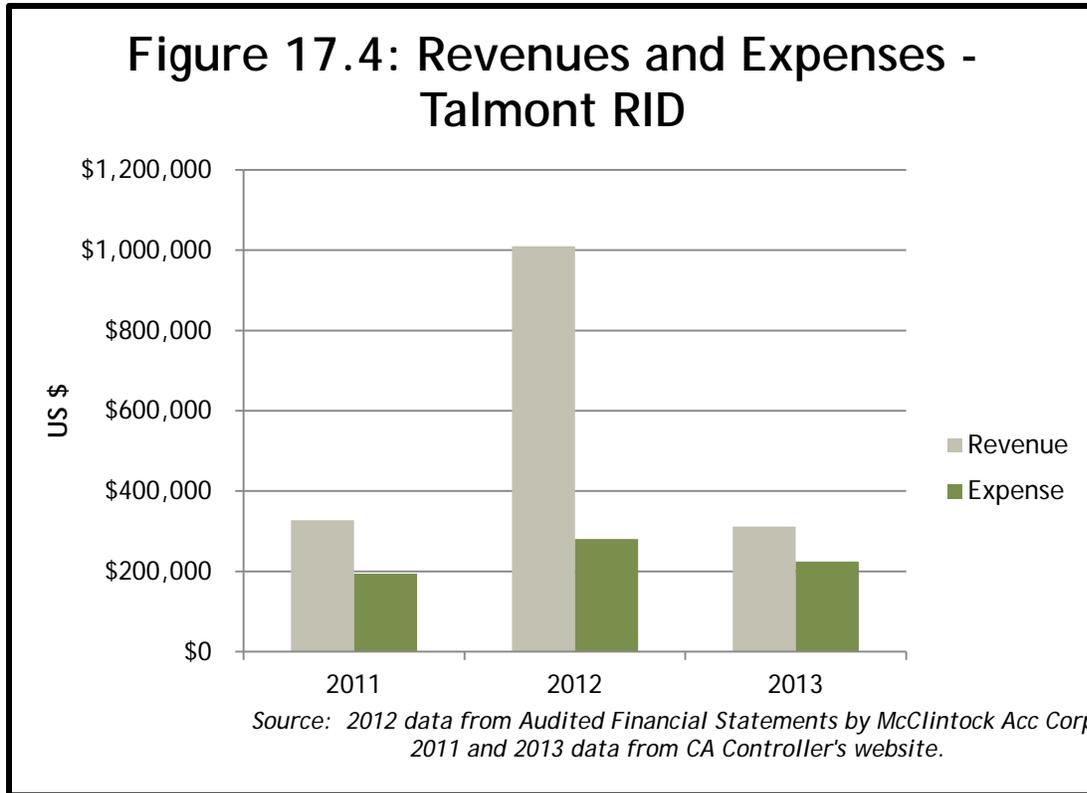


Comparing revenues to expenses provides an analysis of the overall fiscal health of the enterprise fund and serves to assess the financial ability of the District to continue its provision of water and snow removal services. In recent years revenues exceeded expenses and this indicates that under current levels of maintenance and capital improvements, the customer service fees and taxes cover existing costs. As shown in Figure 17.4 below total revenues exceeded \$1 million in FY 11/12, far outpacing total expenses of \$280,716¹¹. However, the large revenue in FY 11/12 appears to be an anomaly, perhaps related to payment for a capital expense. In most years, the RID's total revenue is approximately \$300,000 per year and expenses average approximately \$187,000 per year¹². Revenue that is in excess of expenses is held in reserves for use during emergencies¹³. It is recommended that the RID provide more information about its reserve accounts and provide audited financial statements for a minimum of three fiscal years to LAFCo, when LAFCo prepares the next MSR, in approximately five years.

¹¹ McClintock Accountancy Corp. Audited Financial Statement. 2012.

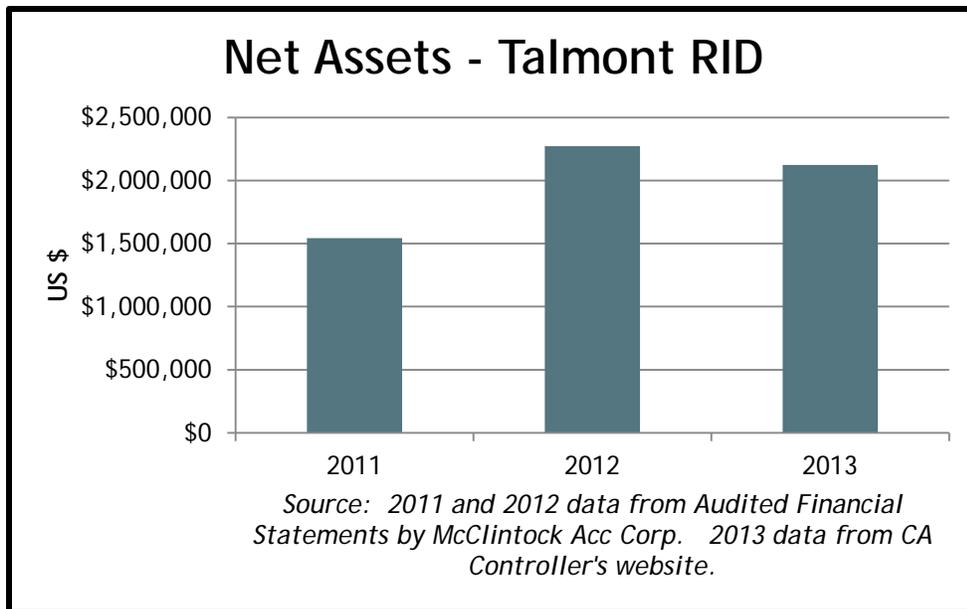
¹² CA Controller's Office website at: <<https://bythenumbers.sco.ca.gov/finance-explorer/view-by-special-district>>.

¹³ Talmont RID's response to LAFCo's Request for Information for MSR. Sept. 2013.



ASSET MAINTENANCE AND REPLACEMENT

The District's net assets were \$1,542,906 at June 30, 2011 and \$2,272,054 at June 30, 2012. The increase in FY 11/12 was due to the water meter project not yet completed, a special assessment that was collected, and interest income received. Capital assets the district owns and maintains includes cash, cash equivalents, accounts receivable, interest receivable, land, land improvements, a building, water plant, equipment and meters, depreciable assets, and construction in progress. It should be noted that the RID's water meter installation is part of a water conservation effort and will likely yield long-term benefits by contributing towards increased cost effectiveness.



Part of the assets the RID maintains is cash and investments. The audited financial statement for FY 11/12 reports that cash and investments held by the District at June 30, 2012 are as follows: Cash on deposit at banks \$ 190,301; investments held by LAIF \$485,080; cash held by LAIF-restricted \$38,701. LAIF is the State of California Local Agency Investment Fund (LAIF) a governmental investment pool managed and directed by the California State Treasurer and is not registered with the Securities and Exchange Commission. An oversight committee comprised of California State officials and various participants provide oversight to the management of the fund. The daily operations and responsibilities of LAIF fall under the auspices of the State Treasurer's office. The District is a voluntary participant in the investment pool.

CAPITAL IMPROVEMENTS

The Talmont RID has a simple list of capital improvement projects. A sample of the near term water projects and two snow removal projects are listed as shown below¹⁴.

Water

1. Tank Interior/exterior painting, service.
2. Pump replacement Wells 1 and 2
3. Hydrants- 10-12 will be replaced
4. Upgrades to Telemetry
5. Snow Removal Equipment needs
6. Silver Tip Pump Station Project

¹⁴ Talmont RID. Minutes of Meeting. 2014-2015 Budget Planning Meeting. March 7, 2014 2:00 PM. <<https://sites.google.com/site/talmontdistrict/minutes/january-13-2011>>.

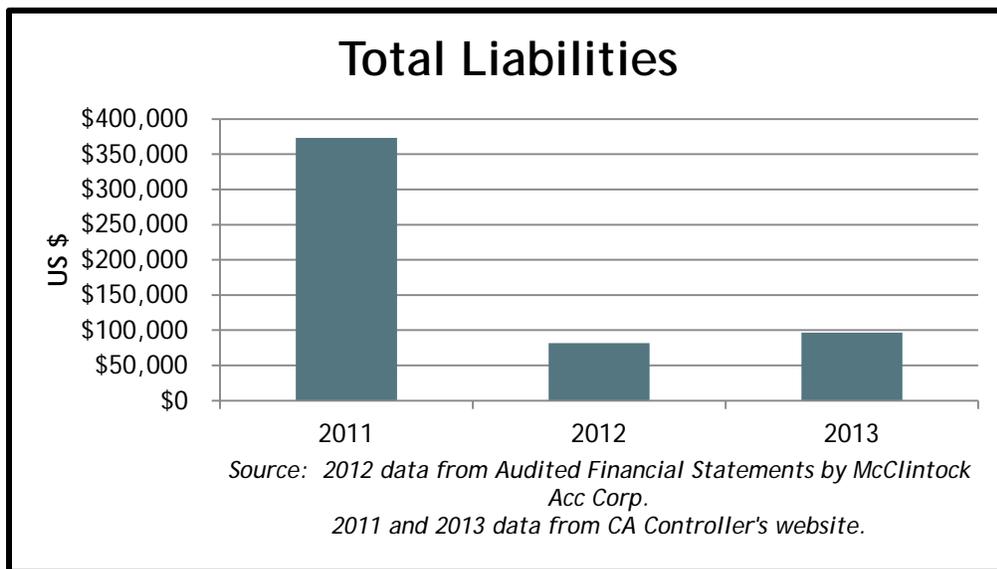
Snow removal¹⁵

1. Cat 966 Loader, \$90,000 estimated cost
2. Transmission Repair, \$12,000 estimated cost

Capital expenditure financing is provided by “capital improvement assessments” of properties within the District boundaries. All maintenance and operations financing is provided by monthly rates and fees as shown above under “Rate Restructuring.”

LONG-TERM LIABILITIES AND DEBTS

As of June 30, 2012, Talmont RID had \$81,686 in total liabilities. These liabilities include a lease and accounts payable¹⁶. In 2010, the District entered into a capital lease to purchase a loader. The terms of the lease are 60 payments of \$1,827 and the payments are scheduled to end off in 2016.



RATE RESTRUCTURING

The District’s rates were amended as of July 1, 2013 (Ordinance2013-01), in order to fully fund the FY 2013-2014 budget and to provide for increased conservation due to the new consumption-based rate structure. At the same time, snow removal rates decreased from to \$72.60 per quarter due to operational efficiencies. Water rates were modified from a flat fee system to a tiered billing system based on water use, which is now metered. The base allowance is up to 24,000 gallons per quarter. The District states that 98 percent of their customers use this amount or less in the winter quarter, and 85 percent use this amount or less in the fall and spring quarters. However, approximately 35 percent of customers use in

¹⁵ Capital Improvement Schedule available at: <<https://sites.google.com/site/talmontdistrict/capital-improvement-schedule>>.

¹⁶ Audited Financial Statement. McClintock Accountancy Corp.

excess of this amount in the summer months, placing them in the higher tiers of the new rate schedule. The new rates therefore provide an incentive for customers to conserve water when it is scarcer. Reliable water meter data is now available and could potentially be utilized to improve efficiency at the RID. Water rates are shown below.

Tiers	Gallons Used per Quarter	Residential Quarterly Water Rates	Commercial Quarterly Water Rates
Tier I (Base rate)	0 - 24,000	\$175.50	\$352.20
Tier II	24,001 - 42,000	base rate + \$49.50	base rate + \$49.50
Tier III	42,001- 96,000	base rate + \$94.50	base rate + \$94.50
Tier IV	96,001 - 150,000	base rate + 184.50	base rate + 184.50
Tier V	150,001 +	\$360 + \$2 per 1,000 gallons over 150,001 gallons	\$360 + \$2 per 1,000 gallons over 150,001 gallons
Special Assessment		\$75 per quarter, ending 12-31-2013	\$75 per quarter, ending 12/31/2013
System Replacement Fee		\$75 per quarter, effective 01-01-2014, regardless of usage	\$75 per quarter, effective 01/01/2014, regardless of usage

Residential: New Construction or Remodel		
Description	Fee	Notes
Locate Service Line	\$75	Per visit
Shut off & reconnection fee - Temporary	\$75	Per visit, min plus actual cost
Shut off & reconnection fee - Emergency	\$250	Per visit, min plus actual cost
Connection inspection, plan check fee	\$50	Per visit
Meter installation	\$2000	If paid in full by June 30, 2011

Meter installation	\$2500	If paid between July 1, 2011 and April 2013
New Service Extension, Service tap	\$2100 deposit	Billed actual cost
Late fee, administration charge	\$25	
Monthly payment administration charge	\$10	
Returned check fee	\$30	
Tax lien administration fee	\$150	
Tax lien sales fee	\$150	
Process refund of fees, excluded overpayment	\$25	
Finance Charge	1.50 %	Per month on unpaid amounts
Ownership transfer fee	\$50	
Ordinance Violation disconnect and reconnect (including non-payment)	\$500	Plus any additional costs for administrative, field investigation, and legal expenses.
Unauthorized connections, discharges, fire hydrant use	\$500	Plus any additional costs for administrative, field investigation, legal expenses, and consumption rates.

As shown in Table 17.3 above, in addition to monthly fees, the TRID charges a water meter installation charge of \$2,000, to be collected at the time a residential Property is sold (i.e. before Close of Escrow or change of title)¹⁷. Other fees include an emergency shut-off fee of \$50, a returned check fee of \$30, an ownership transfer fee of \$50 and several other fees.

COST AVOIDANCE

This section highlights cost avoidance practices given necessary service requirements and expectations. Ideally, proposed methods to reduce costs would not adversely affect service levels. In general, water systems have a fixed cost associated with operations and maintenance and has a variable cost related to flows. As the RID staff continues to provide water services to residents, they must deal with regulatory and physical constraints which may limit their ability to pursue cost avoidance practices. Given these constraints, the District pursues an array of cost avoidance techniques that each contributes incrementally towards keeping costs at a reasonable level.

District meetings are held in the District-owned equipment garage. TRID employs one part-maintenance worker to provide snow removal services, and two subcontractors who work from private offices. The Board of Directors is not compensated. Expenditures are largely a

¹⁷ Installation charge is described here: < <http://www.tahoemls.com/blog/wp-content/uploads/2013/09/Tahoe-Truckee-Regional-Area-Advisory-10-1-13.pdf>>.

result of maintenance and operations of the water system and snow removal equipment, with these services accounting for 84 percent of the annual operating expenses. Review of the annual budget for snow removal shows little expenditure beyond maintenance, salary, insurance, and taxes. With limited budget and minimal expenditures, there do not appear to be any opportunities for cost avoidance related to the provision of snow removal. Talmont RID's budgeting processes serves as one means to avoid unnecessary costs since budget line items are carefully thought out well in advance. Additionally, the District's purchasing policies provide a review of significant purchases and competitive bidding to ensure purchases are made efficiently. Talmont RID conducts regular maintenance on water lines. Snow removal is sub-contracted out. The District has not identified areas currently served that might be served more efficiently by another agency. However, water system utility expenses account for 17 percent of the expenditures for water delivery. The District should investigate efficiencies in its electricity use, as well as the possibility of capturing renewable energy as a cost-reduction strategy.

17.10: CHALLENGES

The District's rates and fees provide the financing for the provision of domestic water and snow removal services. The budget for fiscal year 2013-14 results in \$2,907.20 surplus and includes depreciation for equipment that will need to be replaced and maintained over the next several years. No other issues have been identified by TRID.

17.11: SERVICE ADEQUACY

District facilities are sized to adequately serve the existing and anticipated connections within the service area. The District also has adequate water supply to serve existing and anticipated future customers. In 2012 the District pumped 205 gallons per minute (gpm) from its primary well, with the ability to pump 165 acre-feet (af) annually. Supply from the second well exceeded that amount at 290 gpm and 233 af. Water demand for 2012 was 60 af, significantly less than the supply. As previously noted, minimal development is expected to occur within the District due to the fact that only ten lots are undeveloped in the District. Operations and maintenance needs are accommodated by service charges and tax assessments, resulting in adequate long-term water provision.

Snow removal is currently adequate as well, and continued operation of the snow removal service within the District can continue given the existing management structure of the District and available funding and infrastructure. No change in the provision of this service, either in extent of provision or type of service provided, is necessary for the long-term continued operation of the District.

17.12: DETERMINATIONS

GROWTH AND POPULATION PROJECTIONS

1. The current number of residential connections in the District is 340. With an average household size of 2.56 in Placer County, the estimated maximum population during the peak summer season is 870 people.
2. Given the limited number of residential lots in the service area (that do not have the ability to be subdivided under current zoning), the ultimate potential number of service connections is 350, with a possible ultimate peak summer season population estimated at 896.
3. Assuming a growth rate of 1.5 percent that is added to the existing number of residential units, the population will likely plateau by around 2015. Population in the service area will not increase beyond 896 unless the service area is expanded, household size increases, the number of second units increase, or the zoning is changed to allow for subdivision of the existing lots.
4. There are no plans for expansion of the service area, and nearly all large surrounding parcels are zoned for conservation or recreation uses, or are already constructed with existing residential subdivisions
5. The population served by the District is predominantly seasonal, with 80 percent of residents occupying their homes only during the summer months.
6. The District has the ability to provide water for year-round residents or seasonal residents.

DISADVANTAGED UNINCORPORATED COMMUNITIES

7. No areas within the District qualify as a disadvantaged unincorporated community because the median family income exceeds 80% of the state median family income.

PRESENT AND PLANNED CAPACITY OF PUBLIC FACILITIES

8. The District was established in 1964 to provide a range of public services, including water delivery, to the Talmont Estates and Twin Peak Estates subdivisions. The district has never activated any of the services that were part of the original formation, including sewage and storm water collection and treatment, fire protection, garbage collection, public recreation, and street lighting.
9. Snow removal was added to the District's functions in the late 1960s and is provided under direction of the District's Board of Directors.
10. The District is limited in future growth potential by changes in State law, and no annexation proposals have been brought before Placer LAFCo since the inception of the District.
11. Repairs and replacements will be necessary on an ongoing basis for both snow removal equipment and water delivery infrastructure.
12. The Capital Improvement List allows the District to accurately budget for future needs and ensures that infrastructure and facilities can be replaced and repaired when

necessary. The annual budgets consider these items and fund them with the annual capital improvement assessment that is part of property taxes for lots within the service area.

13. The District's Capital Improvement List identifies the need for \$160,000 in repairs and replacements for snow removal equipment from 2011 to 2016, and \$637,000 in repairs and replacements for water service infrastructure.
14. The capital improvement assessment, along with any surpluses provided by the standard fees and rates, pays for any necessary capital improvements to the water system. Infrastructure needs and deficiencies are thus addressed by the ongoing assessment and budget process.
15. Water is pumped from one active well, while another well is used only on a backup basis.
16. Water supply regularly exceeds the amount needed for the service area, and the District has recently taken measures to support customer water conservation by installing water meters at each service address.
17. Because only ten additional residences remain to be built in the service area, water delivery appears to be adequate in the foreseeable future.

FINANCIAL ABILITY OF AGENCY TO PROVIDE SERVICES

17. On an annual basis, the Talmont RID adopts a comprehensive budget and receives an audited financial statement. The FY 2013-2014 budget demonstrates adequate finances for the continued ability of the District to provide services, with a surplus of \$2,907.
18. The District is funded through service charges, fees, and taxes.
19. The annual tax assessment collected from customers is used to fund capital improvements. Within the next several years, the District plans to implement several modest and specific capital improvements to maintain and support its infrastructure. It is recommended that any capital improvements be considered in light of available revenues and other potential funding sources to ensure that the scope of the proposed projects is congruent with funding availability.
20. Rates should continue to be reviewed and adjusted as necessary to fund District costs and provide for capital improvements as needed.
21. The Enterprise Fund is managed efficiently. In most years, the RID's total revenue is approximately \$300,000 per year and expenses average approximately \$187,000 per year¹⁸. Revenue that is in excess of expenses is held in reserves for use during emergencies¹⁹. It is recommended that the RID provide more information about its reserve accounts and provide audited financial statements for a minimum of three fiscal years to LAFCo, when LAFCo prepares the next MSR, in approximately five years.
22. Utility bills comprise 17% of the RID's monthly expenditures and they are one area in which the District may wish to consider implementing projects to improve energy

¹⁸ CA Controller's Office website at: < <https://bythenumbers.sco.ca.gov/finance-explorer/view-by-special-district>>.

¹⁹ Talmont RID's response to LAFCo's Request for Information for MSR. Sept. 2013.

efficiency and thus lower utility bills. Electricity to power the wells to pump groundwater is likely the RID's largest energy use. Within the next ten years, it is suggested that the RID develop a plan to utilize green technology, energy efficient pumps, or other mechanism to lower utility bills.

23. The District practices cost reduction through careful purchasing, bidding processes, and other mechanisms.
24. In the short-term, no additional cost-avoidance opportunities have been identified at this time.

STATUS OF, AND OPPORTUNITIES FOR, SHARED FACILITIES

25. The District uses its equipment garage for snow removal equipment and as a meeting facility for the District Board of Directors.
26. No other opportunities for facility sharing have been identified.

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

27. The District demonstrated accountability through its prompt disclosure of information requested by LAFCo for preparation of this MSR.
28. Board meetings are publicly noticed and comply with the Brown Act, California's open meeting law. They are held every other month.
29. No boundary changes are pending or proposed at this time.
30. The District follows standard accounting procedures.
31. All Board members have access to District data, records and information.
32. The District has adequate public outreach, with a public website featuring meeting minutes, meter readings, information, rates, reports and the capital improvement schedule.
33. The District does not currently have a strategic plan that outlines its mission statement, vision statement, and goals and objectives. Such a strategic plan could help the District could improve upon 1) planning efforts, 2) accountability and transparency.
34. In 2010, the Governor approved Senate Bill 1023 (Wiggins) to create an expedited procedure for converting resort improvement districts and municipal improvement districts that operate under archaic statutes into community services districts, without substantive changes to their powers, duties, finances, or service areas. It is recommended that Talmont RID work with LAFCo to consider a process to convert the RID to a Community Service District.

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CHAPTER 18

TRUCKEE TAHOE AIRPORT DISTRICT



Photo courtesy of www.google.com/maps (street view)

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18.1: AGENCY PROFILE

TRUCKEE TAHOE AIRPORT DISTRICT		
Type of District:	Airport District	
Enabling Legislation:	California Airport District Act: Public Utilities Code Sections 22001 <i>-et seq.</i>	
Functions/Services:	Airport operations	
Main Office:	10356 Truckee Airport Road, Truckee, CA 96161	
Mailing Address:	Same	
PHONE No.:	530-587-4119	
Fax No.:	530-587-2984	
WEB SITE:	WWW.TRUCKEETAHOEAIRPORT.COM	
EMAIL:	INFO@TRUCKEETAHOEAIRPORT.COM	
General Manager:	Kevin Smith	Email: kevin.smith@truckeetahoeairport.com
Phone:	530-587-4119 <u>Ext 105</u>	
Governing Body:	<u>Board of Directors</u>	<u>Term Expires</u>
	John B. Jones, Jr., President	December 2018
	Lisa Wallace, Vice President	December 2016
	Mary Hetherington, Director	December 2016
	Jim Morrison, Director	December 2018
	Tom Van Berkem, Director	December 2016
Meeting Schedule:	4 th Wednesday of each month	
Meeting Location:	Airport Administrative Building, Community Room, 10356 Truckee Airport Road, Truckee, CA at 4:30 PM.	
Date of Formation:	May 12, 1958	
Other:	Multi-county district serving Placer County and Nevada County	
Principal County:	Placer County	

18.2 OVERVIEW OF AGENCY

SUMMARY DESCRIPTION OF EXISTING SERVICES

The Truckee Tahoe Airport District (TTAD or District) provides airport services to eastern Placer and Nevada counties, and beyond. This is the second Municipal Service Review (MSR) for the District.

TYPE AND EXTENT OF SERVICES

TTAD is a California special district, created in 1958 in accordance with the California Airport District Act. The District was formed to provide aeronautic services to residents in Placer and

Nevada counties, including operation of the Truckee Tahoe Airport and related facilities and infrastructure. TTAD operates under permits granted by a variety of local, State, and federal departments. These include Placer County Department of Environmental Health, California Department of Transportation (Aeronautics Division), U.S. Environmental Protection Agency, and the Federal Aviation Administration. District staff indicates that operation under the laws applicable to special districts are conducive to quality provision of airport services and allows the District to meet public and user needs efficiently and effectively. See Figure 18-1 for the district boundary and the currently adopted Sphere of Influence.

LOCATION AND SIZE

The District boundaries encompass 485 square miles of unincorporated territory in eastern Placer County and eastern Nevada County. GIS data indicates that within TTAD's boundaries, there are 25,825 parcels within Placer County and 18,128 parcels within Nevada County. The Truckee-Tahoe Airport lies in the center of Martis Valley adjacent to the Town of Truckee. The Airport property consists of 1.88 sq. miles (1,200 acres) and it is situated at an elevation of 5,900 ft. above mean sea level. Although the community of Truckee is the socioeconomic center of the District area, the airport serves a wide region including Tahoe City, Incline Village, Kings Beach,Tahoma, and Donner Summit.

FORMATION

This District was created by a resolution of the Placer County Board of Supervisors (Resolution 58-63), following a vote of residents in the affected area in 1958, to oversee the Truckee Tahoe Airport and its operations. The state enabling legislation (Principal Act) that authorized the formation and operation of the District is the California Airport District Act: Public Utilities Code Sections 22001 - 22909.

BOUNDARY HISTORY

The District was initially formed in 1958. Since then, there have been no other changes to the District boundaries. The boundaries include portions of both Placer County and Nevada County. Placer County has the majority of assessed value of land, and is therefore, the Principal County, and under Placer LAFCo jurisdiction.

SPHERE OF INFLUENCE

The District's Sphere of Influence (SOI) was approved by LAFCO on April 1, 1986 and it is contiguous with the District's boundary. District staff noted that the Sphere of Influence boundary is adequate for projected future needs of the District (TTAD, 2013).

