

Shasta Local Agency Formation Commission



Municipal Services Review & Sphere of Influence Update

County Service Areas #14 - Belmont

 #15 - Lighting

 #23 - Crag View

Commission Approved August 2023

SHASTA LOCAL AGENCY FORMATION COMMISSION

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Mark Spenser, Public Member

Shasta LAFCO Staff:

George Williamson, AICP, Executive Officer

Kathy Bull, Office Manager

James M. Underwood, Legal Counsel

Planwest Partners Staff:

Cosette McCave, Services Specialist

Jason Barnes, GIS Analyst

Acknowledgements:

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MUNICIPAL SERVICE REVIEW SPHERE OF INFLUENCE UPDATE

Introduction

Municipal Services Reviews (MSRs) provide agency infrastructure, management, services, and boundary information. The report is for Shasta Local Agency Formation Commission's (LAFCO) use in conducting a statutorily required MSR review process. The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act) requires that the Commission conduct periodic reviews for cities and special districts in Shasta County (Government Code § 56425).

State law also requires that, prior to Sphere of Influence (SOI) adoption, LAFCO must conduct a review of municipal services provided by that local agency (Government Code §56430). This report provides LAFCO with a tool to comprehensively study current and future public service conditions and evaluate organizational options for accommodating growth, preventing urban sprawl, and ensuring that critical services are provided efficiently.

County Service Areas Overview

County Service Areas are dependent special districts under County Service Area Law (Government Code §61000, et seq.). They can provide several community services including water, wastewater, solid waste disposal, fire protection services, parks and recreation, street maintenance, and other services to unincorporated areas.

Principal Act

The CSA principal act is the County Service Area Law (Government Code §61000, et seq.) which authorizes CSAs to provide up to 31 types of governmental services within their boundaries. CSA #14 - Belmont is authorized to provide water service. Other services, facilities, functions, or powers enumerated in the District's principal act but not identified in the formation resolution are "latent," meaning that they are authorized by the principal act under which the District is formed but are not being exercised. Latent powers and services activation require LAFCO authorization as indicated in Government Code §25213.5.

Service Review Determinations

Government Code §56430 requires LAFCO to conduct a review of municipal services provided in the county by region, sub-region, or other designated geographic area, as appropriate, for the service or services to be reviewed, and prepare a written statement of determination with respect to each of the following topics:

- (1) Growth and population projections for the affected area;
- (2) The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence;

- (3) Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies (including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence;
- (4) Financial ability of agencies to provide services;
- (5) Status of, and opportunities for, shared facilities;
- (6) Accountability for community service needs, including governmental structure and operation efficiencies; and
- (7) Any other matter affecting or related to effective or efficient service delivery, as required by Commission policy.

This service review provides an overview of the County Service Area along with an agency profile. The report also includes service review determinations and sphere of influence recommendations for:

CSA #14 – Belmont

CSA #15 – Lighting

CSA #23 – Crag View

State Guidelines and Commission policies encourage stakeholder cooperation in the municipal service review preparation. It also provides a basis to evaluate, and make changes to the Spheres of Influence, if appropriate.

Sphere of Influence Determinations

An SOI is a LAFCO-approved boundary that designates an agency’s probable physical service area. Spheres are planning tools used to provide guidance for individual boundary change proposals and are intended to encourage efficient provision of organized community services, discourage urban sprawl and premature conversion of agricultural and open space lands, and prevent overlapping jurisdictions and duplication of services.

LAFCO is required to establish SOIs for all local agencies and enact policies to promote the logical and orderly development of areas within the SOIs. Furthermore, LAFCO must update those SOIs every five years. In updating the SOI, LAFCO is required to conduct a municipal service review (MSR) and adopt related determinations. In addition, in adopting or amending an SOI, LAFCO must make determinations on the following areas:

- (1) The present and planned land uses in area, including agricultural and open-space lands;
- (2) The present and probable need for public facilities and services in the area;

- (3) The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide;
- (4) The existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency; and
- (5) The present and probable need for public facilities and services related to sewers, municipal or industrial water, or structural fire protection of any disadvantaged unincorporated communities in existing sphere of influence (effective July 1, 2012).

Uses of the Report

This service review provides the opportunity to identify trends relating to the adequacy, capacity, and cost of providing services in rural areas of Shasta County. Service reviews may identify district boundary changes, where appropriate, to extend services; evaluate consolidation feasibility, where appropriate; and implement other measures to address community water and wastewater service needs. The potential uses of this report are described below.

To Update Spheres of Influence

This MSR serves as the basis for an SOI update which considers territory LAFCO believes represents an agency's appropriate future jurisdiction and service area. All boundary changes, such as annexations, must be consistent with an affected agency's SOI with limited exceptions.

To Consider Jurisdictional Boundary Changes

LAFCO is *not* required to initiate any boundary changes based on service reviews. However, LAFCO, other local agencies (including cities, special districts, or the County), or the public may subsequently use this report together with additional research and analysis, where necessary, to pursue changes in jurisdictional boundaries.

Resource for Further Studies

Other entities and the public may use this report for further study and analysis of issues relating to County Service Areas and municipal services in Shasta County.

Review Methods

The following information was considered in the service review:

- o Agency-specific data: responses to LAFCO Requests for Information from CSA #14 - Belmont, maps, district plans and agency correspondence;
- o Land Use and Shasta County General Plan data: Shasta County Resource Management –Planning Division;

- o Demographic data: U.S. Census; Department of Finance; CA Water Resources Board;
- o Finances: budgets, rates, and fees; and
- o Other Reports and Assessments: State Water Resources Control Board citation.

Information gathered was analyzed and applied to make the required agency determinations and reach conclusions about the focus issues identified in the service review. All information gathered for this report is filed by LAFCO for future reference.

California Environmental Quality Act

The California Environmental Quality Act (CEQA) is contained in Public Resources Code §21000 et seq. Under this law, public agencies are required to evaluate the potential environmental effects of their actions. MSRs are statutorily exempt from CEQA pursuant to §15262 (feasibility or planning studies) and categorically exempt pursuant to CEQA Guidelines §15306 (information collection). It should be noted that when LAFCO acts to update an SOI, CEQA requirements must be satisfied. The lead agency for CEQA compliance would most likely be LAFCO.

Common Agency Profile Topics

Several topics are evaluated in an agency profile. Those topics are defined in this section and discussed further in the agency profile.

Disadvantaged Unincorporated Communities

LAFCO is required to evaluate disadvantaged unincorporated communities (DUCs) as part of its municipal service review process. Per California Senate Bill 244, a DUC is defined as any area with 12 or more registered voters where the median household income (MHI) is less than 80 percent of the statewide MHI. Within a DUC, three basic services are evaluated: water, sewer, and fire protection.

As defined by Water Code Section 79505.5, DUCs may lack basic infrastructure, such as water, or wastewater services. Fire protection is another service which needs to be reviewed to determine adequate protection from local service providers (California Legislative Information, 2002).

The most recently available data for US Census Block Groups, Tracts and Places from the US Census American Community Survey (ACS) 5-Year Data is used to determine disadvantaged communities in the region of interest. Using this information, areas are evaluated to determine whether they meet income levels for a DUC, or