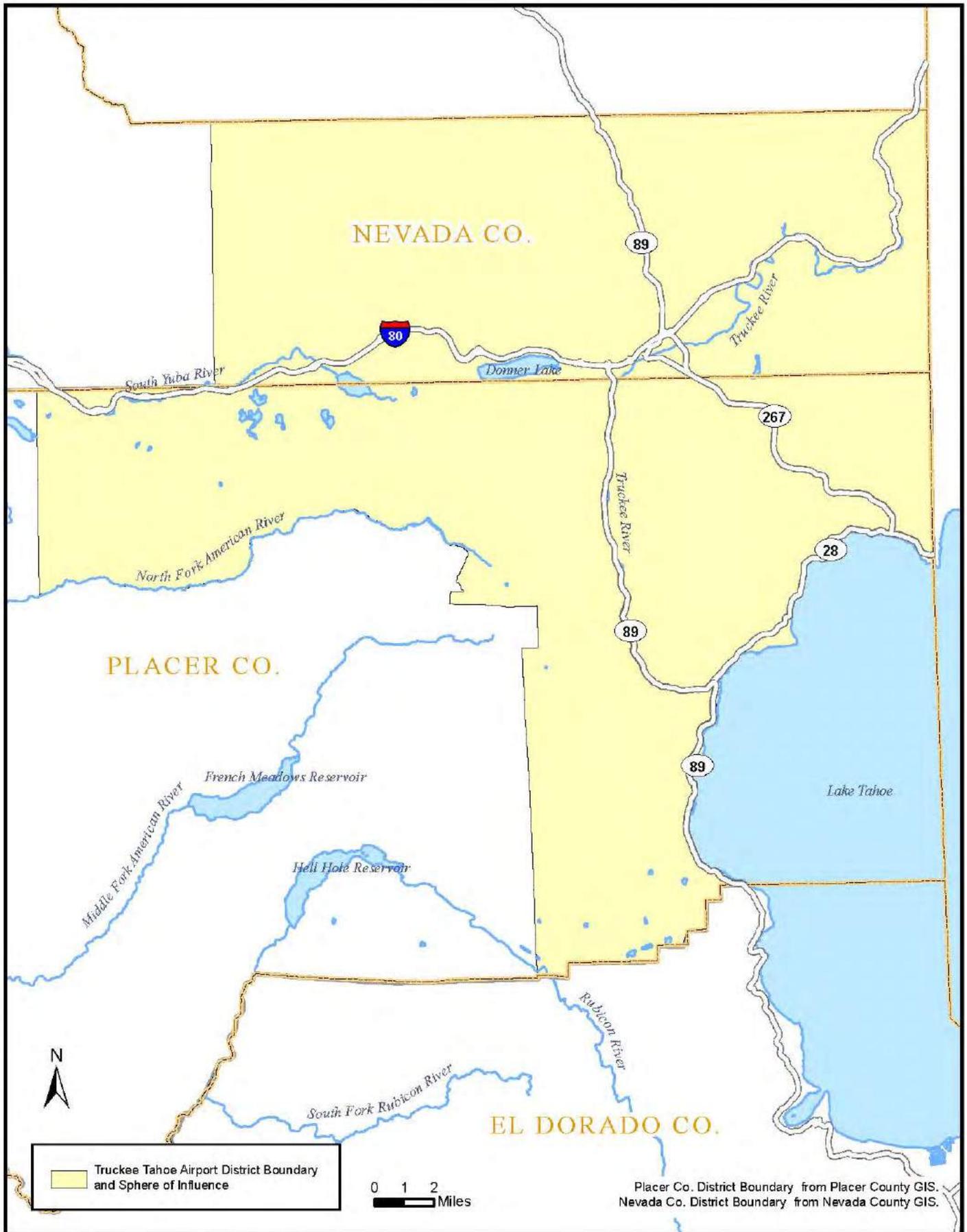


Figure 18-1

TRUCKEE TAHOE AIRPORT DISTRICT

EXTRA-TERRITORIAL SERVICES

The airport's physical infrastructure is limited to property that the District owns within its service area boundaries. The District provides airport and related services to residents and businesses located both within and outside the District's boundaries.

AREAS OF INTEREST

No specific areas outside the District boundaries have been identified that require services from the District.

18.3: ACCOUNTABILITY AND GOVERNANCE

The District is governed by a five member Board of Directors, who are elected to four-year terms by registered voters within the District boundaries. The current Board members are as follows:

<u>Board of Directors</u>	<u>Term Expires</u>
John B. Jones, Jr., President	December 2018
Lisa Wallace, Vice President	December 2016
Mary Hetherington, Director	December 2016
Jim Morrison, Director	December 2018
Tom Van Berkem, Director	December 2016

Directors receive \$100 in compensation per Board meeting - not to exceed four meetings in any one month. Additionally, Directors are eligible to receive miscellaneous travel expenses and health insurance premiums, subject to review by the full Board. The most recent contested election was in the Presidential Election of November 2012, in which four candidates vied for three Board positions. Election turnout District-wide was 59.5%. Two seats were filled by appointment of the Placer County Board of Supervisors in lieu of election in November 2014.

Regularly scheduled public meetings of the Board are held on the 4th Wednesday of each month. The meetings are held at the Airport Administrative Building, Community Room, 10356 Truckee Airport Road, Truckee, CA at 4:30 PM. All meetings are publicly posted at the District Administrative Building at least three days prior to Board meetings. The meetings are streamed live over the internet and are broadcast on the local access television station. The District's Attorney attends each meeting to ensure compliance with the Brown Act. There is an open public comment time at the beginning of each meeting for items not on the agenda and public comment is allowed during the meeting for each agenda item. The District's website (<http://www.truckeetahoeairport.com>) contains meeting agendas, meeting minutes, and other applicable information. The District also sends Board agendas to a mailing list of people and organizations who have requested to be on the mailing list (TTAD, 2013).

It is important for local government agencies such as TTAD to be trustworthy, transparent, and to act in the public's interest rather than in self-interest. Transparency is particularly important to TTAD and in early 2015, TTAD received a "District Transparency Certificate of Excellence" from the Special District Leadership Foundation¹. In summary, TTAD and its activities undergo a variety of public review procedures, including review by the California Department of Transportation (Caltrans) Division of Aeronautics and financial review by independent auditors. There are sufficient mechanisms in place to ensure that actions and operating procedures of the District are open and accessible to the public.

The Board of Directors is supported by its staff and by the Airport Community Advisory Team, which is comprised of community volunteers. The Airport Community Advisory Team formulates recommendations which are presented to the Board of Directors.

18.4: MANAGEMENT EFFICIENCIES AND STAFFING

The TTAD operates under the leadership of an elected Board of Directors (described above), with a General Manager providing daily oversight and management of staff and resources. There are currently 20 FTE and 2 Seasonal employees of the District as shown in the Organization Chart, Figure 18-2, below. This is a slight increase from the 19 employees the District had in 2003 (TTAD, 2013).

CONTACT INFORMATION:

KEVIN SMITH
GENERAL MANAGER

530-587-4119 EXT 105

kevin.smith@truckee-tahoe-airport.com

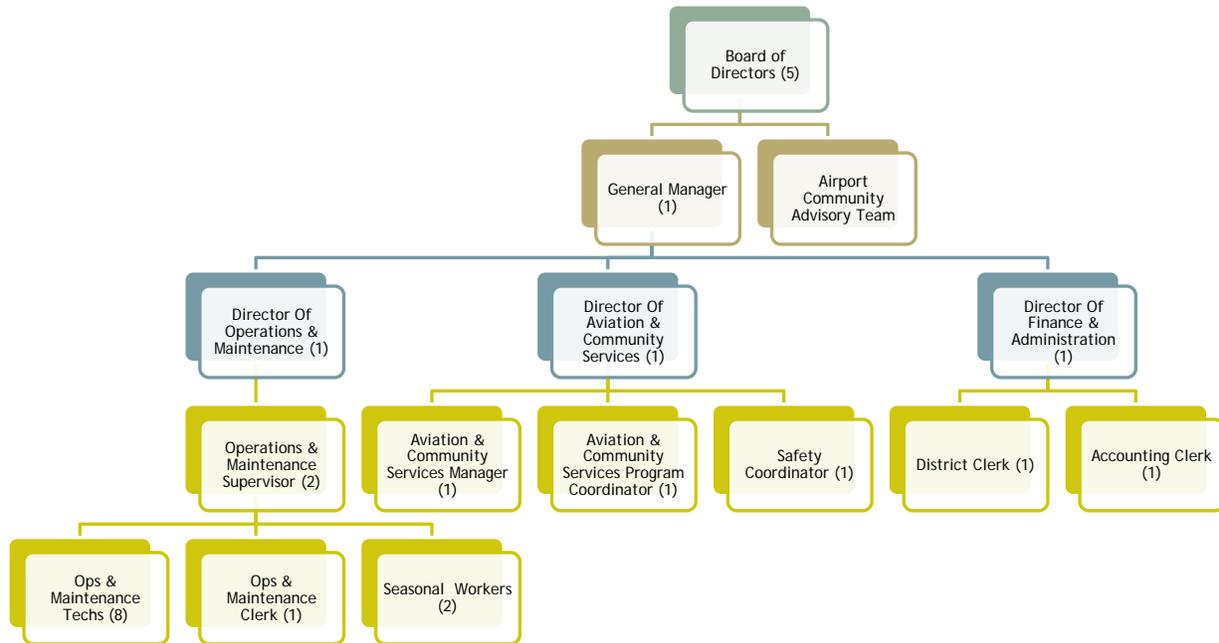
The General Manager is responsible for the day-to-day operations and financial accountability for the District. The General Manager directs, coordinates, and reviews all aircraft operations, maintenance of the airfield and buildings, community relations, and financial matters of the airport. The District's General Manager received the Excellence in Government Award from the Truckee Donner Chamber of Commerce in October of 2012 (TTAD, 2013).

For the ten highest paid employees of the District, the average annual salary² is \$84,550. When adding in employee benefits such as sick time and health insurance costs, the average cost per employee (for the ten highest paid) is \$118,314.

¹ Special District Leadership Foundation is at: <<http://www.sdlf.org/#!current-certificates-and-recognitions/ck30>>

² As reported to: <<http://transparentcalifornia.com>>

Figure 18-2: TTAD Organization Chart



In addition to the formal employees of the District, TTAD also has several contractual positions including Technical Aviation Consultant, Geographic Information Systems (GIS) Support Consultant, Multilateration (MLAT) Support Consultant, Information Technology (IT) Support Consultant, District Engineer, and District Counsel. Since these services are provided via contract, the District is not responsible for providing retirement, health and other standard benefits.

TTAD’s overall management and staff structure appear to be operating efficiently. The District is fiscally solvent, stable, and carries no long-term debt. All required permits for operation and provision of services are up-to-date. Management is considered efficient at providing aeronautic services to residents of Placer and Nevada counties. The current staff organization appears to effectively serve the basic functions of the District and no recommendations for alteration are proposed herein.

Community Relations

A large part of management's responsibilities is maintaining positive community relationships. Part of community relationships is handling complaints. The District does have established procedures for accepting complaints. Aviation customers may send complaints regarding general issues to the District Clerk; however these types of complaints are not common.

Staff submits a quarterly report to the Board that logs and analyzes the number and type of complaints. This report entitled "Community Comments & Operations Report" is available on the District's website as part of Board meeting packets. TTAD received 61 noise/annoyance complaints in 2012 (TTAD, 2013) and received 272 complaints regarding aircraft in the year 2014 (TTAD, 2015). Noise and annoyance complaints are directed to the Aviation and Community Services Director who aims to ensure best management practices are utilized to reduce noise and other annoyances, consistent with the 2004 Truckee Airport Jet Noise Limits Resolution. The Airport maintains a voluntary, but strongly requested flying curfew between 10pm and 7am as part of its good neighbor policy. In addition, the District initiated 'Fly Quiet' procedures in 2001 in order to reduce flight-related noise.

The airport also supports a variety of community services that are aviation related or that serve as an adjunct to management of the airport as listed below.

- Truckee Tahoe Air Show & Family Festival (see <http://truckeetahoeairshow.com/>) provides a family friendly event and a portion of revenues generated support local non-profit youth organizations. The Air Show typically occurs during the summer and features aerial performances, vendor booths, and static aircraft displays.
- A webcam (or web camera) uses a computer to send live images of the airport to internet users across the world. Many people utilize the Airport webcam to check snow conditions and other weather situations. The webcam runs 24/7 (see <https://truckeetahoeairport.com/webcam>).
- Waddle Ranch is owned by the District and jointly managed with the Truckee Donner Land Trust. This ranch property serves to secure open areas around the Airport to remove potential future impacts that the Airport may have on developments.
- Ponderosa Golf Course is owned by TTAD and is leased to Truckee Donner Recreation and Park District. The golf course serves to secure open areas around the Airport to remove potential future impacts that the Airport may have on developments.

18.5: POPULATION AND GROWTH

The existing population and projected future growth are analyzed in MSRs because they are directly related to existing and future demand for most public services.

POPULATION

The size of the existing population throughout the Truckee-Tahoe Airport District boundary area is substantially affected by seasonal variations, distinct user groups, and the abundance

of second homes. It is beyond the scope of this MSR to project seasonal populations; although rough estimates are provided based upon studies that describe and characterize some of the seasonal population dynamics along with the visitor accommodations are referenced herein. TTAD's boundaries encompass several distinct sub-regions including:

1. Tahoe City
2. North Tahoe
3. Squaw Valley
4. Alpine Springs
5. Northstar
6. Truckee
7. Donner Summit/Sierra Lakes

The population in these sub-regions, with the exception of Truckee, is described within this MSR in other chapters. Adding the population in these sub-regions together yields the population residing within TTAD's boundaries, as shown in Table 18-1, below.

Table 18.1: Existing Population in Six Sub-Regions of TTAD's Boundary

<i>Sub-Regions in TTAD's Boundary</i>	<i>Existing Permanent Population</i>	<i>Estimated Current Visitor Population³</i>	<i>Peak</i>
Tahoe City	8,524 ⁴	17,307	
North Tahoe	5,486	11,138 ⁵	
Squaw Valley	950	3,500 ⁶	
Alpine Springs	191	1,546 ⁷	
Northstar Community Services District	136	12,000	
Truckee	17,897 ⁸	21,473 ⁹	
Donner Summit/Serene Lakes	298	2502	
Total in TTAD	33,482	69,466	

Based on the data shown in the above table, it is estimated that TTAD's boundaries encompass an existing permanent population of 33,482 persons. The overnight visitor

³ This column shows the # overnight visitors. (Day-use only visitors are not included.)

⁴ See Chapter 14 for details.

⁵ Calculated from total population of 14691 (=5523*2.55 persons per household). Subtracted 5507 = 9184.

⁶ 1315 housing units from absentee owners (i.e. visitors) x 2.55 persons per household. Please note that several thousand move visitors could be accommodated in hotel rooms located within the District.

⁷ Overnight visitor population for ASCWD calculated from 653 units x 2.55 persons per household and 89% absentee owner unit rate.

⁸ Calculated from 16211 persons in Town of Truckee per DOF data on website:

<http://www.townoftruckee.com/departments/planning-division/growth-and-development/truckee-population-and-housing-estimates> plus 1686 persons in Martis Valley per 2010 census.

⁹ Calculated from 6692 vacation homes in Truckee plus 1729 vacation homes (not permanently occupied) in Martis Valley * 2.55 persons per household.

population during peak season is estimated at 69,466 persons as of the year 2015. The Town of Truckee represents 54% of the permanent population and 31% of the visitor population.

PROJECTED GROWTH AND DEVELOPMENT

Land Use Planning Documents

Projections for future development and hence increased service demands within the Martis Valley, North Lake Tahoe, and the Highway 89 Corridor areas comprising TTAD's boundary area are based on information provided in the 1994 Placer County General Plan and related area plans, the 1995 Nevada County General Plan, the 2003 Martis Valley Community Plan, the 2025 Town of Truckee General Plan, the Tahoe Regional Planning Agency documents and other sources. At the time when the Placer County portion of Martis Valley Community Plan was completed in 2003, and the Truckee 2025 General Plan was updated in 2006 (and updated again in 2009), the area was in a phase of rapid growth and development, the recent economic downturn was unforeseen and, as a result, both plans have overestimated growth. It is important to note, however, that planned capacity for growth still remains. See discussion below under Town of Truckee General Plan.

Future population growth within the North Tahoe and Martis Valley region is dependent upon zoning and general plan policies and land-use designations in the region. Regional population and zoning/general plans are described in detail in the Introduction (Chapter 3) of this MSR. The three local land use jurisdictions that have authority to grant entitlements to new development within TTAD's boundaries include Nevada County, Placer County, and the Town of Truckee. Additionally, there are several federally managed properties located near the airport including the Martis Creek Lake National Recreation Area (U.S. Army Corps of Engineers) and the Tahoe National Forest (U.S. Forest Service).

The Placer County General Plan which is largely applicable to the North Lake Tahoe Basin and Highway 89 corridor area was adopted in 1994. Each of the major communities in the Lake Tahoe area is also covered by area or community plans, which are being incorporated into the Proposed/Review Draft Tahoe Basin Area Plan, June 2015. The Placer County General Plan serves as an umbrella plan for the five sub-plans (which are listed Table 18-2) including: 2003 Martis Valley Community Plan; Proposed/Review Draft Tahoe Basin Area Plan; 1983 Squaw Valley General Plan and Land Use Ordinance; Proposed Draft Village at Squaw Valley Specific Plan; and the Alpine Meadows General Plan. For the most part (not including Alpine Meadows and Squaw Valley planning area), the Tahoe Basin is under the oversight planning control of the Tahoe Regional Planning Agency (TRAPA). The following table provides an overview of the various land use planning documents applicable to the TTAD boundary area and relevant to projections of future growth in the area.

Table 18-2: Planning Documents

Planning Document	Jurisdiction	Citation	Year Adopted
2025 Truckee General Plan	Town of Truckee	(Truckee, 2006). ¹⁰	2006
Nevada County General Plan (1996 with 2014 Land Use Element and Housing Element, 5th Revision)	Nevada County	(Nevada County, 1996) ¹¹	1996. Updated 2014)
1994 Placer County General Plan (as updated May 21, 2013)	Placer County	(Placer County, 1994) ¹²	1994 (Updated 2013)
• 2003 Martis Valley Community Plan ¹³	Placer County	(Placer County, 2003) ¹⁴	December 16, 2003
• Proposed/Review Draft Tahoe Basin Area Plan	Placer County	(Placer County, 2015) ¹⁵	Not yet Adopted. Revised Draft on April 2016.
• 1983 Squaw Valley General Plan and Land Use Ordinance	Placer County	(Placer County, 1983)	1983
• Proposed Draft Village at Squaw Valley Specific Plan	Placer County	(Squaw Valley Real Estate, LLC, 2014)	Not yet Adopted. Draft on October 2014
• Alpine Meadows General Plan	Placer County	(Placer County, 1968) ¹⁶	1968
2012 Lake Tahoe Regional Plan	TRPA	(TRPA, 2012) ¹⁷	2012

In addition to the planning documents listed in the Table above, the Airport and nearby neighborhoods are subject to the Truckee Tahoe Airport Land Use Compatibility Plan,

¹⁰ Truckee General Plan: <http://laserfiche.townoftruckee.com/Weblink/PDF/uloj2y45db1nasz14f00di45/19/Town%20of%20Truckee%202025%20General%20Plan.pdf>

¹¹ Nevada County General Plan at: <https://www.mynevadacounty.com/nc/cda/planning/Pages/Nevada-County-General-Plan.aspx>

¹² General Plan on County website at:

<<http://www.placer.ca.gov/~media/cdr/Planning/CommPlans/PCGP/PCGP2013.pdf>>

¹³ The urban core of Martis Valley is the Town of Truckee. Outlying areas will continue to support and be supported by the services found within the Town. The Nevada County portion of the 1975 plan area has not been updated, although the 2025 Town of Truckee General Plan covers their portion of the Martis Valley.

¹⁴ Martis Valley Comm Plan at: <<http://www.placer.ca.gov/~media/cdr/Planning/CommPlans/MartisValley/MartisValleyCommPlanDec2003.pdf>>

¹⁵ <<http://www.placer.ca.gov/departments/communitydevelopment/planning/tahoebasinareaplan>>

¹⁶ Alpine Meadows GP at: <<http://www.placer.ca.gov/~media/cdr/Planning/CommPlans/NTahoeCPS/AlpineMeadowsGeneralPlan.pdf>>

¹⁷ LT Regional Plan, 2012 at: <<http://www.trpa.org/regional-plan/>>

approved in December 2004, by the Foothill Airport Land Use Commission. This Compatibility Plan promotes compatibility between the airport and surrounding land uses by establishing compatibility criteria applicable to the review and approval of the design of new development. The Airport District is working with NCTC to update this plan in 2016/2017.

Projected Population Numbers

Future population growth within the boundaries of TTAD is only one indicator of future service demand at the airport. However it is important to analyze this indicator since it is part of the equation. The 2004 MSR estimated the population growth rate within TTAD's boundary area at 2% annually. This projected growth rate never materialized, in part due to the national recession that started in 2008 and partly due to other factors. For planning purposes TTAD uses the population growth estimated provided in its 2014 Appropriations Limit Calculation which was calculated using the Annual Percent Change in Population (minus exclusions) provided by the California State Department of Finance. The rates of population growth were a negative 0.35% for Nevada County and a positive 0.56%, for Placer County.

For this MSR, a new analysis was conducted using equivalent dwelling units (EDUs) as a metric to relate to population growth. The projected EDU's shown in in Table 18-3, below, for the years 2017 to 2032 are based upon anticipated future population growth from the total growth in the 6 sub-regions. The economic downturn from 2009 to present may have resulted in pent up demand for development. For example, projected planned growth associated with the 2025 Town of Truckee General Plan has not occurred on pace with expectations. The same can be said for Northstar-at-Tahoe. Northstar-at-Tahoe will experience growth that should approach buildout by 2034 (See Northstar CSD MSR). Other resort communities (Tahoe City, Kings Beach, etc.) in the Lake Tahoe Basin are not expected to achieve a high level of growth. The projections in Table 18-3 reflect a more modest and conservative increasing growth curve through 2032.

TABLE 18.3: EDU PROJECTIONS WITHIN TTAD BOUNDARY AREA

	2003	2008	2012	Projections			
				2017	2022	2027	2032
EDUs	35,374	39,150	40,572	42,557	44,857	48,195	51,792
Percent change	--	11%	4%	5%	5%	7%	7%
Percent change per year	--	2%	0.90%	1%	1%	1.50%	1.50%
Total (i.e. permanent plus visitor) Population Calculated from EDU's ¹⁸				108,520	114,385	122,897	132,069
<i>Data Source: 1) Table 16.3, T-TSA EDU Projections, 2) EDU data from Chapter 7, Donner Summit Public Utility District, and 3) EDU data from Chapter 11, Sierra Lakes County Water District.</i>							

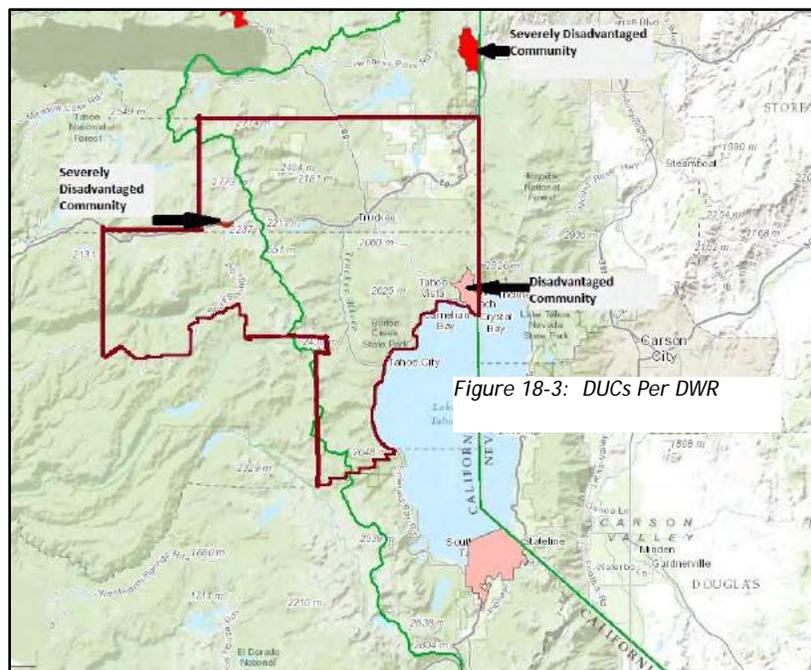
¹⁸ 2.55 persons per household is the metric used to convert EDUs into population, based on data from 2010 census and more recent data from CA Dept. of Finance.

In the year 2032, the area is expected to have a total population of 132,069. It is assumed that 65% of the dwelling units are owned by absentee owners.

DISADVANTAGED UNINCORPORATED COMMUNITIES

As described in Chapter 3, LAFCo is required to consider the provision of public services to disadvantaged unincorporated communities (DUCs). Senate Bill (SB) 244 requires LAFCo to identify and consider disadvantaged unincorporated communities (DUCs) when preparing MSRs and Sphere updates for cities and special districts that provide sewer, water, or structural fire protection services. Although TTAD does not provide critical services such as sewer, water, or structural fire protection, information regarding DUCs within TTAD’s boundaries is provided herein to portray socio-economic information. A DUC is defined by the Water Code as one in which the median annual household income (MHI) is 80 percent of the statewide average. In 2010, the statewide MHI was \$60,883; 80 percent of that is \$48,706. Severely disadvantaged communities are defined as areas with a median income of less than 60% of the State's median household income.

Relevant data were reviewed for the TTAD boundary area. Two DUCs have been identified within the TTAD boundary, its SOI, and/or adjacent areas. The California Department of Water Resources (DWR) has developed a methodology to



determine the location of DUCs using the census-designated places¹⁹ (CDPs). DUC status is determined based on the DUC definition provided in DWR's Proposition 84 and 1E Integrated Regional Water Management Guidelines, dated August, 2010. DWR has developed a mapping tool to help determine which communities in an Integrated Regional Water Management (IRWM) region meet the DUC median household income (MHI) definition for grants²⁰. The maps and geographic information system files are derived from the US Census Bureau's American Community Survey and are compiled for the five-year period 2006-2010. DWR has included, in the maps, a calculated field which indicates the DUC status for different census

¹⁹ The U.S. Census Bureau identifies “census designated place” as the statistical counterpart of a city in that it is a named place with a concentration of residents, housing, and commercial activity, but is located in a county’s unincorporated territory.

²⁰ Department of Water Resources IRWM Grant Program, Disadvantaged Communities (DAC) Mapping Tool. <www.water.ca.gov/irwm/grants/resourceslinks.cfm>.

geographies (Place, Tract, and Block Group). Within TTAD's boundaries two areas, Soda Springs and Kings Beach are recognized by the Department of Water Resources as DUCs as shown in Figure 18-3. The median household income as of July 1, 2015 for the Kings Beach Census Designated Place was \$40,621 and for the Soda Springs²¹ CDP was \$44,621.

Additionally, data from the California Department of Finance²² has mapped areas of Low unemployment / low poverty in order to exclude these designated areas from the New Employment Credit program. The areas shown in the map below have incomes which are higher than average.

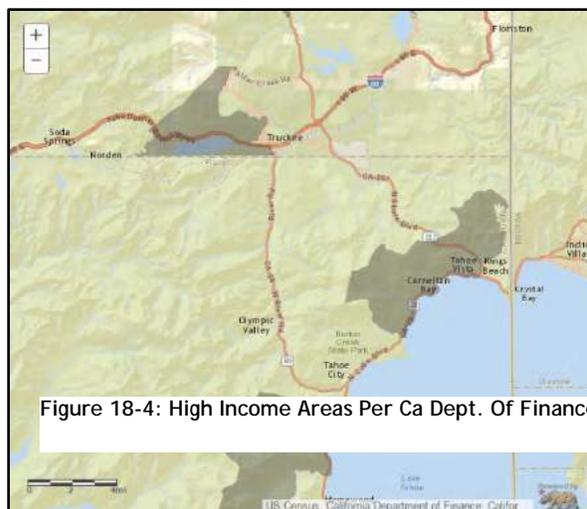


Figure 18-4: High Income Areas Per Ca Dept. Of Finance

Another indicator of income is determining whether a census tract is eligible for special home financing by California Home Financing Agency. There are no neighborhoods in the North Tahoe/Martis Valley region that area eligible²³ for this type of home financing because median incomes are too high to qualify.

18.6: DISTRICT SERVICES

SERVICE OVERVIEW

The District provides aviation services at the Truckee Tahoe Airport. Although the airport is primarily utilized for general aviation, there are also a few semi-commercial small private jet companies. The airport is attended seven days a week, 7am - 9pm. The Federal Aviation Administration (FAA) lists the Truckee Tahoe Airport as a general aviation facility and it is NPIAS (National Plan of Integrated Airport Systems) airport number 02366-A (TTAD, 2013) and its FAA assigned identification code is KTRK. Being listed as a NPIAS airport allows TTAD to be included in the Federal Airport Improvement Program (AIP), and therefore eligible for grant funding for airport improvements.

The District serves several types of customers including:

- itinerant (nomadic) pilots;
- home-based pilots (primarily regional customers);
- constituents (members of the public that utilize airport facilities) (TTAD, 2013); and
- Surf Air, a private membership commuter airline which operates a Pilatus single-engine turboprop aircraft out of the Truckee airport. Surf Air connects Truckee to Oakland, San Carlos, and Burbank airports.

²¹ Data Source: <http://california.hometownlocator.com/ca/nevada/soda-springs.cfm>

²² Data source: <http://maps.gis.ca.gov/gobiz/dga/default.aspx>

²³ Data source: <http://qct.huduser.org/tables/1statetable.odt?statefp=6.0&DDAYEAR=2013>

The Airport houses aircraft in 220 hangars and 150 temporary or visitor aircraft tie-down spaces available (TTAD, 2013). However, the hangars and tie-downs are not fully occupied. Occupancy varies seasonally. The airport is home to 135 permanent aircraft and 67 visiting aircraft (TTAD, 2014). Ancillary services provided at the airport include:

- one repair maintenance facility located at the airport;
- one primary aircraft rental facility;
- flight instruction service provide services to students at the airport;
- hosting of emergency medical aircraft;
- hosting of firefighting aircraft (usually on a seasonal or temporary basis);
- snow removal service on the runways and associated area, but not aircraft de-icing;
- commercial warehouse tenants who provide services in the retail and wholesale marketplace; and
- other aviation related services at the airport such as aviation fuel, courtesy transportation, restrooms, catering, car-rental and crew services (TTAD, 2013).

The Truckee Fire Protection District and Cal Fire provide on-site fire suppression support. On-site emergency medical support is provided by the Truckee Fire Protection District.

The airport is home to one commercial business called fixed-base operators (FBO) who is granted the right by the airport to operate and provide aeronautical services such as fueling, aircraft rental, aircraft maintenance, flight instruction, aerial tours/sightseeing, and aircraft sales available for corporate and individual clients. Pre-heating services and aircraft maintenance are offered by this local FBO. The District grants a lease to the FBO business. Three rental car companies also operate at the airport: Hertz, Enterprise and Avis.

In addition to its traditional customers, the District also has stakeholders that include nearby property owners and residents.

SUPPLY/DEMAND

LAFCo's 2004 MSR noted that "While population projections within the service area are useful for estimating certain functions, the overall ability of the District to provide services will be better estimated by the projected number of aircraft utilizing the airport." KTRK has about 23,000 annual operations²⁴ (an operation is a takeoff or landing). Historical trends suggest that airport operations have slowly decreased over the thirty year period. Recent operational numbers for the past five years however shows stabilized growth within a certain type of aircraft. A decreasing number of piston powered aircraft is becoming apparent. An increase in operations from turboprop and turbine aircraft continues to drive slow growth for KTRK. A majority (97%) of the aircraft operations at the airport are general aviation planes, 3% are air taxis, and less than 1% are military related. There are 202 aircraft that park at the airport on a permanent and/or temporary basis (TTAD, 2014).

²⁴ Personal communication Kevin Smith, General Manager, Sept. 23, 2015

Another factor that contributes to demand for aviation services is the amount of disposable income that visitors and residents have available to spend on high ticket items such as aviation (TTAD, 2014). As described in Chapter 3 of this MSR, median income for the North Tahoe /Martis Valley region is higher than the state average. The data presented in Table 18.4 indicates that service demand declined significantly during the first year of the recession in 2008. Since then, demand has risen steadily but has not yet reached the past peak demand levels (i.e. pre-recession levels). This indicates that the airport has some underutilized capacity and the physical ability to accommodate projected future growth.

Service	# Customers in 2003	# Customers in 2008	# Customers in 2012	# Customers in 2014
Airport ¹	26,733	11,031	20,082	22,764

¹ The number of customers is measured by the number of aircraft counted on airport cameras. Each number represents one operation, which is either a departure or an arrival (TTAD, 2013).

In 2014, there were average of 62 operations per day; however it is recognized that daily traffic is highly variable with peak aircraft traffic occurring in July and over holiday weekends. Of the 22,764 aircraft operations in 2014, 35% were conducted by piston-single engine, 5% Piston-Twin engine, 17% Turbo Prop, 16% Jet, 5% Helicopter and 22% Glider and ultralight (TTAD, 2015).

In addition to the demand for direct use of the runway by aircraft, the supply and demand for aircraft parking is also considered. Parking for specific aircraft is provided through the use of tie-downs and hangars. The FAA forecasts modest growth in the domestic aviation market nationally. This growth will be in the turboprop and the turbo jet type aircraft. Significant changes to the fleet mix are expected for Tahoe Truckee airport over the next 30 years (TTAD, 2013 and TTAD, 2014).

The June 2014 Draft Airport Master Plan (DAMP) presents aircraft-demand forecasts for the airport, based on historical rates at the airport, national (FAA) data, and anticipated changes in small aircraft operation and usage. The following table presents the projected growth demand for operations at airport.

Table 18-5 Forecast Summary of Total Operations

Year	2015	2020	2025
Number of Aircraft Operations	27,464	29,229	31,139

Source of data: TTAD, 2014

Based on data presented in the above table, the growth forecast between the years 2015 and 2025, is that aircraft operations will increase by 13 percent. Operational forecasts for the Truckee Tahoe Airport indicate that it has operational capacity (including sufficient facility size)-to meet the needs of its customers now and over the next 15 years (TTAD, 2013).

These projections appear to be based on all relevant data available, and indicate a realistic projection of future demand for airport services. Based on aviation demand forecasts made in the DAMP, infrastructure demands for future needs will focus on sufficient resources for airplane storage.

The Airport Capital Improvements Program (ACIP) has been developed to provide for infrastructure and facility expansion based on current and projected demand. The District’s process to develop the ACIP and its future updates appear sufficient to allow for expansion of facilities and infrastructure necessary to meet the demands of future growth.



18.7: INFRASTRUCTURE AND FACILITIES

This section describes existing infrastructure and reviews planned infrastructure to assess the District’s ability to provide high levels of service called for in District plans. As part of this assessment, several documents were reviewed including the 2009 Airport Capital Improvements Program²⁵ (ACIP) and the 2014 Draft Airport Master Plan. Airport infrastructure is generally classified into two broad categories: airside and landside facilities. Airside facilities relate directly to the operation of aircraft and include all infrastructure, capital facilities, and equipment. Landside facilities are part of the transition between air transportation to surface transportation and also include support facilities for operation of FBOs. The Truckee Tahoe Airport Master Plan (AMP) was originally adopted in 1980 and updated in 2000, and is now being updated a second time with the 2014 Draft Plan available

²⁵ ACIP is available on-line at:
https://truckeetahoeairport.com/board_meetings/73/view_file?file=TAB+13c+-+ACIP+2009.PDF

for review on the District's website. The AMP contains a list of all infrastructure and facilities associated with the airport.

The airport is unique in that it straddles the county line between Nevada County and Placer County. While Placer County contains the greater portion of the assessed value of taxable properties within the District's overall boundaries, most of the airport facilities are located in Nevada County. However, the southern ends of Runways 2/20 and 11/29, and approximately 33% of the contiguous airport property lie within Placer County. Two-hundred acres of land was originally acquired for the airport in the early 1960s. The airport opened in 1964 with one 5,000-foot runway oriented to the northwest/ southeast.

Today, the 926 acre Airport property includes two runways; however runways have separate identification numbers for each direction of approach. Therefore, a total of four runways may sometimes be referenced in other documents. In this MSR we use a "/" to denote one runway that has two numbers to reflect the two directions of approach. Runway 11/29 is 7,000 feet in length by 100 feet wide, and is oriented from northwest to southeast. Runway 2/20 is 4,650 feet in length and 75 feet wide, and is oriented from northeast to southwest. All runways are paved asphaltic concrete (hard) surface and all runways have parallel taxiways. The elevation of the runways is approximately 5,900 feet above sea level (TTAD, 2013). The 2014 Draft AMP describes all runways as being in good condition. Other Airside infrastructure includes taxiways, lighting systems, navigational aides, and above-ground tanks that contain fuel.

Landside infrastructure and facilities includes aircraft hangars, apron space, the administration building, warehouse and storage facilities, and other structures and equipment. A total of 219 aircraft can be parked in hangar storage and an additional 192 aircraft can be parked in apron space. In 2012, a new terminal building was constructed to include a pilot lounge, a pilot kitchen, a flight planning room, a customer service/UNICOM desk, public meeting rooms, and a restaurant. A children's playground and park are adjacent to this terminal building. The meeting rooms within this terminal are made available to non-profit groups such as American Youth Soccer, Girl Scouts, Toastmasters and the Chamber of Commerce. Emergency helipad sites are proposed in the future (TTAD, 2014). All facilities have been assessed in the AMP as in either good or excellent condition.

Of the airport's 926 acres, 328 acres is developed with aviation facilities and other assorted facilities, or is held open for aeronautical purposes. An additional 598 acres has the potential to be further developed at some point in the future. An example of the type of potential future development is the District's agreement with Clear Capital for office space. Other non-aviation uses might also be proposed for future development on District owned property and the District has formed a "Non-Aeronautical Land Use Plan Ad Hoc Committee" to address this issue. The impacts of any future development will likely be evaluated on a project specific basis, consistent with CEQA and consistent with the Airport Master Plan which is currently being updated (2014 Draft Plan is available for public review). In addition to the 926 acre Airport property, TTAD has acquired interest in an additional

±1,717 acres, which includes Waddle Ranch and the Ponderosa Golf Course. The purpose of these properties is to preserve land uses that are compatible with airport operations and to facilitate other aviation-related services, such as emergency heli-pads, in other parts of the District.

The 2014 Draft Airport Master Plan is based upon previous master plans completed in 1980 and 2000. The 2000 Airport Master Plan suggested construction of two additional runways at some time in the future. One new runway could be parallel to the primary runway (11/29) to provide better separation between business jets and propeller aircraft. It could also be utilized for flight training. The second proposed runway could be used by sailplanes and constructed of turf. Enhanced instrument approach capabilities and land acquisition for additional hangar facilities were also proposed in the 2000 plan. These proposals from the 2000 Plan are being reevaluated in the 2014 Draft Plan.

INFRASTRUCTURE NEEDS

Infrastructure needs or deficiencies are described in capital facilities maintenance plans for: Structures, Pavement, and Forest Management. Additionally, the Draft 2014 Master Plan is evaluating long-term needs for construction of additional runways, improved instrument approach capabilities and additional hangar facilities. In the short-term, TTAD does have an adopted five-year Airport Capital Improvement Plan²⁶ (ACIP). For 2015, the ACIP calls for the following improvements:

- Runway 2/20 & Taxiway G - Saw and Seal New Joints
- South Jet Apron Reconstruction
- Hangar Taxilanes West G and GH Reconstruction
- Remove Taxiway E and widen Apron A1 and A@
- Taxiway A Reconstruction.



OPPORTUNITIES TO SHARE FACILITIES, SERVICES & STAFF

MSRs analyze how local agencies share facilities, services, and staff because sharing is an indicator for government efficiency and collaboration. Part of the efficiency equation is cost savings, since it is cheaper to share facilities as compared to building new facilities. Although TTAD does not share facilities, services, or staff with other regional airports, they are actively

²⁶ ACIP is available on line at:
https://truckeeatahoeairport.com/board_meetings/73/view_file?file=TAB+13c+-+ACIP+2009.PDF

engaged in sharing and collaboration with neighboring districts and local agencies including the Truckee Donner Recreation and Park District, Truckee Fire Protection District, and Tahoe City Public Utility District (PUD). Given the Airport's proximity to the Town of Truckee, these two entities often discuss and work to resolve issues of mutual interest.

TTAD owns the Ponderosa Golf Course, which is adjacent to the District's boundary. The District leases the land to the Truckee Donner Recreation and Park District for \$166,000 per year; however the rent is waived on an annual basis if the Recreation and Park District meets certain conditions set forth in the Lease Document (TTAD, 2013).

TTAD maintains a mutual aid agreement with Truckee Fire Protection District to provide on-site fire, emergency medical support, and rescue response in the event of an aircraft incident at the Truckee Tahoe Airport. TTAD also has joint access to firefighting equipment specifically designed to combat aircraft incident fires. Cal Fire may also contribute towards on-site fire suppression support (TTAD, 2013).

TTAD contributed approximately 8% of the cost towards acquisition of the Tahoe City Golf Course, in exchange for the opportunity to construct a heli-pad for use during an emergency. This golf course is jointly owned by Tahoe City PUD, Placer County, the North Lake Tahoe Resort Association, and TTAD and the course is operated consistent with a March 2012 memorandum of understanding²⁷.

18.8: FINANCING

This section evaluates the factors affecting the financing of services, operations and capital improvements for TTAD.

TTAD operates as an Enterprise Fund, meaning that charges for services are intended to pay for the costs of providing such services. The District also relies on property taxes to support its operations, and utilizes Federal grant funds for capital improvement projects.

District Revenues and Expenditures for Fiscal Year (FY) 2011-2012, FY 2012-2013, and FY 2013-2014 (which reflects the most recent audited financials for the District) are summarized in Table 18-6. The District's Fiscal Year runs from October 1st through September 30th. District Audits are prepared by James Marta and Company. Refer to the District website for the actual audit reports. TTAD follows the General Accounting Standard Board Statement No. 34 (GASB 34) accounting standards (TTAD, 2013).

²⁷²⁷ MOU is on-line at: <http://www.tahoecitypud.com/download/general/tcgcmou.pdf>

18-6 Summary of Revenues and Expenditures for Fiscal Years 2011-2012, 2012-2013 and 2013-2014

	Fiscal Year Ending					
	2011-2012		2012-2013		2013-2014	
Revenues						
Operating Revenue	\$2,261,985	35.0%	\$2,571,464	31.8%	\$2,702,074	37.6%
Non-Operating Revenue						
Property Taxes	4,312,620	66.8%	4,530,360	56.0%	4,604,584	64.1%
Interest Income	56,009	0.9%	54,407	0.7%	62,273	0.9%
Other Government Funds	59,703	0.9%	962,252	11.9%	119,370	1.7%
Miscellaneous Revenue (Loss)	(234,912)	(3.6%)	(33,598)	(0.4%)	(308,443)	(4.3%)
Total Revenues	\$6,455,405	100%	\$8,084,885	100%	\$7,179,858	100%
Expenditures						
Operating Expenses						
Salaries & Wages	1,237,501	20.3%	\$1,300,540	17.0%	\$1,315,239	19.6%
Employee Benefits	736,820	12.1%	638,881	8.4%	698,365	10.4%
General & Administrative	1,438,913	23.6%	1,929,729	25.3%	1,897,816	28.3%
Repairs & Maintenance	1,099,794	18.0%	1,911,738	25.0%	896,464	13.4%
Depreciation & Amortization	1,595,551	26.1%	1,853,450	24.3%	1,891,878	28.2%
Total Expenditures	\$6,108,579	100%	\$7,634,338	100%	\$6,699,762	100%
Net Income (or Loss)	\$346,826		\$450,457		\$480,096	
Change in Net Assets	\$3,290,705		\$884,292		\$1,610,436	
Beginning Net Assets	\$44,121,032		\$47,411,737		\$48,296,029	
Ending Net Assets	\$47,411,737		\$48,296,029		\$49,906,465	

Source: TTAD Independent Auditor's Reports - FY 2011-2012, FY 2012-2013, and FY 2013-2014

REVENUES

While total District revenues have fluctuated over the past three fiscal years, the general trend is upward, with the stabilization of property taxes after two years of decline in 2010 and 2011, and an increase in fuel sales.

District revenue is divided into two main categories: Operating Revenue; and Non-Operating Revenue. Operating Revenue (and their respective percentage) is derived from landing fees (4%), aircraft storage fees (37%), fuel flowage fees (44%), concessions (2%), rents and leases (11%), and miscellaneous revenues (2%). Non-Operating Revenue (and their respective percentage) is derived from property taxes (96%), interest income (1%), and governmental funds (grants) (3%). Property taxes comprise around 60% of total District revenue, with an incremental increase each year (refer to Table 18-6). Placer County generates about two-thirds of the property tax revenue, with one-third coming from Nevada County.

Since the Airport provides services to the general public, including individuals that live and/or work outside the District boundaries, fees for service are a significant revenue source, and contribute around 35% of the overall revenue of the District.

The TTAD's 2011 Strategic Plan requires that property tax revenue be allocated in the following manner:

- Operations 20%
- TTAD Portion of Grants 10%
- Annoyance Reduction and Outreach Projects 25%
- Other Capital Projects 15%
- Land Purchase and Management 30%

Additionally, funding for capital improvement projects has come from the Federal Aviation Administration (FAA).²⁸ For 2014, the District received funding through the FAA Airport Improvement Program (AIP), including \$1.1 million to complete pavement rehabilitation and airfield infrastructure projects.

EXPENDITURES

District Expenditures are divided into two main categories: Operating Expenses; and Non-Operating Expenses. Operating Expenses (and their respective percentage) include administration (including salaries, wages and employee benefits) (26%), and maintenance and operation (including landing areas (20%), terminal building and other buildings (5%), general shop and equipment (6%), cost of sales and services (21%), and depreciation and amortization (22%).

As shown in Table 18-6, the District has shown a net positive income over the past three fiscal years, and has increased its ending net assets in each of these years.

In February 2015, the District Directors approved a construction and lease agreement with Clear Capital, a real estate data firm, and the Directors allocated \$1.61 million to start work on a 12,640-square-foot building intended to house Clear Capital offices and other uses. The

²⁸ Details on 2015 capital improvements are on-line at: <https://truckeetahoeairport.com/news/51-proposed-airport-improvement-projects>

\$1.61 million in cost will be used for design and permitting of the building and was accommodated by transferring funds from the District's reserve budget. The remaining project cost, \$2.48 million for construction, is projected to come from reserve funds and is budgeted for the District's 2015-16 fiscal year. Grading and preliminary construction was planned to start on October 15, 2015.

RATE RESTRUCTURING

As an enterprise district, TTAD charges fees for services, as specified under a Master Fee Schedule. Current fuel prices are around \$4.60 per gallon for both Jet A fuel and 100 LL fuel. Fuel sales comprise a significant revenue source for the District. Other fees include aircraft services (towing, lavatory service and aircraft jump start service). Auto parking fees range from \$7.00 per night to \$350 annually. Facility use fees for the Community Rooms range from \$100 to \$200 per hour for for-profit entities, and No Charge for non-profit entities. Long-term hangar space is based on a 'per square foot' basis between \$0.346 and \$0.409. Overnight tie-downs vary from \$311 to \$7,128 per year, depending on the type of aircraft. The Master Fee Schedule, adopted in May of 2013, is available for review on the District website. Many of the fees in the Master Fee Schedule are adjusted frequently based on cost of goods sold, consistent with TTAD's Rates and Fees policy. Staff is currently working with consultants to revise the Primary Management and Compliance documents which will provide a review and update of the Master Fee Schedule.

ASSETS AND LIABILITIES

As reflected in Table 18-7, the District's total net assets have increased slightly in each of the past three fiscal years. More significantly, the District's Unrestricted Assets (in effect, the District's Reserve Fund) has increased by over 10% per year. These funds have been designated by the Board of Directors as follows: \$3.6 million for future capital projects; \$2.75 million for land acquisition; \$2.65 million for operating funds, and \$500,000 exclusively for pavement maintenance. A total of \$1.5 million has been ear-marked to address the not yet adopted Accounting Standard No. 68, which will require the District to show its net pension liability.

TTAD has no outstanding debt (TTAD, 2013). TTAD does maintain insurance for professional activities (TTAD, 2013).

Table 18-7 Summary of Assets and Liabilities as of September 30, 2014

Assets and Liabilities	Fiscal Year Ending		Percent Change	Fiscal Year	Percent Change
	Sept 30, 2012	Sept 30, 2013		Ending Sept 30, 2014	
Assets					
Current Assets	\$10,206,727	\$12,268,557	17%	\$13,421,813	9%
Restricted Assets (Investments)	750,000	250,000		1,000,000	
Noncurrent Receivable	25,000	522,500		20,000	
Capital Assets	36,687,710	37,336,450	2%	37,386,324	0%
Total Assets	\$46,669,437	\$50,377,507	7%	\$51,828,127	3%
Liabilities					
Current Liabilities Unrestricted	\$2,160,761	\$1,998,795	-8%	\$1,840,355	-8%
Current Liabilities Restricted			%		
Long Term Liabilities	96,939	82,683	-15%	81,317	-2%
Total Liabilities	\$2,257,700	\$2,081,478	-8%	\$1,921,672	-8%
Net Assets					
Investment in Capital Assets	\$38,687,710	\$37,336,450	-4%	37,386,324	0%
Restricted	16,468	16,648	0%	16,648	0%
Unrestricted	8,707,559	10,943,111	10%	12,503,673	12%
Total Net Assets	\$47,411,737	\$48,296,029	1%	\$49,906,465	3%

Source: TTAD Independent Auditor's Report - FY 2013-2014

COST AVOIDANCE

MSRs describe measures that districts take to avoid unnecessary costs because it is important for the public sector to avoid waste and to be financially efficient. TTAD actively works to avoid costs through the following measures:

- Utilizes its own property/building (i.e. Airport Administrative Building) to conduct District meetings space, thereby saving rental costs.
- Participates in the SDRMA, a Joint Powers Authority formed for the purpose of providing risk management services to local government agencies. TTAD secures its Workers' Comp insurance through SDRMA (TTAD, 2013).
- Added a second tier to the employee pension program. The District has revised the employee insurance benefit to self-insure for a portion of the risk - savings in the first year approximated \$100,000(TTAD, 2013).

18.9: CHALLENGES

TTAD faces challenges that are similar to those faced by every small airport including safety, climate change, resolving litigation, and real estate management.

Although flying today is extremely safe, the Truckee Tahoe Airport does present unique geographic and climate issues that make safety awareness paramount. Between the years 2008 to 2012, nine crashes occurred at or near the Airport; although only one was fatal (MacMillan, 2012). Safety issues associated with the airport include: mountainous terrain; density altitude (in which the aircraft performs at an equivalent altitude based on the airport elevation and temperature - for KTRK, this can exceed 9,000 feet in the Summer); wind gusts/wind shear (terrain can cause shifting winds); glider plane activity in the airport proximity; fuel mixture (lean for higher elevation performance); and wildlife on the runway. In addition, at the present time, TTAD does not provide de-icing services.

Climate change is another challenge that faces all airports. Currently, aircraft burn carbon-based fuels which directly contribute greenhouse gases to the atmosphere. Fuel efficiency, sustainable biofuels, and other aviation technology might provide solutions to the carbon problem. Related to this is Vehicle Miles Traveled that pilots and passengers expend driving to and from the airport, which also contribute to greenhouse gas emissions. Energy efficient cars and electric cars are becoming more common and TTAD may wish to consider facilities to support these future vehicular trends. The alternative to driving to the airport is bus service. Rail service to the Airport is not feasible at this time.

TTAD has historically been involved with very few lawsuits. The only current outstanding litigation is a suit brought on behalf of TTAD against an entity that failed to comply with the terms of a contract. There is currently a settlement negotiated that will not impact the District's finances in a negative manner (TTAD, 2013).

TTAD's Airport property does have some development potential and while this presents an opportunity to the District, it also present some challenges. There is revenue potential for developing this real estate for its highest and best use. Balancing the aviation uses with the non-aviation businesses that are located on District property will be an on-going challenge. Managing noise issues even while allowing for future development and expansion of the Airport will be an on-going challenge. The Airport currently has in place Noise Abatement Procedures, and while voluntary, are designed to reduce noise effects over residential areas and during night time hours.

There are a variety of potential future states for the Airport and TTAD's process for updating the Master Plan may address several of the possibilities. It will be important for TTAD to continue to work cooperatively with the Town of Truckee and other unincorporated communities near the Airport to resolve issues of mutual interest.

18.10: SERVICE ADEQUACY

Service adequacy is an area of analysis focused on consideration of the overall ability of the TTAD to effectively provide airport services and on the appropriateness of physical boundaries of the District. Effectiveness of service can be indicated by the condition of infrastructure and permit (FAA and other) violations. TTAD's infrastructure is reported to be in good shape. No permit or FAA violations have been noted.

Determining the appropriateness of physical boundaries relates to the opportunities for merger or consolidation with other nearby districts. Eight airports are located within 30 nautical miles of Truckee Tahoe Airport:

- Reno/Stead Airport, Reno, NV
- Reno/Tahoe International Airport, Reno, NV
- Dayton Valley Airpark, Carson City, NV
- Carson Airport, Carson City, NV
- Sierraville Dearwater Airport, Sierra County, CA
- Minden-Tahoe Airport, Minden, NV
- Lake Tahoe Airport, South Lake Tahoe, CA
- Blue Canyon-Nyack Airport, Emigrant Gap, CA

Consolidations of the TTAD with other nearby airports was briefly considered in the 2004 MSR for the District and found to be unnecessary at that time. Conditions have not changed since then, and merging TTAD with one of the above listed airports is not likely to be feasible.

The physical boundaries of the District are appropriate for the service provided and for the established location of the airport. There are no identified opportunities for improvement of services by alteration of the physical boundaries of the District. The Airport was last inspected by Caltrans, Division of Aeronautics on April 29, 2015; no violations were identified. According to the inspection report, the conditions of the runway and markings on the runway are adequate.

TTAD actively manages a wide range of tasks including safety and security, noise control, community relations, financial management, oversight of contracts and leases, facility



maintenance, compliance with federal grant conditions, and capital improvements. TTAD operates efficiently and is fiscally sound.

18.11: DETERMINATIONS

GROWTH AND POPULATION PROJECTIONS

1. The current permanent population residing with TTAD boundaries is estimated to be 33,482 persons. The overnight visitor population during peak season is estimated at 69,466 persons as of the year 2015.
2. The growth rate of the Agency service area is approximately two percent in the Truckee and Squaw Valley areas and less than one percent in the North Tahoe special district areas.
3. While there is planned growth that has been a part of the various planning programs for many years, there are no projections, projects or plan updates on the horizon that would suggest that growth will exceed those levels reflected in the respective lead agency planning documents.

DISADVANTAGED UNINCORPORATED COMMUNITIES

4. Within the TTAD's boundary area, the communities of Kings Beach, Carnelian Bay, some neighborhoods within Tahoe City, and Soda Springs meet the states standard for DUCs of 80 percent of the state median family income.
5. This MSR describes how the core services water, sewer, and structural fire protection services are adequately provided to disadvantaged communities within eastern Placer County. TTAD is not responsible for assuring that these services are adequately provided to disadvantaged communities.
6. TTAD is reviewing the feasibility of providing EMS Heliports in the Kings Beach Tahoe Vista area which will provide additional services to DUCs.
7. The District currently has an education partnership with the Boys and Girls Club in Kings Beach to provide education programs centered on Aviation STEM initiatives.

PRESENT AND PLANNED CAPACITY OF PUBLIC FACILITIES

8. The Truckee Tahoe Airport District is responsible for the safe operation of the Truckee Tahoe Airport. TTAD actively manages wide range of tasks including administration, safety and security, noise control, community relations, financial management, oversight of contracts and leases, facility maintenance, compliance with federal grant conditions, and capital improvements. TTAD operates efficiently.
9. The Airport Capital Improvements Program (ACIP) is sufficient to allow for expansion of facilities and infrastructure necessary to meet the demands of future growth.
10. The Truckee Tahoe Airport District has adopted an Airport Master Plan in 2000 which presents a reasonable projection of likely service demands. This Master Plan is currently being updated and a June 2014 Draft Master Plan is available on the

District's website. Current plans and financing mechanisms appear sufficient to ensure that the District will be able to accommodate projected service demands.

11. Each Year TTAD updates in 5 year Airport Capital Improvement Plan (ACIP). The current FAA approved 2015 to 2020 ACIP clearly lists the projects needed to maintain the Airport.

FINANCIAL ABILITY OF AGENCY TO PROVIDE SERVICES

12. The Truckee Tahoe Airport District has sufficient financing mechanisms in place to ensure short- and long-term provision of services within its current boundaries. The District maintains no long-term debt, and has financial reserves and assets sufficient to ensure financial stability. The District does not need to find additional sources of revenue to meet projected service demands.

STATUS OF, AND OPPORTUNITIES FOR, SHARED FACILITIES

13. TTAD is actively engaged in sharing and collaboration with neighboring districts and local agencies including the Truckee Donner Recreation and Park District, Truckee Fire Protection District, and Tahoe City PUD.
14. TTAD often meets with representatives of the Town of Truckee to discuss and resolve issues of mutual interest.

ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS, INCLUDING GOVERNMENTAL STRUCTURE AND OPERATION EFFICIENCIES

15. An appointed five-member Board oversees the management of the TTAD's resources. TTAD meets its statutory financial reporting requirements that ensure its operations are conducted in an open and transparent manner. TTAD meets its fiscal accountability requirement to its customers through budgetary and financial reporting using its website as a communication channel. The Agency provides public notice of meetings, and posts agendas online as well as by email upon request.
16. The Airport Community Advisory Team, which is comprised of community volunteers, formulates recommendations which are presented to the Board of Directors.
17. A General Manager oversees the District administration and operations under the direction of the appointed Board. The Board and management work together in the identification of goals and issues and assignment of staff as appropriate for each type of service provided.
18. TTAD's sphere of influence is congruent with its boundaries. TTAD has indicated that its SOI is sufficient.
19. The District maintains a website where current information about District activities, documents and updates is made readily available to the public.
20. The District demonstrated accountability in its cooperation with Placer LAFCo information requests.

18.12: REFERENCES

- California State Controller's Office. Government Compensation in California Database. 2013. Accessed in July 2015. Available on-line at: <<http://publicpay.ca.gov/>>.
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- Tahoe Truckee Airport District (TTAD). Blog post "TTAD - History & Stats, Jun 20, 2015". Available on-line at: <<https://truckeetahoeairport.com/news/48-truckee-tahoe-airport-history-and-stats>>. Accessed on 7August2015.
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- U.S. Department of Commerce (USDC), United States Census Bureau. 2010 Demographic Profile. American Fact Finder Website. Accessed on 5July2015. Available on-line at: <http://factfinder.census.gov/faces/nav/jsf/pages/community_facts.xhtml>.

Chapter 19

CONCLUSIONS AND RECOMMENDATIONS

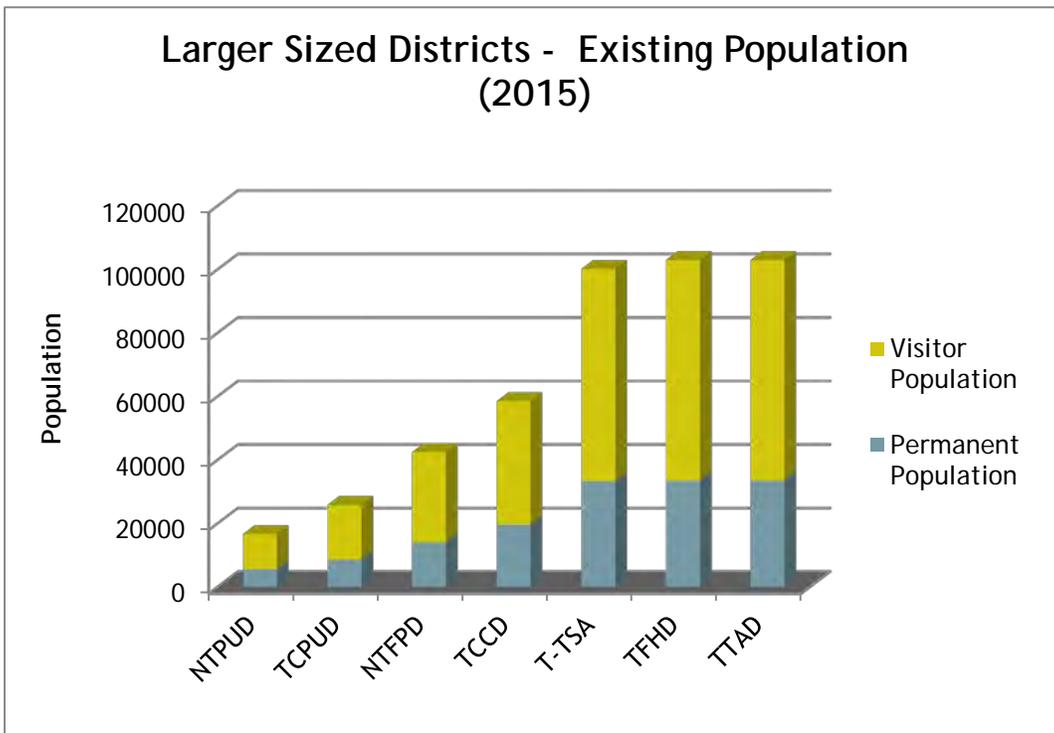
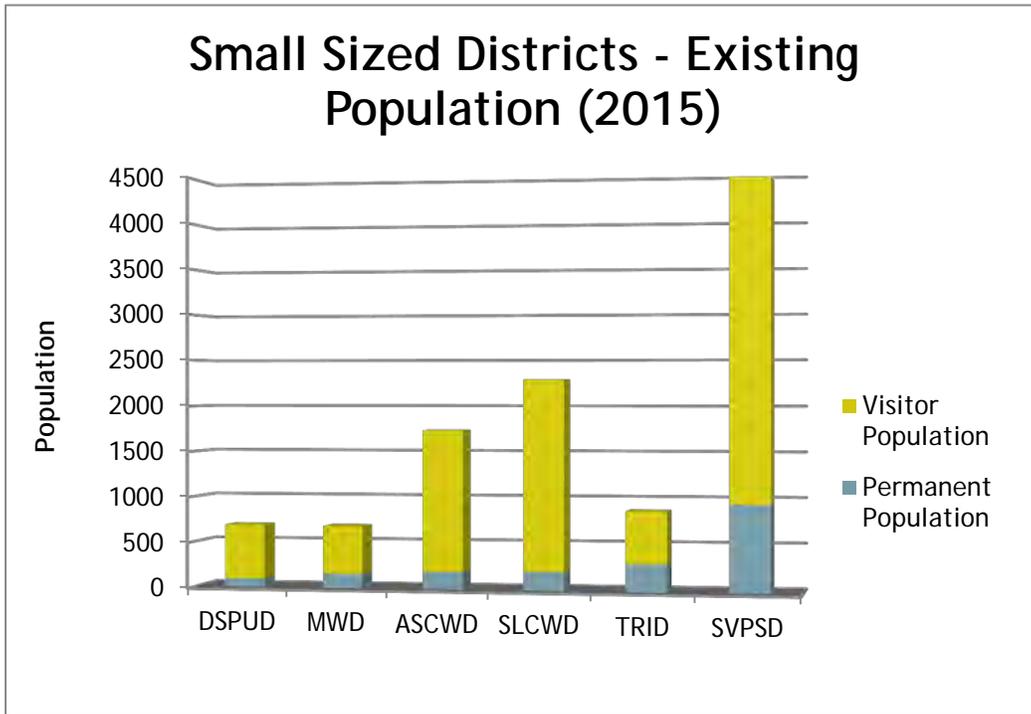
This Municipal Service Review Update has been prepared in accordance with Section 56430 of the California Government Code. LAFCO's municipal service review process is a means to improve the quality and consistency of data. By providing, analyzing, and sharing data, LAFCO supports collaborative planning and policy efforts. Ideally, service reviews provide a context for understanding the relationship between service options and regional issues, goals and policies. Regional planning initiatives present an opportunity for LAFCO to collaborate with service providers and planning agencies and to encourage alignment of goals and policies.

This regional MSR focuses on the North Lake Tahoe/Martis Valley area of eastern Placer County and analyzes thirteen service providers including Alpine Springs County Water District, Donner Summit Public Utility District, McKinney Water District, North Tahoe Fire Protection District, North Tahoe Public Utility District, Sierra Lakes County Water District, Squaw Valley Public Services District, Tahoe City Cemetery District, Tahoe Forest Hospital District, Tahoe City Public Utility District, Tahoe Truckee Sanitation Agency, Talmont Resort Improvement District, and the Truckee Tahoe Airport District. A fourteenth service provider, Northstar Community Services District was described in a separate 2014 MSR on file with Placer LAFCO. The previous MSR for these thirteen agencies in the North Tahoe and Martis Valley Area was approved by the Commission in 2004. This document presents an update to the 2004 MSR.

SIZE OF AGENCIES/DISTRICTS

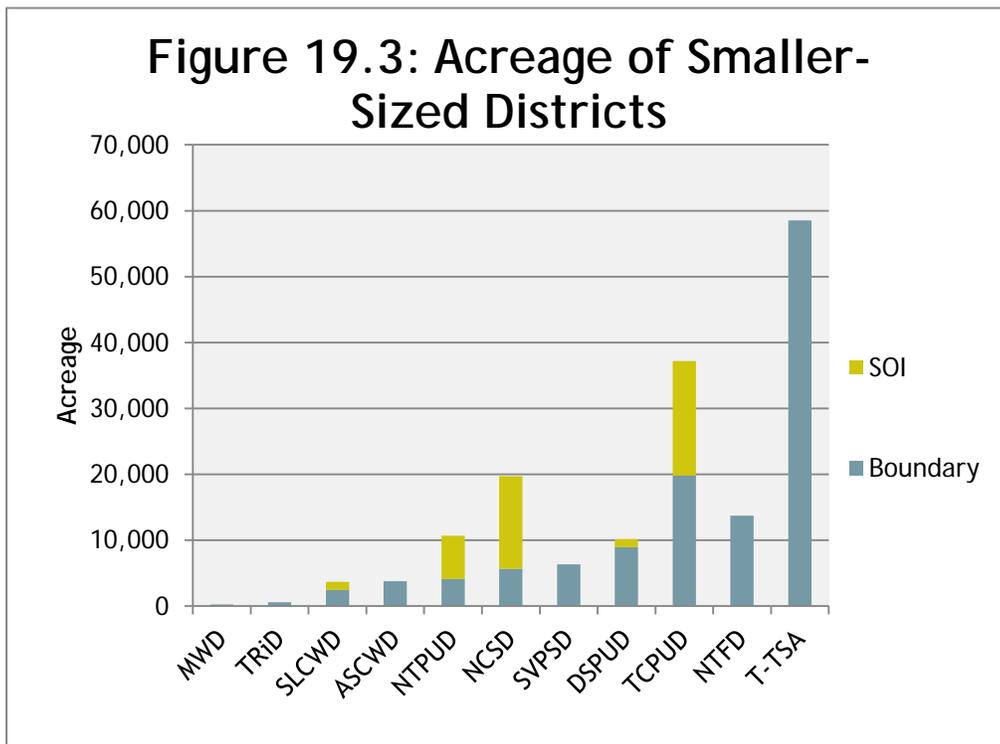
Population

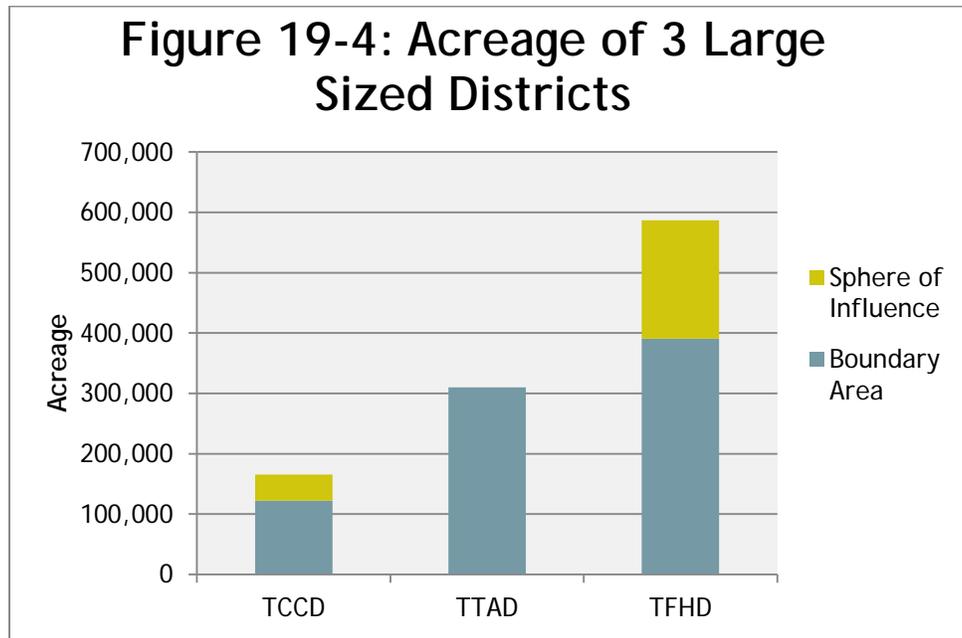
Population size among the thirteen districts is highly variable. Of the thirteen districts studied in this MSR, the least populated district is the Donner Summit Public Utility District with a permanent population of 93 persons, as shown in Figure 19-1, below. The most populated district studied is the Tahoe Forest Hospital District with a permanent population of 53,878 within the District's proper boundary including portions of eastern Placer County and Nevada County. Although Figure 19.2 shows that the Truckee Tahoe Airport District and the Tahoe Forest Hospital District have the same population size, in actuality, the Hospital District has a larger population. This is due to the Hospital District's service to residents of the State of Nevada, who are not included in the population counts for this MSR. Tourism is the factor that has the biggest influence on the number of people agencies/districts are expected to serve.



Geographic Size of Agencies/Districts

The geographic size of the thirteen districts included in this MSR varies widely. The smallest sized district is McKinney Water District at 266 acres (0.42 sq. mi.) as shown in Figure 19.3, below. The largest sized district is Tahoe Forest Hospital District at 390,585 acres (610 sq. mi.), as shown in Figure 19.4 (next page). In both Figures 19.3 and 19.4, the boundary area includes only the existing direct service area of each district and is depicted on the bottom of each bar (blue). The acreage of the sphere of influence for each district is shown on the top of each bar (yellow).





(Note: TTAD's Sphere of Influence is contiguous with its boundary.)

As shown in Figure 19.4, above, the geographic size of the Tahoe Forest Hospital District is quite large compared to most independent districts in the state. To put its size into perspective, we can compare it to the size of Placer County, at a total of 961,800 acres¹. The Hospital District's boundary area plus its SOI area yields 586,620 acres, approximately 60% of the size of Placer County.

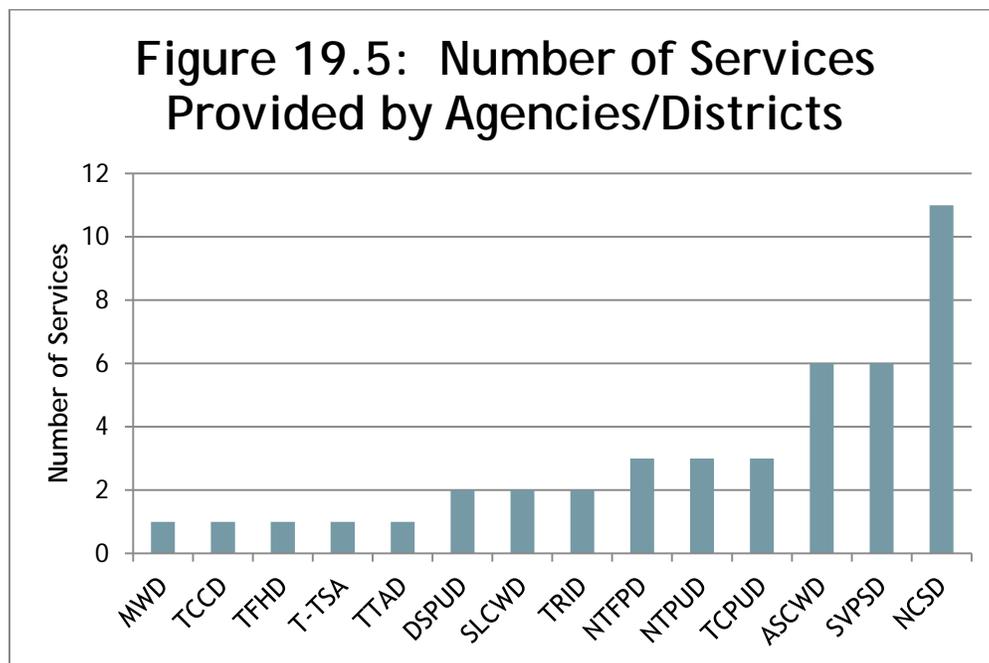
Several of the Districts span multiple counties. The Tahoe Truckee Sanitation Agency spans three counties, Placer County, El Dorado County and Nevada County. The McKinney Water District and Tahoe City Public Utility District encompasses portions of both Placer County and El Dorado County. Districts that encompass portions of both Placer County and Nevada County include Donner Summit Public Utility District, Tahoe Forest Hospital District, and the Truckee Tahoe Airport District.

SERVICE PROVISION

The agencies/districts in eastern Placer County have variety in both the type and the number of public services they provide. Five of the districts are single service providers, including McKinney Water District, Tahoe City Cemetery District, Tahoe Forest Hospital District, Tahoe Truckee Sanitation Agency, and the Truckee Tahoe Airport District. Three districts provide two public services with the Donner Summit Public Utility District and Sierra Lakes County Water District providing both water and wastewater services, and the Talmont Resort

¹ Data source: http://www.dof.ca.gov/html/FS_DATA/STAT-ABS/documents/A1.pdf

Improvement District providing water service and snow removal. Three of the districts provide three public services with the North Tahoe Fire Protection District providing ambulance, emergency medical, and fire protection. The North Tahoe Public Utility District and the Tahoe City Public Utility District each provide the same services: parks, water and wastewater services. Alpine Springs County Water District and Squaw Valley Public Services District provide six public services to their customers. They each provide emergency medical, fire protection, solid waste collection, wastewater, and water services. Additionally, Alpine Springs County Water District provides park services and Squaw Valley Public Services District provides rescue services. In eastern Placer County, the Northstar Community Services District provides the most (11) types of public service to its customers. Northstar CSD was evaluated in a 2014 MSR which is available on LAFCO’s website.



PUBLIC PROCESS

Preparation of this MSR involved outreach to agency/district staff and to the larger community. The Commission held its first public meeting on the Preliminary Draft MSR/SOI Update on May 11, 2016. The Commission and the public were encouraged to provide comments for staff to review and possibly incorporate into the final document. XX letters or other public comments on the Draft MSR/SOI Update were received during the public comment period. A second public meeting was held on _____, 2016.

This MSR Update was prepared to ensure current information for analysis. The major issues that arose during the analysis are summarized in the Executive Summary and are discussed in detail in the associated service provider review chapters.

SPHERE OF INFLUENCE

A sphere of influence is defined by Government code Section 56425 as “a plan for the probable physical boundary and service area of a local agency or municipality.” This MSR study does not include an analysis of the sphere of influence for each agency/district. Rather, the intent is to provide sufficient information about each service provider to allow LAFCO to determine whether or not an update to the SOI may be needed in the future and to support various options for updating the SOIs by providing data that can be utilized to document service and facility capacity.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires that LAFCo review and update the Sphere of Influence (SOI or Sphere) for each of the special districts and cities within the county. In determining the Sphere of Influence for an agency, LAFCo must consider and prepare written determinations with respect to four factors [Government Code §56425(e)]. These factors relate to the present and planned land uses including agricultural and open-space lands, the present and probable need for public facilities and services, the present capacity of public facilities and adequacy of public services, and the existence of any social or economic communities of interest in the area.

Future Sphere of Influence Options

The intent of an SOI is to identify the most appropriate areas for an agency’s service area in the *probable future*. Most LAFCOs in the state tend to discourage inclusion of land in an agency’s Sphere if a need for services provided by that agency cannot be demonstrated. Conceptually, territory included in an agency’s Sphere is an indication that the probable need for service has been established, and that the subject agency has been determined by LAFCO to be the most logical service provider for the area.

There are a number of ways to consider Spheres of Influence. One option is to consider growth and development and the need for municipal services over time. A second option is to determine an agency’s ability to provide municipal services beyond its current boundary. For a District that does not plan to provide municipal services beyond its present boundary, a Sphere boundary that is the same as the agency boundary is called a *Coterminous Sphere of Influence*. A third option is related to reducing the current Sphere of Influence of an agency by adopting a *Minus Sphere of Influence* (or Reduced Sphere of Influence) by excluding territory currently within an agency’s Sphere. A fourth option relates to Sphere areas for which municipal services are not intended to be provided; that is, areas within a Sphere which will remain undeveloped (such as open space or ‘protected lands’). Such an area is a special case, and requires the agency to demonstrate why an area should be included within a Sphere for which no municipal services will be provided.

LAFCo also has the ability to determine a *Zero Sphere of Influence* for a District, which sometimes indicates that the District does not have the wherewithal, governance capability, financial means, and/or operational capability to provide the municipal services for which it was formed, and should be dissolved or its function(s) reallocated to another agency. In

eastern Placer County, a few districts may have a zero sphere of influence such as the McKinney Water District; however this is likely due to historical low resolution mapping rather than specific intent about capabilities.

RECOMMENDATIONS

A number of determinations are provided for each service provider in Chapters 6 to 18 of this MSR. These determinations cover seven topic areas as codified in the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Section 56000 et seq.). These areas of analysis contain the essential operational and management aspects of each service provider, and together constitute a review of the ability of the providers to meet the service demands of the residents within their boundaries. The seven topic areas covered in the determinations include the following factors:

- Growth and population projections for the affected area
- Disadvantaged unincorporated communities
- Present and planned capacity of public facilities
- Financial ability of the agency to provide services
- Opportunities for shared facilities
- Accountability for government service needs
- Any other matter relative to service delivery as required by Commission Policy

The areas of analysis contain the essential operational and management aspects of each service provider and together constitute a review of the ability of the providers to meet the service demands of the residents within their boundaries. Two types of determinations are presented in Chapters 6 to 18: 1) statements of fact and 2) recommendations. Rather than repeat the list of determinations for each service provider, here in this Conclusions Chapter, the focus is on those determinations that contain specific recommendations for LAFCO and/or the service provider.

Recommendations for LAFCO and the Next MSR

Consistent with Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, this MSR should be updated in five years (2020). This MSR provides a comprehensive analysis of each service provider and each service provider is described in a stand-alone chapter. There will be no need to repeat all of the information contained in this MSR or to repeat the level of detail provided herein. Rather the next MSR should focus on the following issues for each agency/district:

- Finances: Audited financial statements provide the best independent assessment of agencies finances. LAFCO may wish to identify specific financial indicators that can be used to assess financial health and to compare different districts.
- Personnel: Assess and compare any personnel changes that have been made since this 2015 MSR was conducted.

- Programs: Consider any programs that have been added, transferred, consolidated, or eliminated from an agency's operations.
- Land-use development: Physical changes in land-use within a district's boundaries may be correlated with increases in permanent or visitor population and can influence the demand for public service. Additionally, Regional, County and City/Town general plans may affect the districts. Future growth scenarios for the districts can be updated when the next MSR is prepared in 2020.
- Growth Indicators: The Lake Tahoe and Martis Valley area has a unique set of historical, political, demographic, and institutional differences as compared to the western County. One of those differences is the important role that tourism and vacation homes play in the local economy and in the demand for services from local agencies. Because of these differences, traditional indicators of economic growth such as new housing starts, commercial square footage, and building permit counts may not be the best way to measure or predict the demand for future public services. Instead, favorable weather conditions, access to Reno and Truckee airports and train stations, and the economic situation of the SF Bay area may be factors that promote visitation to Lake Tahoe and therefore increase demand for public services. Before LAFCO prepares the next MSR for this region in five years (i.e. 2020), it is recommended that the Commission consider which indicators or metrics it wishes to use to assess existing and future growth for this unique region.
- Efficiency and cost of utilities: LAFCO may wish to identify indicators of efficiency that can be implemented via specific programs. North Lake Tahoe and Martis Valley experience seasonal weather conditions with cold winters and warm summers. Utility costs are quite high for several of the districts studied because the cold winters do require extra temperature maintenance etc. Energy efficiency can be compared across districts. Opportunities for increased energy efficiency can be studied in more detail.
- Website: Websites are modern tools that serve to facilitate transparency in local government by making key pieces of information readily available in a timely manner. Since the promotion of transparency in local government agencies is within LAFCO's purview, it is recommended that Placer LAFCO review the best practices guidance from the Special District Leadership Foundation and from the Institute for Local Government and establish guidelines for websites for cities and special districts that can be assessed during future MSRs. The next MSR may consider a more detailed analysis of websites (as compared to the website analysis provided in the Executive Summary of this document).
- Age of Infrastructure: For those districts that provide water service and/or wastewater service (Alpine Springs County Water District, Donner Summit Public Utility District, McKinney Water District, Northstar Community Services District, North Tahoe Public Utility District, Placer County Water Agency, Zone 4, Sierra Lakes County Water District, Squaw Valley Public Services District, Tahoe City Public Utility District, and the Tahoe Truckee Sanitation Agency) the next MSR that LAFCO prepares (in Spring of 2021) should address the age and condition of the collection, treatment, and

distribution/disposal infrastructure. Many of the water and wastewater pipes and other parts are getting older and replacing this infrastructure is expensive and must be planned for in advance.

Recommendations for LAFCO regarding SOI Updates

After the Commission approves this MSR, LAFCO may wish to review each of the thirteen districts studied herein to consider which districts should have their sphere of influence updated as described on page 19-6. LAFCO may wish to establish a work schedule and allocate staff resources towards the SOI Update effort.

Recommendations for LAFCO regarding Mutual Water Companies

Chapter 4 of this MSR describes mutual water companies in the North Tahoe and Martis Valley region. It is recommended that LAFCO utilize the information contained in Chapter 4 to complete the following tasks:

- Contact each mutual water company
- Request that each mutual water company provide LAFCO with a map of its service area.
- Request additional information as deemed appropriate by LAFCO.
- Encourage each mutual water company to undergo board training required under AB54.
- Continue to study the compliance of mutual water companies with the Safe Drinking Water Act and issue a report of findings.
- Post information about mutual water companies on the LAFCO website.
- Establish formal lines of communication with each Mutual Water Company going forward.

LAFCO may wish to establish a work schedule and allocate staff resources towards this effort.

Recommendations for Thirteen Service Providers

This MSR has found that each of the thirteen agencies/district studied are basically well-organized, transparent, and fiscally accountable to local citizens. Chapters 6-18 of this MSR contain determinations for each of the thirteen service providers studied in this document. Readers are encouraged to review each chapter directly for a complete list of these determinations. The specific recommendations (a subset of the determinations) for future actions for each individual service provider are summarized in this section. The numbering of the recommendations corresponds to the numbering of the determinations within the MSR chapter for each individual service provider (i.e. Chapters 6-18).

Alpine Springs County Water District

15. Two projects within and surrounding the District are currently being reviewed by Placer County and Placer LAFCO: 1) the Alpine Sierra Development within the District and 2) *Squaw Valley Specific Plan*. The District will need to actively participate in the planning process for each of these developments to ensure that water services within the District are not adversely impacted.
22. Alpine Springs CWD retains ownership of all fire equipment, supplies, and property and is responsible for staffing of the fire station with volunteer firefighters. However, the station is not staffed regularly, with one resident firefighter covering the District a portion of the time. Annexation of the lands within the ASCWD to the North Tahoe Fire Protection District for the purpose of providing fire services could alleviate some duplication in costs through sharing of administrative staff, mechanics, repair facilities, and various other items. ASCWD should consider this governance option and provide LAFCo with a brief report, prior to preparation of the next MSR by LAFCo in 2021.
29. In the review and entitlement process of the Alpine Sierra development, it may be found that additional park needs are identified. It will be in the District's best interest to closely review the analysis and recommendations of the EIR and county staff.
35. It is recommended that the District continue to be open to new measures to increase cost efficiencies, such as competitive bidding processes and other measures.
40. There is a risk is that a District that serves only 191 permanent customers may not be sustainable over the long-run. It is recommended that ASCWD produce a study that outlines various options, including reorganization of its government structure, for ensuring the long term and sustainable provision of public services to customers within ASCWD's boundaries. The results of this study should be presented to LAFCO prior to the year 2021, when LAFCO prepares the next MSR for ASCWD.

Donner Summit Public Utility District

9. Repairs and replacements will be necessary on an ongoing basis for both water treatment and delivery infrastructure, as well as wastewater collection and treatment.
15. The District serves customers inside and outside the service area. The District should consider adopting a policy to give preference to adding new customer connections in locations where the required infrastructure already exists or will become available.
16. To ensure that capacity is provided concurrent with need, the District should continue to work closely with the SLCWD to resolve technical issues.
17. DSPUD should examine the provision of service in conjunction with SLCWD, Nevada LAFCo, Placer LAFCo and other service providers to determine if infrastructure needs can be addressed more efficiently.

24. Rates should continue to be reviewed and adjusted as necessary to fund District costs and provide for capital improvements as needed.
25. The District should examine joint arrangements for services that can be provided on a regional or localized area.
28. The District should explore opportunities to share facilities, staff, and infrastructure with other wastewater providers in the area.
29. The District should continue to work with SLCWD. Future collaboration opportunities could potentially include sharing professional consultant expertise for joint projects with SLCWD, such as the development GIS maps of their respective boundaries.
30. The District should consider studying possible changes in the governmental structure to result in fewer elections, simplified provision of service, and the regional coordination of services. The study should be completed prior to consideration of any LAFCo proposal during the 6-20 year planning horizon for the SOI.
31. Service provision might be improved if the governance structure for DSPUD were examined. DSPUD and SLCWD, as noted in previous LAFCo staff reports, should examine their current government structure to determine if efficiencies could be gained by reorganizing the agencies.
32. The District may wish to consider participating in an Integrated Regional Water Management Plan to continue/improve access to future grant opportunities and to improve relationships with stakeholders.
35. Local accountability and governance might be improved through a reorganization of service providers in the area or through more explicit joint agreements such as the "Interim Service Agreement" recently signed by the DSPUD and SLCWD. Additionally alternatives to the current government structure in the Soda Springs/Sierra Lakes area should be explored by Nevada and Placer LAFCos, DSPUD and SLCWD.
36. In the long-term future, the District could explore the use of new technology to develop and capture renewable energy to reduce its annual expenditures on utility costs. The DSPUD budgeted \$214,549 for its utility, communications, and telemetry expenses in the FY 2012-2013 budget. This amount accounts for 10.6 percent of the District's expenses. The District should investigate efficiencies in its electricity use, which will require proper budgeting for energy efficiency consultation.
45. The District does not currently have a strategic plan that outlines its mission statement, vision statement, and goals and objectives. Such a strategic plan could help the District improve upon planning efforts, accountability, and transparency.

Mckinney Water District

9. Repairs and replacements of water pipeline will be a necessary and ongoing issue for water delivery infrastructure.
10. Although the District does not have a capital improvement plan, it is aware of the need to repair and update pipeline infrastructure. The District's annual budgets

- consider these infrastructure improvements within the service area. However, the cost for needed pipeline repair/replacement has not yet been detailed. A cost estimate for infrastructure needs and deficiencies would allow the district to better prepare assessments and budgets. It is recommended that the District consider preparation of a multi-year capital improvement plan.
15. The District may wish to consider how climate change may affect the District's water supplies, in its own water planning efforts.
 16. The District may wish to consider participating in regional water planning efforts such as an integrated regional water management plan or the Truckee Watershed Council in order to optimize its ability to apply for grants.
 19. MWD was not able to provide audited financial statements to LAFCo for this MSR financial analysis. It is recommended that when the next MSR for MWD is completed in five years, that MWD have audited financial statements for at least two fiscal years prepared and ready to share with LAFCo.
 21. Within the next several years, the District plans to implement several modest and specific capital improvements to maintain and support its infrastructure. It is recommended that any capital improvements be considered in light of available revenues and other potential funding sources to ensure that the scope of the proposed projects is congruent with funding availability.
 22. A formal Schedule of Rates was not readily available for this MSR. It is recommended that rates be reviewed during a public meeting and adjusted as necessary to fund District costs and provide for capital improvements as needed.
 23. Utility bills are not detailed out as a separate line item in MWD's annual budget. Electricity is utilized to power the well pump(s). Utility costs could be one area in which the District may wish to consider implementing projects to improve energy efficiency and thus lower utility bills. Within the next ten years, it is suggested that the MWD develop a plan to utilize green technology, energy efficient pumps, or other mechanism to lower utility bills or to balance the use of fossil fuel sourced energy with renewable sourced energy.
 32. The District does not currently have a strategic plan that outlines its mission statement, vision statement, and goals and objectives. Such a strategic plan could help the District could improve upon 1) planning efforts, 2) accountability and transparency.
 34. There is a risk is that a District that serves only 267 customers may not be sustainable over the long-run. It is recommended that MWD produce a study that outlines various options, including reorganization of its government structure, for ensuring the long term and sustainable provision of water service to customers within MWD's boundaries. The results of this study should be presented to LAFCo prior to the year 2021, when LAFCo prepares the next MSR for MWD.
 35. LAFCo's records do not show a Sphere of Influence (SOI) for the McKinney Water District. It is possible that a SOI was established in the past, but not noted in LAFCo's files. If MWD and LAFCo would like to establish a SOI in the future, Tahoe City PUD should be consulted since its boundaries overlap and surround McKinney Water District.

North Tahoe Fire Protection District

6. Grant funding is available for disadvantaged unincorporated communities such as CA Cap and Trade Funds and CA Safe Drinking Water State Revolving Funds. Please see Chapter 3 for additional details.
10. Some areas within the District's service area are not equipped with fire hydrants because they are under the control of private water companies. The NTFPD's ability to serve these areas is hindered by lack of fire hydrants. There are also some areas within the District's service area which are equipped with hydrants, but have inadequate fire flow and water storage is limited. It is recommended that the NTFPD prepare a brief (2-page) study of the geographic distribution of fire hydrants in relation to water service purveyor and disadvantaged communities and submit the study to LAFCo prior to the year 2021 when the next MSR for the District is scheduled.
11. The District has not prepared a capital improvement plan (CIP) for facility and equipment upgrades. Given the age of several fire stations, the District may wish to consider preparation of a CIP, prior to preparation of the next MSR by LAFCo in 2021.
13. NTFPD facilities and infrastructure are currently sufficient to allow for the efficient provision of services. Analysis for pending development projects will assess the need for additional facility and infrastructure that may be required to support added demand.
18. The District's maintains a contract with ASCWD to provide administration and operations, fire prevention, training, fire suppression and rescue, equipment and apparatus maintenance, and emergency medical services to the Alpine Meadows Fire Department. Alpine Springs CWD retains ownership of all equipment, supplies, and property and is responsible for staffing of the station with volunteer firefighters. NTFPD has indicated that the station is not staffed regularly, with one resident firefighter covering the District a portion of the time. Annexation of the lands within the ASCWD for the purpose of providing fire services could alleviate some duplication in costs through sharing of administrative staff, mechanics, repair facilities, and various other items.
22. District staff has indicated that the District's SOI is not adequate for projected future needs with potential development in the Brockway Summit, Alpine Meadows [ASCWD], and Homewood Mountain Resort. It is recommended that Placer LAFCo considering reviewing the SOI for this District.

North Tahoe Public Utility District

6. Grant funding is available for disadvantaged unincorporated communities. Please see Chapter 3 for additional details.
13. The District currently works with other service providers, such as Truckee-Tahoe Sanitation Agency and Tahoe Unified School District, in the collaborative provision

- of services. The District should continue to examine the provision of service in conjunction with other service providers in the area to determine if infrastructure needs can be addressed more efficiently.
20. The NTPUD budgeted nearly \$1.2 million for its utility expenses in the FY 2014 budget. This amount accounts for over 10 percent of the District's expenses. To address this, the District is actively working with Liberty Energy to reduce costs. It is suggested that in the long-term future, the District could also explore the use of new technology to develop and capture renewable energy to reduce its annual expenditures on utility costs.
 21. The UWMP provides action measures to reduce the high percentage of unaccounted-for water. The District has been very assertive in taking action to address this issue and actions taken to date include: replacing leaking mains, implementing strict metering requirements for hydrant water use (fire district, flushing, contractors, etc.), eliminating bleeders, etc. It is recommended that NTPUD continue to implement these measures and other water conservation efforts.

Sierra Lakes County Water District

6. The District's Sphere of Influence is smaller than its formal boundary. It is recommended that LAFCO and the District work together to review the SOI and to consider aligning (co-terminus) it with the District's formal boundary.
10. Repairs and replacements will be necessary on an ongoing basis for both water treatment and delivery infrastructure, as well as wastewater collection.
23. It is recommended that the District consider preparation of five year financial forecasts and discuss these forecasts during public meetings and make them available on the District's website.
24. The District should examine joint arrangements for services that can be provided on a regional or localized basis.
26. The District should continue to work with DSPUD.
27. Service provision might be improved if the governance structure for SLCWD were examined. The DSPUD and SLCWD should examine their current government structure to determine of efficiencies could be gained by reorganizing the agencies.
28. The District may wish to consider participating in an Integrated Regional Water Management Plan as a method to retain independence yet participate in a shared information structure.
29. Local accountability and governance might be improved through a reorganization of service providers in the area or through more explicit joint agreements. For example, the "Interim Service Agreement" signed by DSPUD and SLCWD in 2003 is an example of such a joint agreement and this Agreement will soon be updated by Districts.
30. In the long-term future, the District could explore the use of new technology to develop and capture renewable energy to reduce its annual expenditures on utility

- costs. The District budgeted \$39,000 for its electricity expenses in the proposed FY 2013-2014 budget. This amount accounts for 7.6 percent of the District's expenses. The District should investigate efficiencies in its electricity use.
31. Within the next ten years, alternatives to the current government structure in the Soda Springs/Sierra Lakes area should be explored by Nevada and Placer LAFCo's, DSPUD and SLCWD.
 36. No boundary changes are pending or proposed at this time. However, the District's SOI is smaller than its actual boundary, an issue that should be rectified by reforming the SOI to be co-terminus with the District boundaries.
 40. The District does not currently meter water for the stated reasons that the capital costs of installing the meters, along with the operational costs of reading the meters and billing accordingly, could outweigh any savings from water conservation. However, given the current multi-year drought that has affected the entire state of California, the District may wish to consider exploring mechanisms (such as grant applications) to pay for the capital costs associated with the installation of water meters.

Squaw Valley Public Services District

No recommendations

Tahoe City Cemetery District

9. Establishment of a District website would significantly increase the transparency of the District and its operations; and would allow the public to access District documents, financial records, and even agendas and minutes in a timely manner.
11. No formal sphere of influence (SOI) for TCCD has been adopted by Placer LAFCo. Placer LAFCO should consider formally adopting an SOI for the District, as well as clarifying the District's service area; and whether any communities within the District boundary are not served. Such an action would signal possible future detachments of territory from the District.

Tahoe City Public Utility District

34. No boundary changes are pending or proposed at this time. It is recommended that Placer LAFCO staff work to resolve the three "Review Areas" shown on Figure 14-2 to address concerns that TCPUD and El Dorado LAFCO have with the Placer County GIS data on the boundary/SOI.

Tahoe Forest Hospital District

No recommendations

Tahoe Truckee Sanitation Agency

10. No formal sphere of influence (SOI) for the T-TSA has ever been adopted by either Placer or Nevada LAFCO. However, the Agency noted that Placer LAFCO has deemed its SOI is the combination of the spheres of its member entities. Placer LAFCO should consider formally adopting an SOI for the Agency or periodically review its informal SOI for adequacy.

Talmont Resort Improvement District

22. Utility bills comprise 17% of the RID's monthly expenditures and they are one area in which the District may wish to consider implementing projects to improve energy efficiency and thus lower utility bills. Electricity to power the wells to pump groundwater is likely the RID's largest energy use. Within the next ten years, it is suggested that the RID develop a plan to utilize green technology, energy efficient pumps, or other mechanism to lower utility bills.
33. The District does not currently have a strategic plan that outlines its mission statement, vision statement, and goals and objectives. Such a strategic plan could help the District could improve upon 1) planning efforts, 2) accountability and transparency.
34. In 2010, the Governor approved Senate Bill 1023 (Wiggins) to create an expedited procedure for converting resort improvement districts and municipal improvement districts that operate under archaic statutes into community services districts, without substantive changes to their powers, duties, finances, or service areas. It is recommended that Talmont RID work with LAFCo to consider a process to convert the RID to a Community Service District.

Truckee Tahoe Airport District

No recommendations

Chapter 20

COMMENTS RECEIVED AND RESPONSES TO COMMENTS

This Chapter is reserved to discuss any public comments received on this document during the public comment period. The Preliminary Draft MSR Update was first considered by the Commission during a public meeting on May 11, 2016. At that time, the Preliminary Draft MSR Update was also shared with the thirteen service providers described in this MSR. The public was encouraged to provide comments for staff to review and possibly incorporate into the final document. The Commission held another public meeting on the Draft MSR/SOI Update on _____, 2016.

Note: This chapter will be written after public comments are received.

Chapter 21

Glossary

Acre-feet (AF): a unit of volume equal to the volume of a sheet of water one acre in area and one foot in depth; 43,560 cubic feet (1233.5 cu m).

Annexation: The annexation, inclusion, attachment, or addition of territory to a city or district.

Average base flow (ABF): Flow in the sanitary sewer during dry-weather months, measured when no appreciable rain is falling. Base flow consists of sanitary flow plus groundwater infiltration.

Average dry-weather flow (ADWF): The 30-day rolling average wastewater flow from May through October.

Average wet-weather flow (AWWF): The 30-day rolling average wastewater flow from November through April.

Bond: An interest-bearing promise to pay a stipulated sum of money, with the principal amount due on a specific date. Funds raised through the sale of bonds can be used for various public purposes.

Buildout: The maximum development potential when all lands within an area have been converted to the maximum density allowed under the General Plan.

Board of Directors: The legislative body or governing board of a district.

Board of Supervisors: The elected board of supervisors of a county.

City: Any charter or general law city.

California Environmental Quality Act (CEQA): A State statute that requires state and local agencies to identify the significant environmental impacts of their actions and to avoid or mitigate those impacts.

Community Services District (CSD): A geographic subarea of a county used for planning and delivery of parks, recreation, and other human services based on an assessment of the service needs of the population in that subarea. A CSD is a taxation district with independent administration.

Consolidation: The uniting or joining of two or more districts into a single new successor district. In the case of consolidation of special districts, all of those districts shall have been formed pursuant to the same principal act.

Contiguous: In the case of annexation, territory adjacent to an agency to which annexation is proposed. Territory is not contiguous if the only contiguity is based upon a strip of land more than 300 feet long and less than 200 feet wide.

Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH) : A State law which establishes procedures for local government changes of organization, including city incorporations, annexations to a city or special district, and city and special district consolidations.

Cost avoidance: 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.

Crown (of the sewer): The upper portion of the sewer pipes.

Cubic Feet Per Second (cfs): is a rate of water flow which will supply 1 cubic foot of water in one second. 1 cfs is = to 7.48 gallons per second.

Design flow: The selected flow condition for wastewater collection system design, determined by adding corresponding peak sanitary flow and peak groundwater infiltration. This is also referred to as peak dry-weather flow.

Detachment: The detachment, deannexation, exclusion, deletion, or removal from a city or district of any portion of the territory of that city or district.

Development Fee: A fee charged to the developer of a project by a county, or other public agency as compensation for otherwise-unmitigated impacts the project will produce. California Government Code Section 66000, et seq., specifies that development fees shall not exceed the estimated reasonable cost of providing the service for which the fee is charged. To lawfully impose a development fee, the public agency must verify its method of calculation and document proper restrictions on use of the fund.

Dissolution: The dissolution, disincorporation, extinguishment, and termination of the existence of a district and the cessation of all its corporate powers, except for the purpose of winding up the affairs of the district.

District or special District: An agency of the state, formed pursuant to general law or special act, for the local performance of governmental or proprietary functions within limited boundaries. "District" or "special district" includes a county service area.

District of limited Powers: An airport district, community services district, municipal utility district, public utilities district, fire protection district, harbor district, port district, recreational harbor district, small craft harbor district, resort improvement district, library district, local hospital district, local health district, municipal improvement district formed pursuant to any special act, municipal water district, police protection

district, recreation and park district, garbage disposal district, garbage and refuse disposal district, sanitary district, or county sanitation district.

Dissolution: The termination of the existence of a district.

Dry-weather flow: Wastewater flow monitored during the dry season, occurring May through October. Consists of sanitary flow and groundwater infiltration.

Excessive infiltration and inflow: The quantities of infiltration/ inflow that can be economically eliminated from a wastewater collection system by rehabilitation, as determined by a cost-effective analysis.

Formation: The formation, incorporation, organization, or creation of a district.

Function: Any power granted by law to a local agency or a county to provide designated governmental or proprietary services or facilities for the use, benefit, or protection of all persons or property.

Functional revenues: Revenues generated from direct services or associated with specific services, such as a grant or statute, and expenditures.

Fiscal year (FY): A period that a company or government uses for accounting purposes and preparing financial statements and/or for tax purposes. The fiscal year may or may not be the same as a calendar year.

General plan: A document containing a statement of development policies including a diagram and text setting forth the objectives of the plan. The general plan must include certain state mandated elements related to land use, circulation, housing, conservation, open-space, noise, and safety.

General revenues: Revenues not associated with specific services or retained in an enterprise fund.

Groundwater: Water under the earth's surface, often confined to aquifers capable of supplying wells and springs.

Incorporation: The incorporation, formation, creation, and establishment of a city with corporate powers. Any area proposed for incorporation as a new city must have at least 500 registered voters residing within the affected area at the time commission proceedings are initiated.

Independent Special District: Any special district having a legislative body all of whose members are elected by registered voters or landowners within the district, or whose members are appointed to fixed terms, and excludes any special district having a legislative body consisting, in whole or in part, of ex officio members who are officers of a county or another local agency or who are appointees of those officers other than those who are appointed to fixed terms. "Independent special district" does not include any district excluded from the definition of district contained in §56036.

Infiltration: The water entering a sewer system and service connections from the ground, through such means as, but not limited to, defective pipes, pipe joints, connections, or manhole walls. Infiltration does not include, and is distinguished from, inflow.

Infiltration and inflow (I&I): The collective term used to describe the extraneous flow in a wastewater collection system from both rainfall-dependent infiltration and inflow or groundwater infiltration.

Infrastructure: Public services and facilities, such as pipes, canals, levees, water-supply systems, other utility, systems, and roads.

Integrated Regional Water Management Plan (IRWMP): IRWM is the application of Integrated Water Management (IWM) principles on a regional scale. Details at: <http://www.water.ca.gov/irwm/>.

LAFCo: Local Agency Formation Commission.

Local accountability and governance: A style of public agency decision making, operation and management that includes an accessible staff, elected or appointed decision-making body and decision making process, advertisement of, and public participation in, elections, publicly disclosed budgets, programs, and plans, solicited public participation in the consideration of work and infrastructure plans; and regularly evaluated or measured outcomes of plans, programs or operations and disclosure of results to the public.

Local agency: A city, county, or special district or other public entity, which provides public services.

Management Efficiency: 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.

Merger: The termination of the existence of a district, and the assumption of the district's responsibilities by a city.

Million Gallons Per Day (MGD): An expression of water-use data such that 1 million gallons per day = 3.07 acre feet per day.

Municipal services: The full range of services that a public agency provides, or is authorized to provide, except general county government functions such as courts, special services and tax collection. As understood under the CKH Act, this includes all services provided by Special Districts under California law.

Municipal Service Review (MSR): A study designed to determine the adequacy of governmental services being provided in the region or sub-region. Performing service reviews for each city and special district within the county may be used by LAFCO, other governmental agencies, and the public to better understand and improve service conditions.

Ordinance: A law or regulation set forth and adopted by a governmental authority.

Peak flow: Maximum measured daily flow. Commonly measured in cubic feet per second (cfs). Typically occurs during wet-weather events and can also be referred to as peak wet-weather flow.

Peak dry-weather flow (PDWF): Peak daily sanitary flow plus groundwater infiltration.

Peak wet-weather flow (PWWF): Peak daily wet-weather flow plus peak rainfall-dependent infiltration and inflow from rainfall events.

Peaking Factor: The ratio of peak hourly wet-weather flow to base flow.

Per Capita Water Use: The water produced by or introduced into the system of a water supplier divided by the total residential population; normally expressed in gallons per capita per day (gpcd).

pH: A measure of the relative acidity or alkalinity of water. Water with a pH of 7 is neutral; lower pH levels indicate increasing acidity, while pH levels higher than 7 indicate increasingly basic solutions.

Plan of reorganization: A plan or program for effecting reorganization and which contains a description of all changes of organization included in the reorganization and setting forth all terms, conditions, and matters necessary or incidental to the effectuation of that reorganization.

Potable Water: Water of a quality suitable for drinking.

Principal act: In the case of a district, the law under which the district was formed and, in the case of a city, the general laws or a charter, as the case may be.

Principal LAFCO for municipal service review: The LAFCO with the lead responsibility for a municipal service review. Lead responsibility can be determined pursuant to the CKH Act definition of a Principal LAFCO as it applies to government organization or reorganization actions, by negotiation, or by agreement among two or more LAFCOs.

Proceeding: A course of action. Procedures.

Public agency: The state or any state agency, board, or commission, any city, county, city and county, special district, or other political subdivision, or any agency, board, or commission of the city, county, city and county, special district, or other political subdivision.

Rainfall-dependent infiltration and inflow (RDI/I): Rainfall runoff from both infiltration and inflow sources that enter the wastewater collection system during and shortly after a rain event. RDI/I consists of stormwater inflow and rainfall-dependent infiltration.

Rate restructuring: Rate restructuring does not refer to the setting or development of specific rates or rate structures. During a municipal service review, LAFCO may compile and review certain rate related data, and other information that may affect rates, as that data applies to the intent of the CKH Act (§56000, §56001, §56301), factors to be considered (§56668), SOI determinations (§56425) and all required municipal service review determinations (§56430). The objective is to identify opportunities to positively impact rates without adversely affecting service quality or other factors to be considered.

Reorganization: Two or more changes of organization initiated in a single proposal.

Responsible LAFCO: The LAFCO of a county other than the Principal County that may be impacted by recommendations, determinations or subsequent proposals elicited during a municipal service review being initiated or considered by the Lead LAFCO.

Retained earnings: The accumulated earnings of an enterprise or intragovernmental service fund which have been retained in the fund and are not reserved for any specific purpose (debts, planned improvements, and contingency/emergency).

Reserve: (1) For governmental type funds, an account used to earmark a portion of fund balance, which is legally or contractually restricted for a specific use or not appropriate for expenditure. (2) For proprietary type/enterprise funds, the portion of retained earnings set aside for specific purposes. Unnecessary reserves are those set aside for purposes that are not well defined or adopted or retained earnings that are not reasonably proportional to annual gross revenues.

RWQCB: Regional Water Quality Control Board.

SCADA: Acronym for Supervisory Control and Data Acquisition; a software application program used for process control and to gather real time data from remote locations. The SCADA System consists of hardware and software components. The hardware collects and feeds data into a computer with SCADA software installed. The function of SCADA is recording and logging all events in a file that is stored in a hard disk or sending them to a printer. If conditions become hazardous, SCADA sounds warning alarm.

Service lateral: A sewer connecting a building or house to the mainline sewer.

Service review: A study and evaluation of municipal service(s) by specific area, subregion or region culminating in written determinations regarding seven specific evaluation categories.

Sewage: Sewage is the wastewater released by residences, businesses and industries in a community. It is 99.94 percent water, with only 0.06 percent of the wastewater

dissolved and suspended solid material. The cloudiness of sewage is caused by suspended particles which in untreated sewage ranges from 100 to 350 mg/l.

Sewer Information Maintenance and Management System (SIMMS): A computer program that provides a means of tracking and organizing sewer maintenance schedules.

Special Reorganization: A reorganization that includes the detachment of territory from a city or city and county and the incorporation of that entire detached territory as a city.

Specific plan: A policy statement and implementation tool that is used to address a single project or planning problem. Specific plans contain concrete standards and development criteria that supplement those of the general plan.

Sphere of influence (SOI): A plan for the probable physical boundaries and service area of a local agency, as determined by the LAFCO.

Sphere of influence determinations: In establishing a sphere of influence, the Commission must consider and prepare written determinations related to present and planned land uses, need and capacity of public facilities, and existence of social and economic communities of interest.

Stormwater runoff: Rainwater which does not infiltrate into the soil and runs off the land.

Subject agency: Each district or city for which a change of organization is proposed or provided in a reorganization or plan of reorganization.

SWRCB: State Water Resources Control Board.

Total Dissolved Solids (TDS): A quantitative measure of the residual minerals dissolved in water that remains after evaporation of a solution. Usually expressed in milligrams per liter.

Treated water: Raw water which has been treated for human consumption through secondary or tertiary processes at a water treatment plant (WTP).

Watershed: An area of land that drains water, sediment and dissolved materials to a common receiving body or outlet. The term is not restricted to surface water runoff and includes interactions with subsurface water. Watersheds vary from the largest river basins to just acres or less in size. In urban watershed management, a watershed is seen as all the land which contributes runoff to a particular water body.

Zoning: The primary legal instrument for implementing the county general plan. Zoning divides a community into districts or "zones" that specify the permitted/prohibited land uses.

Chapter 22

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Report Preparers

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Chapter 23

APPENDICES

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- AP.5: Salary Information from State Databases

AP.1: ENHANCED INFRASTRUCTURE FINANCING DISTRICTS

This Appendix presents a Fact Sheet on Enhanced Infrastructure Financing Districts prepared by the California Economic Summit.

Enhanced Infrastructure Financing Districts: New financing tools help communities make needed infrastructure investments



STRUGGLING TO PAY FOR AN INFRASTRUCTURE PROJECT? NEW FINANCING POWERS CAN HELP.

Enhanced Infrastructure Financing Districts (EIFDs) offer local governments new financing authorities to build the foundation for livable, sustainable communities—from transit stations, mixed-use developments and parks to next-generation water systems. EIFDs can be formed by a city or county and all types of special districts. Through these new entities, authorized by legislation in 2014, local governments can form a public financing authority with the power to access and bundle an unprecedented array of funding streams—including the tax increment powers once used by redevelopment agencies.

To create a district: Pick a project, draw boundaries, invite partners

These new districts provide communities with a new way to pay for local infrastructure projects and meet regional sustainability goals.

To create a district, a city or county—or a group of cities, counties, or other local agencies—must first identify its goal. In some cities, a district could be used to restore a stretch of urban river. In others, it may focus on upgrading sidewalks and streets, while modifying runoff systems to capture stormwater. An EIFD can also be part of a broader effort to reduce traffic congestion and greenhouse gas emissions through mixed-use development around a new transit or High Speed Rail station.

Once a goal is identified, a district line is drawn around the area targeted for investment—which can be as small as a few city blocks or as large as a watershed. A city or county must initiate proceedings, inviting other local governments to join. The districts then provide a formal way for local governments to work together across jurisdictional lines—allowing local agencies to do together what they can't always afford to do by themselves.

Districts put their plans in motion by creating a public financing authority to operationalize the projects' details—and tap into a long list of potential revenue sources from each participating local government.



New powers are more flexible, broader than redevelopment

EIFDs have most of the powers of the redevelopment agencies disbanded in 2011—but the new districts have more flexibility and a more expansive financing toolkit. Some of the biggest differences:

- **Blight:** EIFDs are not required to focus only on blighted areas. They can provide project financing anywhere in a community.
- **Financing authority:** Like redevelopment agencies, EIFDs can fund projects by capturing a portion of the growth in property taxes they generate—though tax revenue intended for schools cannot be used. EIFDs can also use other financing tools—generating new revenue streams through benefit assessments and user fees—that can attract private investment and support a broader portfolio of projects.
- **Affordable housing:** EIFDs can be used to invest in affordable housing, but unlike redevelopment, there is not a required specific housing set-aside. EIFDs must follow state laws against displacing existing residents.

What an EIFD can invest in:

- **Transit Priority Projects** in sustainable communities strategies
- **Affordable housing** within mixed-income housing developments
- **Water projects** including stormwater capture, groundwater recharge, and river restoration
- **Transportation facilities**, including highways, parking, and transit
- **Renewable energy** projects
- **Community parks, recreation facilities, and open spaces**
- **Brownfield restoration**, environmental mitigation
- **Industrial structure construction** or repair



THE DETAILS: PAYING FOR INFRASTRUCTURE PROJECTS

Through enhanced districts, local governments can tap into all existing infrastructure financing authorities—while also accessing the tax increment powers once used by redevelopment agencies. The districts can also bundle these new revenue streams—choosing just the right option needed for a particular project—to support projects that cross city, county, and special district lines.

While the districts can also access state and federal funds, their local financing powers fall into two broad categories:

1. Revenues from property tax growth

To fund its investments, the district can capture a portion of the growth of local property tax revenues attributable to its projects—with the approval of the local entities involved. This includes revenue streams both inside and outside the district:

- ➔ **District-wide tax increment:** An EIFD can use a portion of existing property tax revenue growth within the district to support its investments. Once this revenue stream is created, the new district can issue tax increment bonds to attract private capital, with the approval of 55 percent of voters living within the district.
- ➔ **City- or county-wide revenues:** The EIFD can also capture a portion of the growth in city-wide or county-wide property tax revenues—with those governments' approval. This includes billions of dollars provided to local governments by the state to backfill the loss of Vehicle License Fee revenues.

2. Revenues from value project creates

An enhanced district can also use funds from benefit assessments and user fees levied on properties within the district. A link must be established between the payer and beneficiary for each project and property involved. These revenue streams, which can be magnified with private borrowing, include:

- ➔ **Benefit assessments:** The public financing authority can levy assessments against properties within the district based on the benefits derived from the project. These assessments require majority approval of the district's property owners.
- ➔ **User fees and public private partnerships:** A district can also charge fees for users of the infrastructure—and then leverage that revenue stream through private investment.
- ➔ **Loans:** A city, county, or special district can make loans to an EIFD.
- ➔ **Federal and state grants:** An EIFD can access federal and state funds, including state cap-and-trade proceeds.

The CA Economic Summit is a partnership between California Forward and the California Stewardship Network, two civic organizations that supported—and helped shape—the 2014 legislation creating EIFDs. The Summit is now working with the Southwest Megaregion Alliance and Bay Area Council to assist local governments interested in using these new tools.

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CASE STUDY: Investing in infill

The challenge: As regions look to reduce sprawl and improve air quality, infill development has emerged as a popular solution. Cities eager to invest in transit stations, affordable housing, and mixed-use development have a new state resource in cap-and-trade funds. But finding a local match can be difficult—as is managing land use plans that require coordination of multiple cities, counties, and special districts.

How an EIFD can help: New financing districts can provide funding options and a way to work together on sustainable growth. A group of cities interested in building a transit line, new stations, and developing the neighborhoods around them, for example, could create a financing district to do all three. Along with the transit projects themselves, the district can identify a range of physical improvements—sidewalks, streets, redesigned traffic patterns, and new parking structures to create space for walking and bicycles. User fees from parking and circulation systems can be combined with cap-and-trade funds and revenue growth from rising property values to leverage private investment. The district then serves as a land use platform for cities, counties, and local agencies to work together to see the project to completion.

CASE STUDY: Paying for water projects

The challenge: Communities have long lists of deferred water projects—from restoring urban creeks to investing in systems to capture stormwater. The biggest reason? State investment is shrinking, local tax measures can only go so far, and local governments can't support projects with their own money.

How an EIFD can help: In the new enhanced districts, local governments have a funding solution. A city or county interested in working with resource agencies to expand a stormwater capture system, for example, can form a financing district empowered to conduct benefit assessments against local property owners and levy fees on water users. When combined with cap-and-trade funds and water treatment grants, this bundled revenue stream could attract private investment—and get many water projects off the shelf.



AP.2: ASSEMBLY BILL 54

This appendix presents Assembly Bill 54, related to mutual water companies.

Assembly Bill No. 54

CHAPTER 512

An act to amend Section 14300 of, and to add Sections 14300.5, 14301.1, 14301.2, and 14301.3 to, the Corporations Code, to amend Sections 56375 and 56430 of the Government Code, and to add Section 116760.65 to, and to add Article 12 (commencing with Section 116755) to Chapter 4 of Part 12 of Division 104 of, the Health and Safety Code, relating to drinking water.

[Approved by Governor October 7, 2011. Filed with
Secretary of State October 7, 2011.]

LEGISLATIVE COUNSEL'S DIGEST

AB 54, Solorio. Drinking water.

(1) Existing law authorizes any corporation organized for or engaged in the business of selling, distributing, supplying, or delivering water for irrigation purposes, and requires any corporation organized for or engaged in the business of selling, distributing, supplying, or delivering water for domestic use, to provide in its articles or bylaws that water shall be sold, distributed, supplied, or delivered only to owners of its shares and that those shares are appurtenant to certain lands, as specified.

This bill would specify that any corporation organized for or engaged in the business of selling, distributing, supplying, or delivering water for irrigation purposes, and any corporation organized for or engaged in the business of selling, distributing, supplying, or delivering water for domestic use that provides in its articles or bylaws that the water shall be sold, distributed, supplied, or delivered only to owners of its shares and that those shares are appurtenant to certain lands shall be known as a mutual water company.

The bill would also require each mutual water company that operates a public water system to, by December 31, 2012, submit a map depicting the approximate boundaries of the property that the municipal water company serves to the local agency commission within the county in which the mutual water company operates. The bill would prohibit a mutual water company from expanding its boundaries without approval from the appropriate local agency formation commission. The bill would require a mutual water company that operates a public water system to supply certain information to a local agency formation commission upon request, as specified. This bill would require a mutual water company that operates a public water system to maintain a financial reserve fund to be used for certain types of activities.

The bill would also require each board member of a mutual water company that operates a public water system to, within 6 months of taking office, complete a 2-hour course offered by a qualified trainer, as specified.

(2) Existing law, the California Safe Drinking Water Act, requires the State Department of Public Health to administer provisions relating to the regulation of drinking water to protect public health, including, but not limited to, conducting research, studies, and demonstration programs relating to the provision of a dependable, safe supply of drinking water, enforcing the federal Safe Drinking Water Act, adopting enforcement regulations, and conducting studies and investigations to assess the quality of water in domestic water supplies.

Existing law establishes the Safe Drinking Water State Revolving Fund, continuously appropriated to the department for the provision of grants and revolving fund loans to provide for the design and construction of projects for public water systems that will enable suppliers to meet safe drinking water standards. Existing law requires the department to establish criteria to be met for projects to be eligible for consideration for this funding.

This bill would provide that in considering an application for funding a project, the department shall not be prejudiced by the applicant initiating the project prior to the department approving the application for funding. This bill would also provide that preliminary project costs or construction costs that are otherwise eligible for funding shall not be ineligible because the costs were incurred by the applicant during certain time periods.

(3) Existing law, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, sets forth the powers and duties of a local agency formation commission, including, among others, the powers to review and approve or disapprove with or without amendment, wholly, partially, or conditionally, proposals for changes of organization or reorganization, consistent with written policies, procedures, and guidelines adopted by the commission.

This bill would additionally authorize the commission to approve, with or without amendment, wholly, partially, or conditionally, or disapprove the annexation of territory served by a mutual water company that operates a public water system into the jurisdiction of a city, a public utility, or a special district, with the consent of the respective public agency or public utility and mutual water company.

(4) Under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, each local agency formation commission is required to develop and determine the sphere of influence of each local governmental agency within the county and enact policies designed to promote the logical and orderly development of areas within the sphere of influence. In order to prepare and update spheres of influence, the commission is required to conduct a service review, including the review of growth and population projections for the affected area, present and planned capacity of public facilities and adequacy of public services, financial ability of agencies to provide services, the status of, and opportunities for, shared facilities,

accountability for community service needs, and any other matter related to effective or efficient service delivery, as required by commission policy.

This bill would authorize the commission to include in the service review, a review of whether the agencies under review comply with safe drinking water standards. This bill would provide that a public water system may comply with that review by submitting certain documents.

(5) Existing law provides for the imposition of civil fines in amounts up to \$5,000 or \$25,000 for specified violations of the California Safe Drinking Water Act.

This bill would provide that a mutual water company is liable for any fines, penalties, costs, expenses, or other amounts that may be imposed upon the mutual water company under the California Safe Drinking Water Act. This bill would authorize a mutual water company to levy an assessment to pay those fines. This bill would provide that if the amount of those fines exceeds 5% of the annual budget of a mutual water company, then the mutual water company would be required to levy an assessment to pay those fines.

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares all of the following:

(a) Californians rely on a broad diversity of public and private organizations to deliver clean and safe drinking water to their home water taps. Regardless of the form of the organization that operates a public water system, these organizations provide a public service that remains one of the core duties of the people's government.

(b) While the state's goal is to ensure clean and safe drinking water, California's drinking water quality has deteriorated and some public water systems continue to suffer poor water quality that are inconsistent with safe drinking water standards.

(c) The state provides funding to public water systems to improve drinking water quality through the Safe Drinking Water Revolving Fund, but demand far exceeds the available funding. Based on the United States Environmental Protection Agency's Drinking Water Infrastructure Needs Survey and Assessment, which was performed in 2007, the State Department of Public Health estimates that the 20-year drinking water infrastructure need for California is \$39 billion. Funding for such projects, however, for 1997–2008 totaled only \$1.2 billion.

SEC. 2. Section 14300 of the Corporations Code is amended to read:

14300. (a) Any corporation organized for or engaged in the business of selling, distributing, supplying, or delivering water for irrigation purposes may provide, and any corporation organized for or engaged in the business of selling, distributing, supplying, or delivering water for domestic use shall provide, in its articles or bylaws that water shall be sold, distributed, supplied, or delivered only to owners of its shares and that the shares shall be appurtenant to certain lands when the same are described in the certificate

issued therefor; and when the certificate is so issued and a certified copy of the articles or bylaws recorded in the office of the county recorder in the county where the lands are situated the shares of stock shall become appurtenant to the lands and shall only be transferred therewith, except after sale or forfeiture for delinquent assessments thereon as provided in Section 14303. Notwithstanding this provision in its articles or bylaws, any such corporation may sell water to the state, or any department or agency thereof, or to any school district, or to any public agency, or, to any other mutual water company or, during any emergency resulting from fire or other disaster involving danger to public health or safety, to any person at the same rates as to holders of shares of the corporations; and provided further, that any corporation may enter into a contract with a county fire protection district to furnish water to fire hydrants and for fire suppression or fire prevention purposes at a flat rate per hydrant or other connection. In the event lands to which any stock is appurtenant are owned or purchased by the state, or any department or agency thereof, or any school district, or public agency, the stock shall be canceled by the secretary, but shall be reissued to any person later acquiring title to the land from the state department, agency, or school district, or public agency.

(b) A corporation described in subdivision (a) shall be known as a mutual water company.

SEC. 3. Section 14300.5 is added to the Corporations Code, to read:

14300.5. For purposes of this chapter, “public water system” shall have the same meaning as provided in Section 116275 of the Health and Safety Code.

SEC. 4. Section 14301.1 is added to the Corporations Code, to read:

14301.1. (a) No later than December 31, 2012, each mutual water company that operates a public water system shall submit to the local agency formation commission for its county a map depicting the approximate boundaries of the property that the mutual water company serves.

(b) A mutual water company that operates a public water system shall respond to a request from a local agency formation commission, located within a county that the mutual water company operates in, for information in connection with the preparation of municipal service reviews or spheres of influence pursuant to Chapter 4 (commencing with Section 56425) of Part 2 of Division 3 of Title 5 of the Government Code within 45 days of the request. The mutual water company shall provide all reasonably available nonconfidential information relating to the operation of the public water system. The mutual water company shall explain, in writing, why any requested information is not reasonably available. The mutual water company shall not be required to disclose any information pertaining to the names, addresses, or water usage of any specific shareholder. This subdivision shall not be interpreted to require a mutual water company to undertake any study or investigation. A mutual water company may comply with this section by submitting to the local agency formation commission the same information that the mutual water company submitted to the State Department of Public Health.

(c) A mutual water company that operates a public water system shall be subject to the requirements of, and has the powers granted by, subdivision (b) of Section 116755 of the Health and Safety Code.

SEC. 5. Section 14301.2 is added to the Corporations Code, to read:

14301.2. Each board member of a mutual water company that operates a public water system shall comply with the training requirements set out in subdivision (a) of Section 116755 of the Health and Safety Code.

SEC. 6. Section 14301.3 is added to the Corporations Code, to read:

14301.3. (a) All construction on public water systems operated by a mutual water company shall be designed and constructed to comply with the applicable California Waterworks standards, as provided in Chapter 16 of Title 22 of the California Code of Regulations.

(b) A mutual water company that operates a public water system shall maintain a financial reserve fund for repairs and replacements to its water production, transmission, and distribution facilities at a level sufficient for continuous operation of facilities in compliance with the federal Safe Drinking Water Act (42 U.S.C. Sec. 300f et seq.) and the California Safe Drinking Water Act (Chapter 4 (commencing with 116270) of Part 12 of Division 104 of the Health and Safety Code).

SEC. 7. Section 56375 of the Government Code is amended to read:

56375. The commission shall have all of the following powers and duties subject to any limitations upon its jurisdiction set forth in this part:

(a) (1) To review and approve with or without amendment, wholly, partially, or conditionally, or disapprove proposals for changes of organization or reorganization, consistent with written policies, procedures, and guidelines adopted by the commission.

(2) The commission may initiate proposals by resolution of application for any of the following:

(A) The consolidation of a district, as defined in Section 56036.

(B) The dissolution of a district.

(C) A merger.

(D) The establishment of a subsidiary district.

(E) The formation of a new district or districts.

(F) A reorganization that includes any of the changes specified in subparagraph (A), (B), (C), (D), or (E).

(3) A commission may initiate a proposal described in paragraph (2) only if that change of organization or reorganization is consistent with a recommendation or conclusion of a study prepared pursuant to Section 56378, 56425, or 56430, and the commission makes the determinations specified in subdivision (b) of Section 56881.

(4) A commission shall not disapprove an annexation to a city, initiated by resolution, of contiguous territory that the commission finds is any of the following:

(A) Surrounded or substantially surrounded by the city to which the annexation is proposed or by that city and a county boundary or the Pacific Ocean if the territory to be annexed is substantially developed or developing, is not prime agricultural land as defined in Section 56064, is designated for

urban growth by the general plan of the annexing city, and is not within the sphere of influence of another city.

(B) Located within an urban service area that has been delineated and adopted by a commission, which is not prime agricultural land, as defined by Section 56064, and is designated for urban growth by the general plan of the annexing city.

(C) An annexation or reorganization of unincorporated islands meeting the requirements of Section 56375.3.

(5) As a condition to the annexation of an area that is surrounded, or substantially surrounded, by the city to which the annexation is proposed, the commission may require, where consistent with the purposes of this division, that the annexation include the entire island of surrounded, or substantially surrounded, territory.

(6) A commission shall not impose any conditions that would directly regulate land use density or intensity, property development, or subdivision requirements.

(7) The decision of the commission with regard to a proposal to annex territory to a city shall be based upon the general plan and rezoning of the city. When the development purposes are not made known to the annexing city, the annexation shall be reviewed on the basis of the adopted plans and policies of the annexing city or county. A commission shall require, as a condition to annexation, that a city prezone the territory to be annexed or present evidence satisfactory to the commission that the existing development entitlements on the territory are vested or are already at build-out, and are consistent with the city's general plan. However, the commission shall not specify how, or in what manner, the territory shall be rezoned.

(b) With regard to a proposal for annexation or detachment of territory to, or from, a city or district or with regard to a proposal for reorganization that includes annexation or detachment, to determine whether territory proposed for annexation or detachment, as described in its resolution approving the annexation, detachment, or reorganization, is inhabited or uninhabited.

(c) With regard to a proposal for consolidation of two or more cities or districts, to determine which city or district shall be the consolidated successor city or district.

(d) To approve the annexation of unincorporated, noncontiguous territory, subject to the limitations of Section 56742, located in the same county as that in which the city is located, and that is owned by a city and used for municipal purposes and to authorize the annexation of the territory without notice and hearing.

(e) To approve the annexation of unincorporated territory consistent with the planned and probable use of the property based upon the review of general plan and rezoning designations. No subsequent change may be made to the general plan for the annexed territory or zoning that is not in conformance to the rezoning designations for a period of two years after the completion of the annexation, unless the legislative body for the city makes a finding at a public hearing that a substantial change has occurred

in circumstances that necessitate a departure from the rezoning in the application to the commission.

(f) With respect to the incorporation of a new city or the formation of a new special district, to determine the number of registered voters residing within the proposed city or special district or, for a landowner-voter special district, the number of owners of land and the assessed value of their land within the territory proposed to be included in the new special district. The number of registered voters shall be calculated as of the time of the last report of voter registration by the county elections official to the Secretary of State prior to the date the first signature was affixed to the petition. The executive officer shall notify the petitioners of the number of registered voters resulting from this calculation. The assessed value of the land within the territory proposed to be included in a new landowner-voter special district shall be calculated as shown on the last equalized assessment roll.

(g) To adopt written procedures for the evaluation of proposals, including written definitions consistent with existing state law. The commission may adopt standards for any of the factors enumerated in Section 56668. Any standards adopted by the commission shall be written.

(h) To adopt standards and procedures for the evaluation of service plans submitted pursuant to Section 56653 and the initiation of a change of organization or reorganization pursuant to subdivision (a).

(i) To make and enforce regulations for the orderly and fair conduct of hearings by the commission.

(j) To incur usual and necessary expenses for the accomplishment of its functions.

(k) To appoint and assign staff personnel and to employ or contract for professional or consulting services to carry out and effect the functions of the commission.

(l) To review the boundaries of the territory involved in any proposal with respect to the definiteness and certainty of those boundaries, the nonconformance of proposed boundaries with lines of assessment or ownership, and other similar matters affecting the proposed boundaries.

(m) To waive the restrictions of Section 56744 if it finds that the application of the restrictions would be detrimental to the orderly development of the community and that the area that would be enclosed by the annexation or incorporation is so located that it cannot reasonably be annexed to another city or incorporated as a new city.

(n) To waive the application of Section 22613 of the Streets and Highways Code if it finds the application would deprive an area of a service needed to ensure the health, safety, or welfare of the residents of the area and if it finds that the waiver would not affect the ability of a city to provide any service. However, within 60 days of the inclusion of the territory within the city, the legislative body may adopt a resolution nullifying the waiver.

(o) If the proposal includes the incorporation of a city, as defined in Section 56043, or the formation of a district, as defined in Section 2215 of the Revenue and Taxation Code, the commission shall determine the property

tax revenue to be exchanged by the affected local agencies pursuant to Section 56810.

(p) To authorize a city or district to provide new or extended services outside its jurisdictional boundaries pursuant to Section 56133.

(q) To enter into an agreement with the commission for an adjoining county for the purpose of determining procedures for the consideration of proposals that may affect the adjoining county or where the jurisdiction of an affected agency crosses the boundary of the adjoining county.

(r) To approve with or without amendment, wholly, partially, or conditionally, or disapprove pursuant to this section the annexation of territory served by a mutual water company formed pursuant to Part 7 (commencing with Section 14300) of Division 3 of Title 1 of the Corporations Code that operates a public water system to a city or special district. Any annexation approved in accordance with this subdivision shall be subject to the state and federal constitutional prohibitions against the taking of private property without the payment of just compensation. This subdivision shall not impair the authority of a public agency or public utility to exercise eminent domain authority.

SEC. 8. Section 56430 of the Government Code is amended to read:

56430. (a) In order to prepare and to update spheres of influence in accordance with Section 56425, the commission shall 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) Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies.
- (3) Financial ability of agencies to provide services.
- (4) Status of, and opportunities for, shared facilities.
- (5) Accountability for community service needs, including governmental structure and operational efficiencies.
- (6) Any other matter related to effective or efficient service delivery, as required by commission policy.

(b) In conducting a service review, the commission shall comprehensively review all of the agencies that provide the identified service or services within the designated geographic area.

(c) In conducting a service review, the commission may include a review of whether the agencies under review, including any public water system as defined in Section 116275, are in compliance with the Safe Drinking Water Act. A public water system may satisfy any request for information as to compliance with the Safe Drinking Water Act by submission of the consumer confidence or water quality report prepared by the public water system as provided by Section 116470 of the Health and Safety Code.

(d) The commission may request information, as part of a service review under this section, from identified public or private entities that provide wholesale or retail supply of drinking water, including mutual water companies formed pursuant to Part 7 (commencing with Section 14300) of Division 3 of Title 1 of the Corporations Code, and private utilities, as defined in Section 1502 of the Public Utilities Code.

(e) The commission shall conduct a service review before, or in conjunction with, but no later than the time it is considering an action to establish a sphere of influence in accordance with Section 56425 or 56426.5 or to update a sphere of influence pursuant to Section 56425.

SEC. 9. Article 12 (commencing with Section 116755) of Chapter 4 of Part 12 of Division 104 is added to the Health and Safety Code, to read:

Article 12. Board Member Training

116755. (a) Each board member of a mutual water company that operates a public water system, as defined in Section 116275, shall, within six months of taking office, or by December 31, 2012, if that member was serving on the board on December 31, 2011, complete a two-hour course offered by a qualified trainer regarding the duties of board members of mutual water companies, including, but not limited to, the duty of a corporate director to avoid contractual conflicts of interest and fiduciary duties, the duties of public water systems to provide clean drinking water that complies with the federal Safe Drinking Water Act (42 U.S.C. Sec. 300f et seq.) and this chapter, and long-term management of a public water system. For the purposes of this subdivision, a trainer may be qualified in any of the following ways:

- (1) Membership in the California State Bar.
- (2) Accreditation by the International Association of Continuing Education and Training (IACET) ANSI/IACET 1-2007.
- (3) Sponsorship by either the Rural Community Assistance Corporation or the California Rural Water Association.

(b) A mutual water company formed pursuant to Part 7 (commencing with Section 14300) of Division 3 of Title 1 of the Corporations Code shall be liable for the payment of any fines, penalties, costs, expenses, and other amounts that may be imposed upon the mutual water company pursuant to this chapter. The mutual water company may levy an assessment, pursuant to Section 14303 of the Corporations Code, to pay these fines, penalties, costs, expenses, and other amounts so imposed. If the amount of outstanding fines, penalties, costs, expenses and other amounts imposed pursuant to this chapter exceed 5 percent of the annual budget of the mutual water company, then the mutual water company shall levy an assessment, pursuant to Section 14303 of the Corporations Code, to pay those fines, penalties, costs, expenses, and other amounts so imposed.

SEC. 10. Section 116760.90 of the Health and Safety Code is amended to read:

116760.90. (a) The department shall not approve an application for funding unless the department determines that the proposed study or project is necessary to enable the applicant to meet safe drinking water standards, and is consistent with an adopted countywide plan, if any. The department may refuse to fund a study or project if it determines that the purposes of this chapter may more economically and efficiently be met by means other than the proposed study or project. The department shall not approve an application for funding a project with a primary purpose to supply or attract future growth. The department may limit funding to costs necessary to enable suppliers to meet primary drinking water standards, as defined in Chapter 4 (commencing with Section 116270).

(b) With respect to applications for funding of project design and construction, the department shall also determine all of the following:

(1) Upon completion of the project, the applicant will be able to supply water that meets safe drinking water standards.

(2) The project is cost-effective.

(3) If the entire project is not to be funded under this chapter, the department shall specify which costs are eligible for funding.

(c) In considering an application for funding a project that meets all other requirements of this chapter and regulations, the department shall not be prejudiced by the applicant initiating the project prior to the department approving the application for funding. Preliminary project costs that are otherwise eligible for funding pursuant to the provisions of this chapter shall not be ineligible because the costs were incurred by the applicant prior to the department approving the application for funding. Construction costs that are otherwise eligible for funding pursuant to the provisions of this chapter shall not be ineligible because the costs were incurred after the approval of the application by the department but prior to the department entering into a contract with the applicant pursuant to Section 116761.50.

AP.3: CA DEPT. OF FINANCE. NEW POPULATION PROJECTIONS



NEW POPULATION PROJECTIONS: CALIFORNIA TO SURPASS 50 MILLION IN 2049

FOR IMMEDIATE RELEASE:
January 31, 2013

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Bill Schooling (916) 323-4086

SACRAMENTO— California's population will cross the 50 million mark in 2049 and grow to nearly 52.7 million by 2060, according to new population projections released today by the Department of Finance.

This population gain – nearly 15.4 million between 2010 and 2060 – would exceed the current populations of either Illinois or Pennsylvania, and would represent enough new residents to currently rank as the fifth largest state in the Union. The 2060 population will be 39 percent higher than the state's most recent 2012 population estimate.

STATE HIGHLIGHTS

By 2060, California will have 13 counties of one million or more, with eight of those with 2 million or more residents. Six of the counties with at least one million will be inland counties. The four new counties reaching one million will be Fresno, Kern, San Joaquin, and Ventura.

Other State highlights of the latest projection series include:

- The latest projection series indicates that the Hispanic population will be even with the number of non-Hispanic Whites by mid-2013. Early in 2014, the Hispanic population will become the plurality in California for the first time since California became a state.
- By 2060, both the Black and the White populations will have increased in size, but decreased in proportion to the total population. Hispanics will comprise nearly half (48 percent) of all Californians. Asians will also grow significantly in population, but only marginally relative to the total population (just over 13 percent). Asians are currently just under 13 percent. The non-Hispanic White population will decline to 30 percent from the current 39 percent and the Black population from 6 percent to 4 percent.
- For the population as a whole, the median age will increase from 35.2 to 41.9 years old. Whites have the highest median age in 2010 (44.5) while Asians have the highest in 2060 (47.0). Hispanics' median age (27.2 in 2010 and 39.0 in 2060) is consistently lower than all other race groups other than Multi-Race.
- In 2030, there will be 9.6 million Hispanics in the prime working ages of 25 to 64; Whites will have 7.2 million and Asians 3.1 million. By 2060, Hispanics will be the largest group in the working ages by a considerable margin: 12.1 million Hispanics to 7.4 million Whites and 3.2 million Asians.

- MORE -

- An important conclusion shown from this projection series is how the age of each of the race groups will change over time. There were nearly 10 million baby-boomers in 1990, the majority being White. The White baby-boomer population is now aging into retirement and all will likely retire in the next two decades. As this happens, a lower percentage of the working-age population will be White and a larger percentage will be Hispanic and Asian. These younger and more diverse cohorts will help maintain the potential for the growth of the labor force and the economy in California. This projection series shows that by 2030, more of the White population will be 65 and older (4.1 million) than will be less than 25 years of age (3.8 million). In comparison, the Asian population will have somewhat fewer 65 years or older (1.4 million) than there will be under 25 years of age (1.6 million). The major contrast is with the Hispanic population: there will be 7.2 million Hispanics under 25 years of age compared to 2.2 million who will be 65 and older.
- By the end of the projection period in 2060, there will be more Hispanics over age 65 (5.1 million) than Whites over 65 years (4.1 million). Asians in this age group will number 2.1 million.
- The percentage of women in the state will continue to slightly outnumber the percentage of men as a result of longer female life expectancies.
- California will remain one of the younger states in the Union for the next twenty years. Due to California's diversity and because of its role as the primary gateway state for immigration, California will not age as rapidly in the coming twenty years as many other states. The White population is older and is not replenished by high levels of immigrants or birth rates. The Asian population structure is older than the Hispanic population and has low fertility rates. However, due to higher rates of immigration from Asia than from European or other countries with a predominately White population, it is anticipated that the Asian population will grow in numbers and slightly in proportion to the total population. This will moderate the aging of the Asian population, producing a less dramatic effect of the baby boom during the projection's horizon.

County and Regional Highlights

California's population will go through aging phases and renewal during the course of the projection period. This process will be variable according to race and ethnicity and geography. The patterns are related to the baby-boom and to various waves of domestic and international migration. Some of the more rural counties will see an older population gradually replaced, but growth will tend to be more limited. In other areas closer to metropolitan areas, populations are likely to become more diverse, with younger populations moving in and contributing to more rapid growth. Sutter County for example, just north of Sacramento County, will have strong growth, with the White population doubling, but Asian and Hispanic populations growing even faster.

Other county and regional highlights for 2010 to 2060 include:

- Southern California will lead the State's growth over the next 50 years (2010 to 2060), growing by 8.3 million to 31 million in population. For this report, in the interest of geographic simplicity, Southern California includes San Luis Obispo, Santa Barbara, Kern, San Bernardino, Ventura, Los Angeles, Orange, Riverside, San Diego, and Imperial counties.
- Riverside County will have the largest growth (approximately 2 million) of any county in the state. Riverside will become the second most populated county in the state at 4.2 million, trailing only Los Angeles at 11.6 million. The Inland Empire, including Riverside and San Bernardino counties, will grow by 3.4 million.
- Other Southern California counties with large growth include Los Angeles (growing 1.7 million); San Diego, growing 1 million (reaching 4.2 million in 2060); and Kern growing by 1.2 million and reaching 2.1 million.
- The San Joaquin Valley will add 3 million new Californians, growing from 3.1 million to 6.2 million. Valley gains will be led by San Joaquin County (growing by 852,000), and Fresno County (growing by 683,000). For the purpose of this report, the San Joaquin Valley includes San Joaquin, Stanislaus, Merced, Madera, Fresno, Kings, and Tulare counties. Please note, for this report Kern County was included in the Southern California region and not the San Joaquin Valley region.
- The San Francisco Bay Area will grow significantly, adding 1.8 million new residents, led by Contra Costa County, which will gain about 533,000, and Santa Clara County, with 412,000. Santa Clara will continue to be the most populated county in the Bay Area with a population of 2.2 million. San Francisco is expected to continue to grow, but at a slower pace and will achieve a population of just over 926,000 by 2060.
- The Sacramento area will add 1.5 million, reaching 3.8 million, with Sacramento County growing by 771,000, approaching a population of 2.2 million. Sacramento area counties include: Sacramento, Yolo, El Dorado, Placer, Yuba and Sutter. Yuba will more than double to reach 169,000, and Sutter will surpass 250,000, increasing by 160,000. Placer will continue as one of the fastest growing counties in California growing by 229,000. El Dorado will add 117,000 and Yolo County will gain 104,000.
- Further north in the Sacramento Valley, Butte, Shasta, and Tehama counties will all reach new population milestones. Butte will grow to 342,000, from their current 220,000. Shasta will surpass 265,000 and Tehama 109,000. Other northern California counties will tend to have an increasingly aging population and tend to grow at a slower pace than the rest of the state.

- The Monterey Bay counties of Monterey, Santa Cruz and San Benito will generally follow the trends of central coastal counties. Monterey will however remain somewhat younger than its neighbors (approximately 2 years younger in median age) and San Benito will experience a more rapid rate of growth (57.1 percent) than other area counties.

These population projections are used by state and local government agencies to anticipate and plan for future population needs and to measure incidence rates and program effectiveness. Agencies may also use projections as an input factor in models of future water, transportation and resource demand. The Department of Finance uses a baseline cohort-component method to project population by age, gender, and race/ethnicity. A cohort-component method traces people born in a given year through their lives. As each year passes, cohorts change due to the mortality and migration assumptions. Applying the fertility assumptions to the women of childbearing age forms new cohorts.

The U.S. Census Bureau provided the 2000 and 2010 Census Modified Race files. The California Department of Public Health provided the vital statistics (births and deaths) used to develop these projections. In response to a 2012 survey, planning experts of several counties and councils of government contributed assessments of future migration and population for their jurisdictions.

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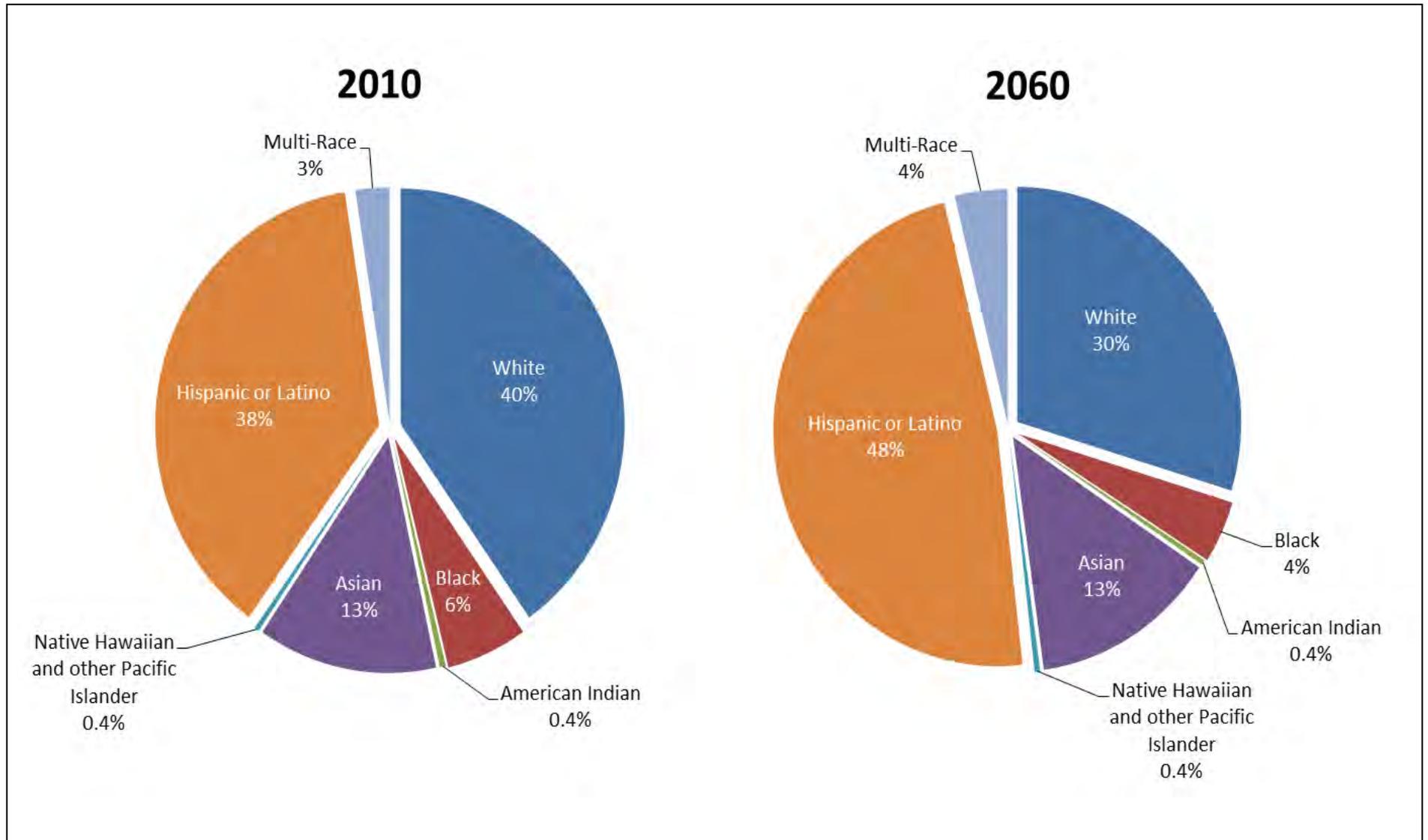
NOTE TO EDS: Additional projection data are available from the Department's website: www.dof.ca.gov/research/demographic/reports/projections/

Total Population Projections for California and Counties: July 1, 2015 to 2060 in 5-year Increments

	Estimates		Projections								
	2010	2015	2020	2025	2030	2035	2040	2045	2050	2055	2060
California	37,309,382	38,801,063	40,643,643	42,451,760	44,279,354	46,083,482	47,690,186	49,108,689	50,365,074	51,552,253	52,693,583
Alameda County	1,513,236	1,577,938	1,608,204	1,634,983	1,657,567	1,668,918	1,678,565	1,684,953	1,684,761	1,680,989	1,675,011
Alpine County	1,163	1,158	1,172	1,167	1,167	1,174	1,172	1,161	1,146	1,138	1,147
Amador County	37,853	36,949	39,352	40,958	42,036	43,150	44,200	44,812	44,829	44,878	45,116
Butte County	219,990	224,955	241,521	259,926	284,082	305,039	317,718	327,653	333,319	337,843	341,850
Calaveras County	45,462	45,172	48,312	50,787	53,001	55,188	57,225	58,701	60,052	61,500	63,025
Colusa County	21,478	22,417	24,886	27,061	29,023	31,219	33,273	35,082	36,757	38,453	40,179
Contra Costa County	1,052,211	1,093,171	1,147,399	1,197,866	1,254,205	1,324,740	1,392,509	1,443,636	1,489,068	1,535,831	1,585,244
Del Norte County	28,544	28,678	29,635	30,358	30,861	31,328	31,877	32,154	32,180	32,163	32,159
El Dorado County	180,921	184,195	203,095	220,384	234,485	248,623	263,579	275,654	283,125	290,251	297,972
Fresno County	932,377	988,970	1,071,728	1,151,711	1,241,773	1,326,594	1,397,138	1,455,331	1,509,715	1,563,519	1,615,401
Glenn County	28,143	28,871	30,780	32,304	33,552	34,747	36,027	37,055	38,020	39,015	40,040
Humboldt County	134,663	135,681	139,132	143,107	145,684	147,118	147,873	148,214	147,997	147,647	147,377
Imperial County	175,389	192,707	222,920	242,916	259,339	277,418	294,585	311,360	326,776	341,145	355,022
Inyo County	18,528	18,710	19,350	19,877	20,428	21,285	22,009	22,623	23,053	23,482	23,921
Kern County	841,146	911,750	1,057,440	1,202,871	1,341,278	1,484,677	1,618,681	1,747,402	1,858,455	1,960,748	2,055,622
Kings County	152,656	157,314	176,647	192,147	205,627	219,714	235,129	248,762	260,500	271,658	282,305
Lake County	64,599	65,392	71,228	78,832	84,394	91,482	97,884	103,012	105,715	107,924	110,055
Lassen County	35,136	34,132	35,934	37,714	38,828	40,086	40,909	41,384	41,563	41,739	41,961
Los Angeles County	9,824,906	10,081,144	10,441,441	10,718,809	10,950,335	11,120,284	11,243,022	11,342,948	11,434,565	11,508,037	11,562,720
Madera County	151,328	161,556	185,056	208,914	229,277	254,408	278,011	299,681	323,469	348,491	373,929
Marin County	252,731	255,006	251,361	251,899	253,026	255,475	259,549	262,527	264,810	267,841	272,275
Mariposa County	18,193	18,115	20,463	22,008	22,186	22,459	22,787	22,938	23,003	23,123	23,308
Mendocino County	87,924	89,401	91,498	93,306	94,812	96,666	98,112	99,067	99,863	100,904	102,106
Merced County	255,937	273,156	301,376	333,223	366,352	401,569	436,188	468,030	496,787	525,228	553,114
Modoc County	9,648	9,526	9,965	10,254	10,347	10,510	10,773	10,964	10,792	10,549	10,321
Mono County	14,240	14,643	15,037	15,635	16,261	16,962	17,614	18,259	19,009	19,853	20,755
Monterey County	416,259	431,493	436,107	456,236	475,957	495,051	513,045	529,005	542,899	556,153	569,459
Napa County	136,811	140,855	145,660	151,537	158,649	165,347	172,927	179,807	185,238	190,647	196,243
Nevada County	98,639	98,596	104,343	109,325	114,022	119,921	127,457	135,098	140,595	145,661	150,550
Orange County	3,017,327	3,141,834	3,198,279	3,251,694	3,286,100	3,311,811	3,321,037	3,321,269	3,324,920	3,327,600	3,331,595
Placer County	350,275	371,536	391,682	415,027	442,505	469,016	501,293	526,924	547,072	564,094	579,729
Plumas County	19,911	19,843	20,731	20,741	20,526	20,401	20,128	19,757	19,578	19,496	19,471
Riverside County	2,191,886	2,351,449	2,593,211	2,824,044	3,046,064	3,263,942	3,462,256	3,637,301	3,828,798	4,025,090	4,216,816
Sacramento County	1,420,434	1,477,479	1,543,522	1,617,175	1,708,114	1,817,718	1,913,756	1,995,141	2,063,132	2,128,179	2,191,508
San Benito County	55,350	57,512	60,278	64,658	69,215	73,398	77,120	79,543	81,864	84,269	86,939
San Bernardino County	2,038,523	2,139,161	2,273,017	2,428,754	2,626,945	2,811,986	2,988,648	3,142,009	3,248,440	3,342,579	3,433,047
San Diego County	3,102,745	3,225,139	3,333,995	3,432,537	3,530,896	3,640,255	3,749,240	3,861,495	3,969,663	4,065,702	4,152,763
San Francisco County	806,254	835,109	852,788	867,354	877,847	886,167	891,607	898,921	907,443	916,579	926,555
San Joaquin County	686,588	725,884	810,845	905,852	1,004,147	1,110,972	1,213,708	1,299,382	1,379,333	1,459,187	1,538,313
San Luis Obispo County	269,713	273,793	287,744	299,996	311,349	322,734	328,677	333,135	338,808	345,578	353,190
San Mateo County	719,729	747,637	747,563	766,521	803,288	833,209	850,112	875,181	895,603	911,842	928,706
Santa Barbara County	424,050	435,639	449,505	461,567	473,356	483,905	492,610	499,987	506,466	512,807	519,034
Santa Clara County	1,786,429	1,874,604	1,889,898	1,936,386	1,986,545	2,038,645	2,083,710	2,121,519	2,152,199	2,176,556	2,198,503
Santa Cruz County	263,260	270,555	275,704	283,724	290,121	295,743	298,929	301,310	303,641	306,417	309,474
Shasta County	177,472	181,792	199,814	210,320	220,019	232,908	242,016	254,411	259,167	262,329	265,246
Sierra County	3,230	3,052	3,034	3,049	3,125	3,326	3,453	3,544	3,634	3,743	3,876
Siskiyou County	44,893	44,649	46,369	47,606	48,883	50,896	51,854	52,011	52,130	52,361	52,646
Solano County	413,117	424,494	447,217	467,130	493,422	526,213	551,491	572,623	592,850	613,717	634,852
Sonoma County	484,084	495,457	507,250	519,734	534,439	551,621	572,664	589,743	598,795	607,075	616,340
Stanislaus County	515,205	540,853	589,156	634,710	674,859	714,694	759,027	815,171	861,984	907,775	953,580
Sutter County	94,669	98,833	108,939	119,413	133,010	151,452	172,475	191,445	212,161	233,552	254,783
Tehama County	63,487	64,733	69,340	72,898	77,437	83,688	89,087	93,342	98,449	103,839	109,201
Trinity County	13,713	13,524	14,352	15,071	15,532	16,262	17,030	17,582	18,172	18,789	19,381
Tulare County	443,066	473,785	526,718	575,294	630,303	682,022	722,838	755,809	784,334	811,412	836,850
Tuolumne County	55,144	54,222	55,938	56,872	57,982	59,863	60,593	60,992	61,678	62,686	63,947
Ventura County	825,077	851,859	867,535	887,411	912,548	940,102	960,528	978,085	995,578	1,014,586	1,034,651
Yolo County	201,311	209,198	223,657	237,322	250,414	266,653	281,259	291,526	297,147	301,569	305,711
Yuba County	72,329	75,787	84,520	92,785	101,812	112,727	123,203	132,256	143,973	156,438	168,685

Projections Prepared by Demographic Research Unit, California Department of Finance, January 2013

California Race and Ethnicity Distribution



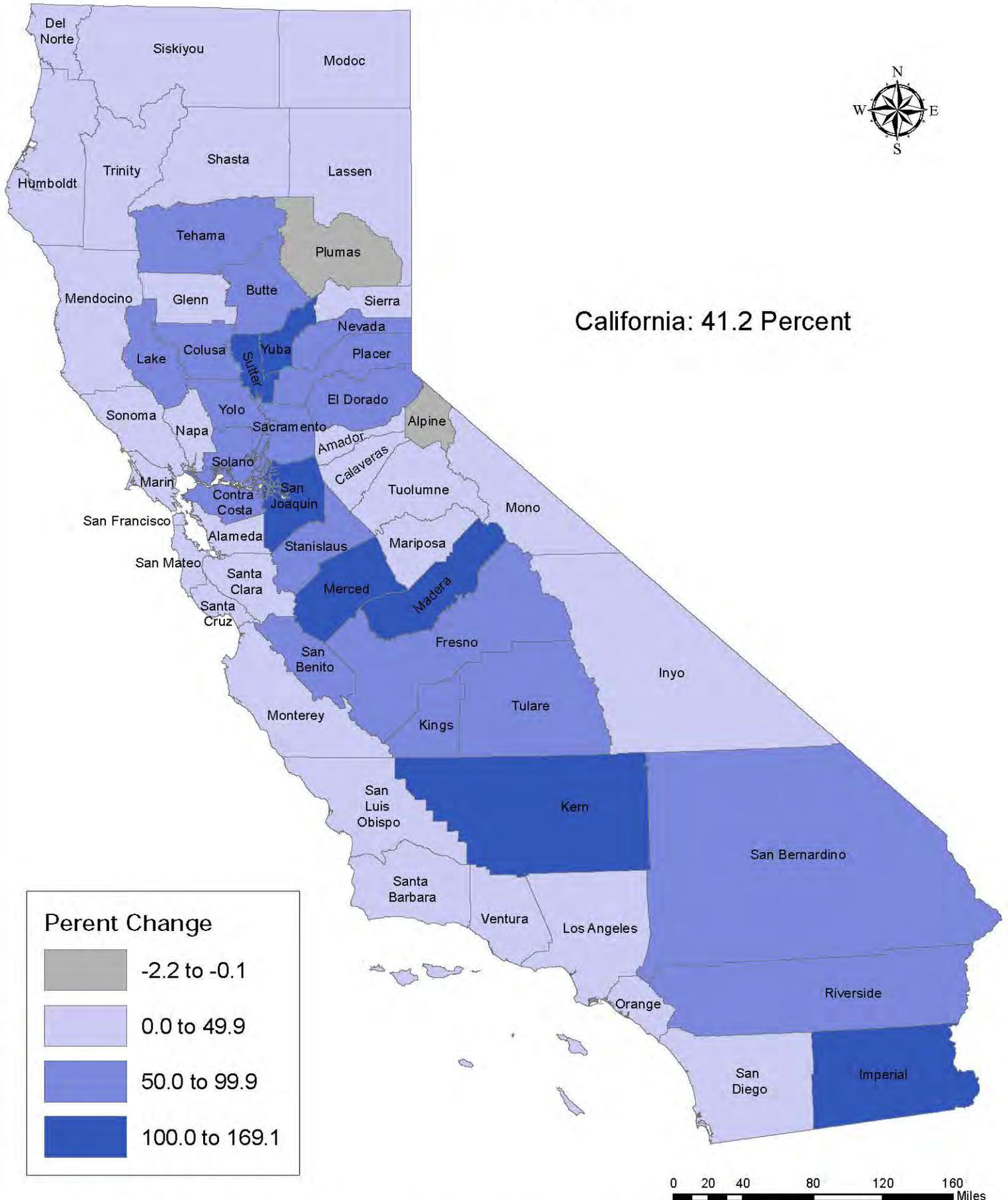
Source: U.S. Census Bureau, 2010 Census and California Department of Finance, Population Projections for California, 2010 Baseline Series.

California Projected Population Growth 2010 to 2060 Numeric Change

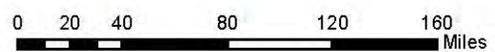
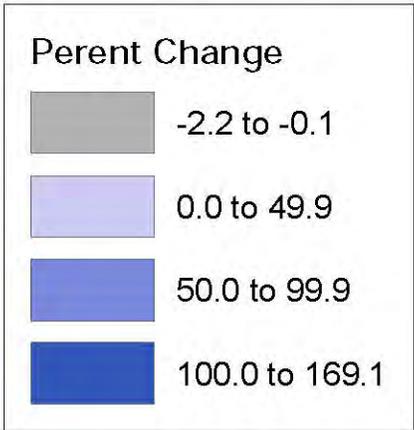


Source: California Department of Finance, Population Projections for California and its Counties, 2010 Baseline Series.
Map prepared by: California Department of Finance, Demographic Research Unit, January 2013.

California Projected Population Growth 2010 to 2060 Percent Change

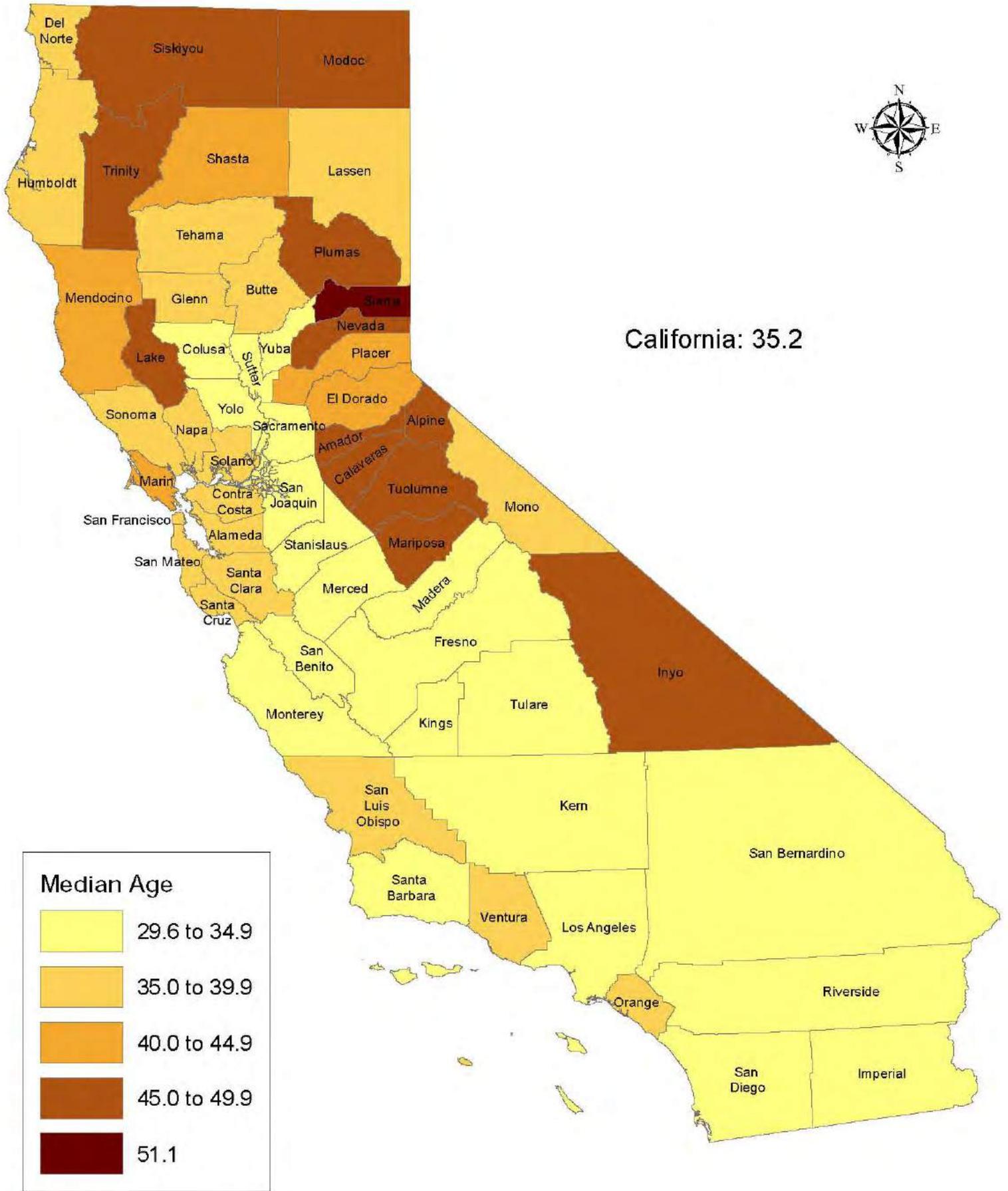


California: 41.2 Percent



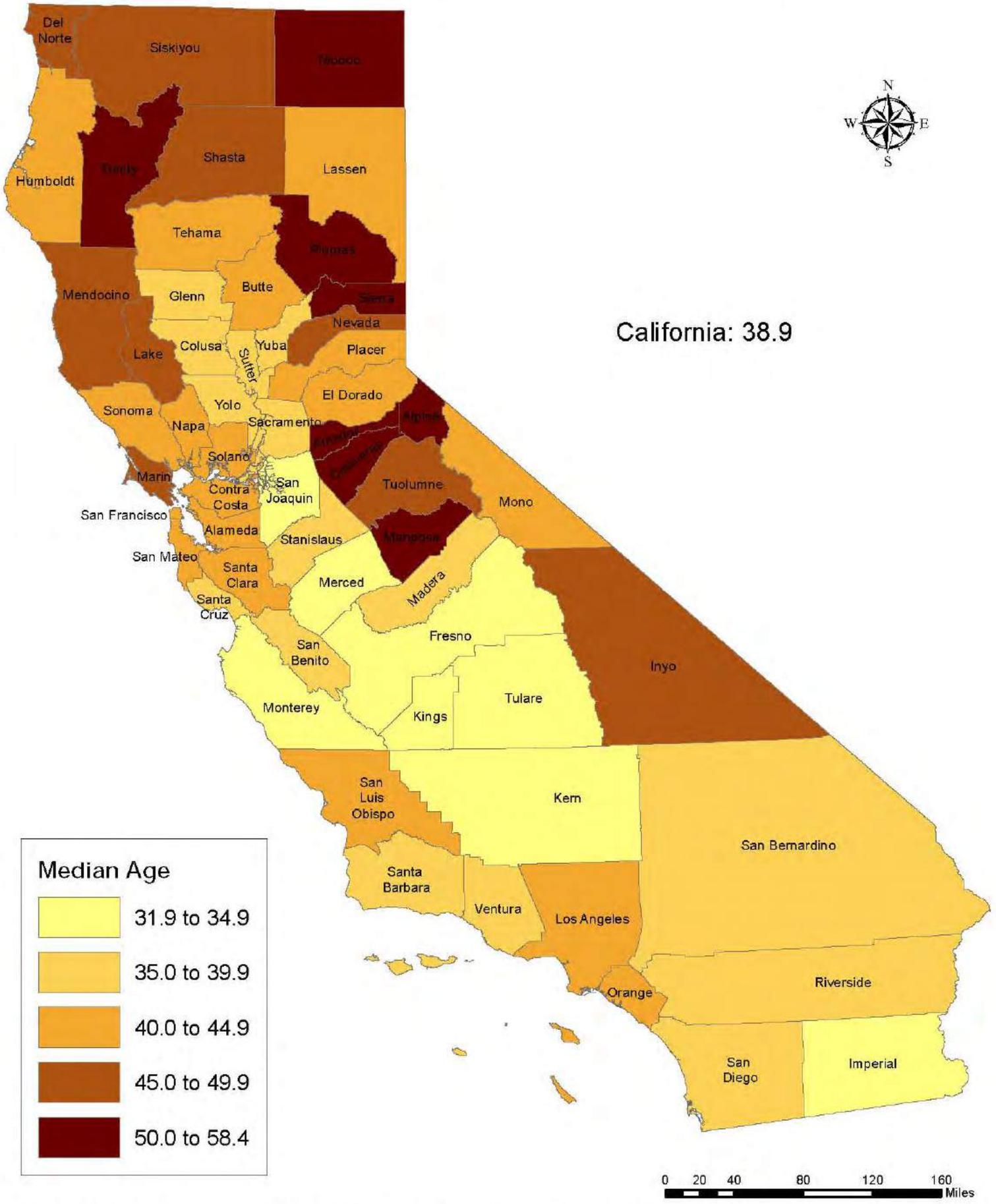
Source: California Department of Finance, Population Projections for California and its Counties, 2010 Baseline Series.
Map prepared by: California Department of Finance, Demographic Research Unit, January 2013.

California 2010 Median Age



Source: U.S. Census Bureau, 2010 Census.
 Map prepared by: California Department of Finance, Demographic Research Unit, January 2013.

California Projected 2030 Median Age



Median Age

31.9 to 34.9
35.0 to 39.9
40.0 to 44.9
45.0 to 49.9
50.0 to 58.4

Source: California Department of Finance, Population Projections for California and its Counties, 2010 Baseline Series. Map prepared by: California Department of Finance, Demographic Research Unit, January 2013.

AP.4: PLACER COUNTY WATER SYSTEMS

Appendix AP.4 -Placer County Water Systems Drinking Water Branch Safe Drinking Water Information System

Source: <https://sdwis.waterboards.ca.gov/PDWW/JSP/WaterSystems.jsp?>

PointOfContactType=none&number=&name=&county=Placer

Water System No.	Water System Name	Type	Status	Principal County Served	Primary Source Water Type
CA3103294	8200 WATER SYSTEM	NTNC	A	PLACER	GW
CA3110012	AGATE BAY WATER COMPANY	C	A	PLACER	SW
CA3100041	ALPINE MEADOWS PROPERTY OWNERS ASSO	C	A	PLACER	SW
CA3110029	ALPINE SPRINGS COUNTY WATER DISTRICT	C	A	PLACER	GW
CA3107329	ANTELOPE OAKS WATER SYSTEM	NTNC	A	PLACER	GW
CA3105886	ANTELOPE SPRINGS	NC	A	PLACER	GW
CA3100102	APPLEGATE MOTEL WATER SYSTEM	NC	A	PLACER	GW
CA3107069	APPLEGATE PARK	NC	A	PLACER	GW
CA3103195	APPLEGATE STATION	NC	A	PLACER	GW
CA3107313	AQUAPURE	NTNC	A	PLACER	GW
CA3100069	AUBURN RIDGE WOODS	C	A	PLACER	GW
CA3100011	AUBURN VALLEY COMMUNITY SERVICE DIS	C	A	PLACER	GW
CA3100014	BAKER RANCH WATER COMPANY	C	A	PLACER	GW
CA3107332	BEAR VALLEY YMCA CAMP	NC	A	PLACER	GW
CA3105852	BEAR VALLEY, SIERRA DISCOVERY TRAIL	NC	A	PLACER	GW
CA3100080	BIG BEND CAMPGROUND & ADMIN SITE	NC	A	PLACER	GW
CA3100086	BIG TREES PICNIC GROUND	NC	A	PLACER	GW

CA3110150	CALAM - WEST PLACER	C	A	PLACER	SWP
CA3104519	CALTRANS-WHITMORE MAINT. STATION	NC	A	PLACER	GW
CA3104449	CAMP WINTHERS	NC	A	PLACER	SW
CA3103209	CAPITAL MT CHRISTIAN CAMP	NC	A	PLACER	GW
CA3110033	CASTLE CITY MHP	C	A	PLACER	SWP
CA3110034	CHRISTIAN VALLEY PARK CSD	C	A	PLACER	SW
CA3100008	CISCO GAS & FOOD	NC	A	PLACER	GW
CA3106501	CISCO GROVE CAMPGROUND & RV PARK	NC	A	PLACER	GW
CA3110004	CITY OF LINCOLN	C	A	PLACER	SWP
CA3110008	CITY OF ROSEVILLE	C	A	PLACER	SW
CA3100105	CLIPPER GAP HEAD START	NTNC	A	PLACER	GW
CA3103218	COMMUNITY OF THE GREAT COMMISSION	NC	A	PLACER	GW
CA3100077	DRY CREEK ELEMENTARY SCHOOL	NTNC	A	PLACER	GW
CA3100034	DSPUD-BIG BEND	NC	A	PLACER	GW
CA3100058	DUTCH FLAT MUTUAL	C	A	PLACER	SW
CA3105779	EASTERN REGIONAL SANITARY LANDFILL WATER	NTNC	A	PLACER	GW
CA3103310	EMIGRANT GAP MUTUAL WATER CO.	C	A	PLACER	GW
CA3103234	EVERYBODY'S INN	NC	A	PLACER	GW
CA3107339	FOLSOM LAKE MUTUAL WATER CO	C	A	PLACER	SWP
CA3110003	FORESTHILL PUBLIC UTILITY DIST	C	A	PLACER	SW
CA3100085	FRENCH MEADOWS NORTH SHORE	NC	A	PLACER	GW
CA3100084	FRENCH MEADOWS SOUTH SHORE	NC	A	PLACER	GW
CA3110015	FULTON WATER COMPANY	C	A	PLACER	SW
CA3100043	GOLD HILL MOBILEHOME PARK	C	A	PLACER	GW

CA3100106	GOLD RUN RECREATION ENTERPRISES	NC	A	PLACER	GW
CA3100528	GOLDEN HILLS MUTUAL WATER CO	C	A	PLACER	SWP
CA3103297	GOOSE MEADOWS	NC	A	PLACER	GW
CA3103665	GRANITE FLAT CAMPGROUND	NC	A	PLACER	GW
CA3100082	HAMPSHIRE ROCKS CAMPGROUND	NC	A	PLACER	GW
CA3100038	HEATHER GLEN COMMUNITY SERVICE DIST	C	A	PLACER	SW
CA3100120	HELL HOLE	NC	A	PLACER	GW
CA3107327	HIDDEN FALLS	NC	A	PLACER	GW
CA3103836	HIDDEN VALLEY COMMUNITY ASSOCIATION	C	A	PLACER	SWP
CA3104508	HUPPE MOORE LANDSCAPE	NTNC	A	PLACER	GW
CA3100062	INDIAN CREEK GOLF COURSE	NC	A	PLACER	GW
CA3106491	JEHOVAH'S WITNESS/VISTA CONG.	NC	A	PLACER	GW
CA3107323	JESUIT RETREAT CENTER OF THE SIERRA	NC	A	PLACER	GW
CA3105853	KIDD LAKE	NC	A	PLACER	GW
CA3107324	KILNER PARK	NC	A	PLACER	GW
CA3100067	LAKE ARTHUR CABINS	NC	A	PLACER	GW
CA3103835	LAKEVIEW HILLS COMMUNITY ASSOC	C	A	PLACER	SWP
CA3103257	LDS RECREATION BALL PARK	NC	A	PLACER	GW
CA3100072	LIVE OAK WALDORF SCHOOL	NTNC	A	PLACER	GW
CA3105446	LODGEPOLE CAMPGROUND	NC	A	PLACER	GW
CA3103247	LOOMIS COMMUNITY PARK	NC	A	PLACER	GW
CA3106937	LOOMIS LAND INC SENIOR CARE VILLA WATER	NTNC	A	PLACER	GW
CA3110043	MADDEN CREEK WATER COMPANY	C	A	PLACER	GW

CA3110022	MCKINNEY WATER DISTRICT	C	A	PLACER	GW
CA3110009	MEADOW VISTA CWD	C	A	PLACER	SW
CA3100119	MIDDLE MEADOWS CAMPGROUND	NC	A	PLACER	GU
CA3110041	MIDWAY HEIGHTS C. W. D.	C	A	PLACER	SWP
CA3103279	MKS APPEGATE	NC	A	PLACER	GW
CA3100010	MORNING STAR LAKE RESORT	NC	A	PLACER	GW
CA3110026	NEVADA ID - NORTH AUBURN	C	A	PLACER	SW
CA3100019	NORTH EDEN VALLEY	C	A	PLACER	GW
CA3100081	NORTH FORK CAMPGROUND	NC	A	PLACER	GW
CA3110023	NORTH TAHOE PUD - CARNELIAN WOODS	C	A	PLACER	GW
CA3110036	NORTH TAHOE PUD - DOLLAR COVE	C	A	PLACER	GWP
CA3110001	NORTH TAHOE PUD - MAIN	C	A	PLACER	SW
CA3107322	NORTHSTAR AT TAHOE COMSTOCK WATER SYSTEM	NTNC	A	PLACER	GW
CA3110028	NORTHSTAR C.S.D.	C	A	PLACER	SW
CA3107311	NORTHSTAR SUMMIT DECK & GRILL	NC	A	PLACER	GW
CA3103291	NYACK WATER SYSTEM	NTNC	A	PLACER	GW
CA3100114	OLIVERS GROCERY	NC	A	PLACER	GW
CA3100083	OPHIR ELEMENTARY SCHOOL WATER SYSTEM	NTNC	A	PLACER	GW
CA3107321	PALISADES WATER SYSTEM	NC	A	PLACER	GW
CA3103259	PENRYN OAKS PRESCHOOL	NTNC	A	PLACER	GW
CA3110048	PLACER CSA - SHERIDAN	C	A	PLACER	GW
CA3110024	PLACER CWA - ALTA	C	A	PLACER	SW
CA3110050	PLACER CWA - APPEGATE	C	A	PLACER	SW
CA3110005	PLACER CWA - AUBURN/BOWMAN	C	A	PLACER	SW

CA3110040	PLACER CWA - BIANCHI ESTATES	C	A	PLACER	SWP
CA3110006	PLACER CWA - COLFAX	C	A	PLACER	SW
CA3110025	PLACER CWA - FOOTHILL	C	A	PLACER	SW
CA3110051	PLACER CWA - MARTIS VALLEY	C	A	PLACER	GW
CA3110124	PLACER CWA - MONTE VISTA	C	A	PLACER	SW
CA3100027	RAINBOW SPRINGS PUBLIC WATER SYSTEM	NC	A	PLACER	GW
CA3105918	RIDE TO WALK	NC	A	PLACER	GW
CA3103260	ROBINSON FLAT	NC	A	PLACER	GW
CA3100023	ROCKANNA ROYALE MOBILE HOME PARK	C	A	PLACER	GW
CA3103283	ROLLINS LAKE RESORT, LONG RAVINE	NC	A	PLACER	GW
CA3100538	ROSECREST MUTUAL	C	A	PLACER	GW
CA3100040	SHADY GLEN COMM WATER SYSTEM	C	A	PLACER	SW
CA3110017	SIERRA LAKES COUNTY WATER DIST	C	A	PLACER	SW
CA3100061	SIERRA MEADOWS APARTMENT	C	A	PLACER	GW
CA3100079	SIERRA REACH MINISTRIES	NC	A	PLACER	GW
CA3107318	SIERRA WOODS LODGE	NC	A	PLACER	GW
CA3100088	SILVER CREEK CAMPGROUND	NC	A	PLACER	GW
CA3103666	SILVER CREEK SUMMER HOME TRACT	NC	A	PLACER	GW
CA3104457	SKY MOUNTAIN CHRISTIAN CAMP	NC	A	PLACER	GW
CA3103288	SNOWFLOWER	NC	A	PLACER	SW
CA3110019	SQUAW VALLEY MWC	C	A	PLACER	GW
CA3110020	SQUAW VALLEY PSD	C	A	PLACER	GW
CA3103261	SUGAR PINE RESERVIOR	NC	A	PLACER	GW
CA3110013	TAHOE CEDARS WATER COMPANY	C	A	PLACER	GW

CA3110044	TAHOE CITY PUD - ALPINE PEAKS	C	A	PLACER	GW
CA3110010	TAHOE CITY PUD - MAIN	C	A	PLACER	GW
CA3110011	TAHOE CITY PUD - MCKINNEY/QUAIL	C	A	PLACER	SW
CA3110049	TAHOE PARK WATER CO - SKYLAND/NIELSEN	C	A	PLACER	GW
CA3110018	TAHOE PARK WATER COMPANY	C	A	PLACER	SW
CA3110042	TAHOE SWISS VILLAGE UTILITY	C	A	PLACER	SW
CA3107315	TAHOE VISTANA	NC	A	PLACER	GW
CA3110047	TALMONT RESORT IMPROVEMENT DISTRICT	C	A	PLACER	GW
CA3107328	TAMARACK LODGE	NC	A	PLACER	GW
CA3100029	TIMBERLAND WATER COMPANY INC	C	A	PLACER	GW
CA3107084	TURKEY CREEK GOLF CLUB	NTNC	A	PLACER	GW
CA3107310	VETERINARY DEVELOPMENT COMPANY	NTNC	A	PLACER	GW
CA3107338	WAKE ISLAND WATER SYSTEM	NC	A	PLACER	GW
CA3110031	WARD WELL WATER COMPANY	C	A	PLACER	GW
CA3110035	WEIMAR WATER COMPANY	C	A	PLACER	SW
CA3107337	WISE VILLA WINERY	NC	A	PLACER	GW
CA3107330	445 WARD AVE WELL	NC	I	PLACER	GW
CA3105895	BLACK BEAR TAVERN	NTNC	I	PLACER	GW
CA3103205	BLACK OAK GOLF COURSE	NC	I	PLACER	GW
CA3100057	BLUE CANYON WATER ASSOCIATION	NC	I	PLACER	GW
CA3107314	CEMEX (PATTERSON SAND & GRAVEL)	NTNC	I	PLACER	GW
CA3104509	FOOTHILL BIBLE CHURCH	NC	I	PLACER	GW
CA3107316	FULDA FLAT CAMP	NC	I	PLACER	GU

CA3100048	IMMACULATE CONCEPTION	NTNC	I	PLACER	GW
CA3103664	KASPIAN POINT PICNIC AREA	NC	I	PLACER	GW
CA3110032	LAKE FOREST UTILITY COMPANY	C	I	PLACER	SWP
CA3100063	OPHIR GARDENS	C	I	PLACER	GW
CA3100096	SONS OF NORWAY REC CENTER	NC	I	PLACER	GW
CA3100001	TIMBER HILLS MUTUAL WATER CO	C	I	PLACER	SWP

Notes:

(a) Water system type definitions:

C = Community: Serves at least 15 service connections used by year-round residents or regularly serves 25 year-round residents.

NTNC = Non-Transient Non-Community: Serves at least the same 25 non-residential individuals during 6 months of the year.

NC = Transient Non-Community: Regularly serves at least 25 non-residential individuals (transient) during 60 or more days per year.

(b) Primary source of water

GW = Ground Water

SW = Surface Water

AP.5: SALARY INFORMATION FROM STATE DATABASE

This appendix provides information regarding wages and salaries paid to workers for districts studied in this MSR. This information was derived from state databases.

AP.5: Salary Information from State Databases

In 2010 there was a salary scandal and misappropriation of public funds in the City of Bell that made headlines. In the aftermath of this scandal, the California State Controller's Office aimed to promote government transparency and help prevent such problems from ever happening again. Part of this effort involved the creation of the Public Pay website at: <http://publicpay.ca.gov/>. The Controller requires local governments to include the data in their annual financial transactions reports, under Government Code Section 53891. The Controller's Office has noted that the McKinney Water District failed to file compensation reports in 2014 and the Tahoe Forest Hospital District filed a non-compliant Report in 2014. A non-compliant entity is one that has filed a compensation report that was incomplete, was in a format different than the one requested by the Controller's Office, or was submitted after the reporting deadline and is currently in the review process. A similar website <http://transparentcalifornia.com/agencies/salaries/special-districts> also contains salary information for special districts.

Data for the North Lake Tahoe Public Finance Authority (NLTPFA) and the North Tahoe Building Corporation (NTBC) are also available from the databases and are included in the following graphs and tables for comparative purposes.

During the preparation of this MSR, the consulting team mined this data and presents the results of the database queries herein.

Employees

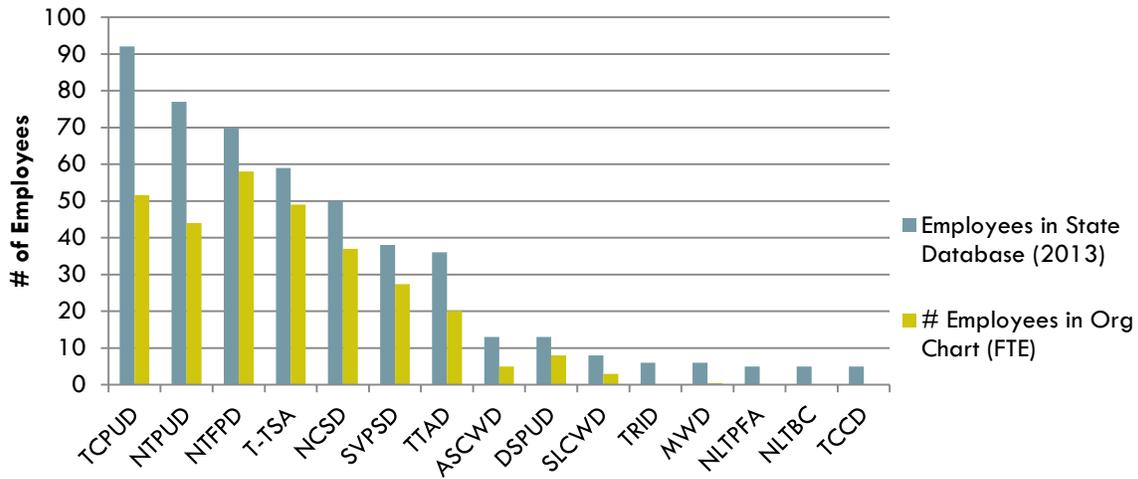
Table AP5-1, below lists the number of employees by District from two sources of information: 1) District's organization chart, and 2) State database at: <http://publicpay.ca.gov/>. Please note that the state database typically includes the District's Board members (approximately five members) as "employees" on the compensation reports to the Controller's Office. This is standard practice among many independent districts in California. However, a District's organization chart typically does not count board members as employees.

Table AP5-1: Number of Employees per District

<i>District</i>	<i># Employees in State Database (2013)</i>	<i># Employees in Org Chart (FTE)</i>
TFHD	453	450.0
TCPUD	92	51.6
NTPUD	77	44.0
NTFPD	70	58.0
T-TSA	59	49.0
NCSD	50	37.0
SVPSD	38	27.4
TTAD	36	20.1
ASCWD	13	5.0
DSPUD	13	8.0
SLCWD	8	3.0
TRID	6	0.0
MWD	6	0.5
NLTPFA	5	0.0
NLTBC	5	0.0
TCCD	5	0.0
Data source: http://publicpay.ca.gov/ and Chapters 1-18 of this MSR		

The information shown above is displayed graphically, in Figure AP5-1, below. The Tahoe Forest Hospital District has the most reported employees (450) of the districts/agencies studied in this MSR. However, it is not shown in Figure AP.5-1, below, because of scale issues.

Figure AP.5-1: Employees by Agency

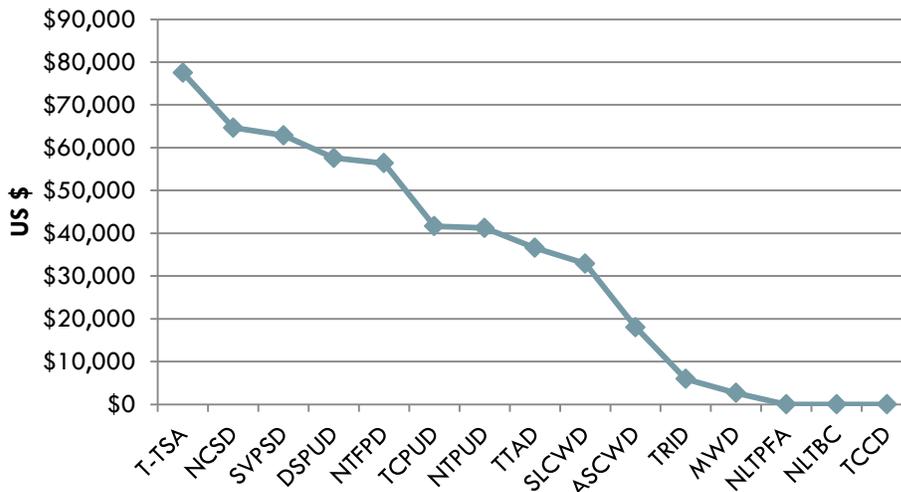


Data Source: <http://publicpay.ca.gov/>
 Not shown: TFHD

Average Wages

The reported average wages that each agency/district pays to its employees is shown in Figure AP.5-2, below. The “wages” include the salary only and do not include the cost of benefits such as retirement and health insurance. Benefits typically add 20 to 40% onto the costs of an employee. For example, the Tahoe-Truckee Sanitation Agency pays the highest average wage at \$77,542 annually. The average cost of benefits is an additional \$41,160 annually per employee at T-TSA. The Tahoe City Cemetery District runs on a volunteer basis and therefore its average wage paid is zero.

Figure AP.5-2: Average Wages Paid by Agency in 2014



Data Source: <http://publicpay.ca.gov>

Total Wages

The total wages paid by each agency/district in 2014 (as reported to the State Controller) is shown in Figure AP.5-3, below. The Total Wage includes overtime compensation etc., but not benefits. T-TSA has the highest total wages paid. Three agencies studied in this MSR have total wages that are so low, they do not show well on the scale for Figure AP.5-3. The Talmont Resort Improvement District's total annual wages paid is \$35,570 annually. McKinney Water District has total wages of \$15,970 annually. The Tahoe City Cemetery District pays no total wage.

Figure AP.5-5, total wages reflects, for the most part, the number of employees a district has as shown in Figure AP.5-1 (above).

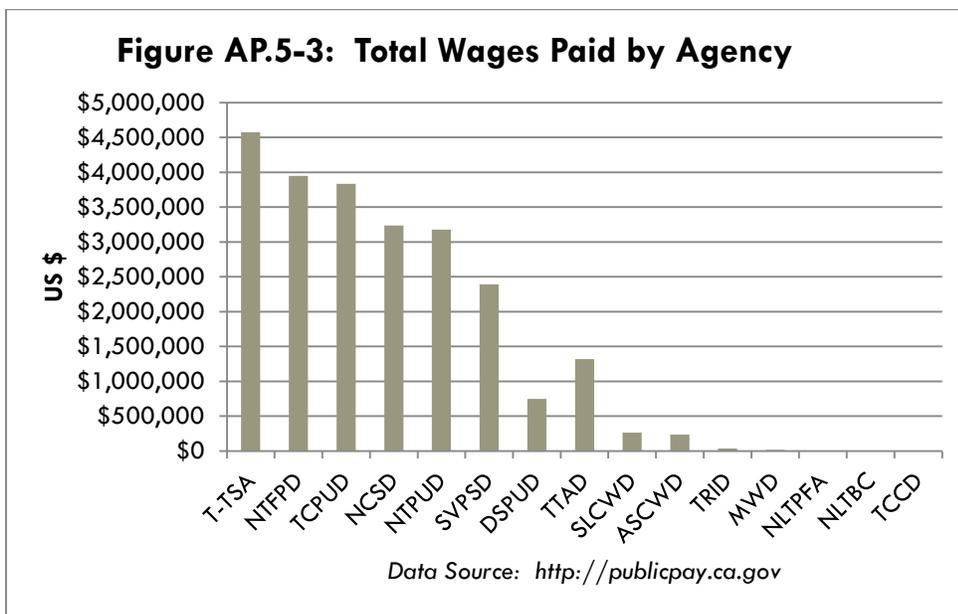
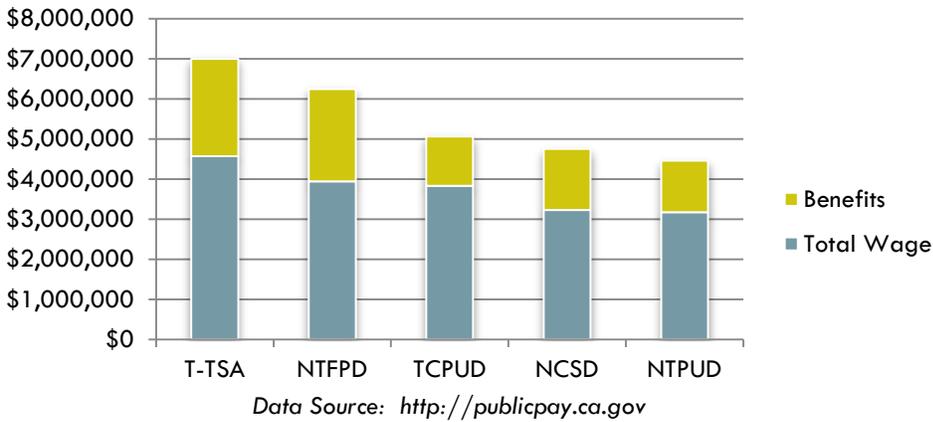


Figure AP.5-4 provides more detail on wages and benefits paid to the districts with the top five highest total wages.

Figure AP.5-4: Total Wage and Benefit for Top 5 Districts

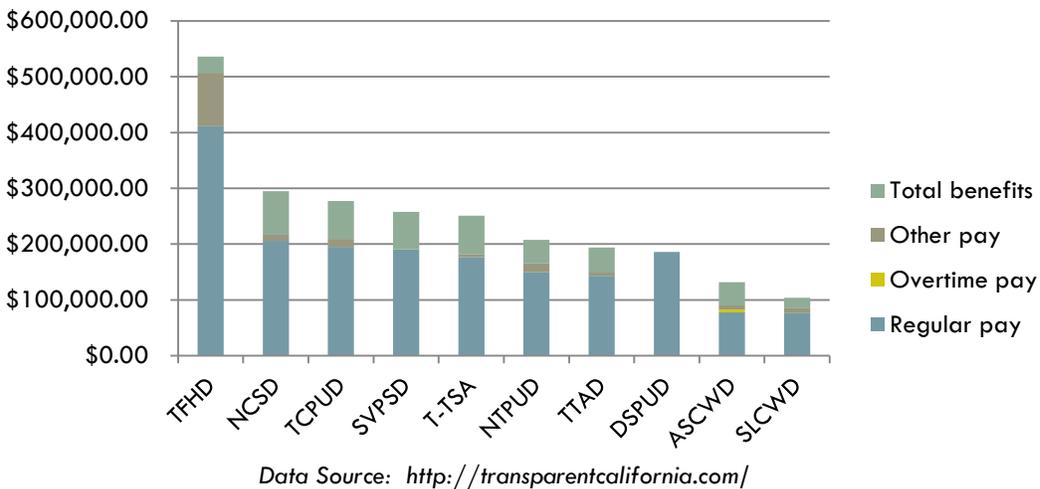


Highest Paid Individual

Salaries for the highest paid individual in an agency are sometimes a concern in California as exemplified by the City of Bell scandal. In most cases, the highest paid person is the CEO or General Manager of an agency. However, for Alpine Springs County Water District and the Sierra Lakes County Water District the highest paid person was the Operations manager and the Utility Operator, respectively.

Data was not available for four districts including: McKinney Water District, North Tahoe Fire Protection District, Tahoe City Cemetery District, and the Talmont Resort Improvement District.

Figure AP.5-5: Compensation for Highest Paid Individual - 2014



As shown in Figure AP.5-5, the CEO of the Tahoe Forest Hospital District was the highest paid individual in 2014, of the districts studied. Since hospitals need highly skilled individuals, with years of schooling, the compensation is not surprising.

Alpine Springs County Water District is very cost efficient and its highest paid worker is an Operations staff with an annual base pay of \$77,448 in 2014, as shown in Figure AP.5-5. Although Alpine Springs CWD currently provides five different public services (water, sewer, solid waste, fire/emergency, and parks) to its customers, it has managed to keep its total number of employees, relatively low (13). Its reported average annual wages paid is low at \$18,000 in 2014, per Figure AP.5-2. Additionally, ASCWD's reported total wages (Figure AP.5-3) is fairly low, compared to other districts, at \$234,343 in 2014.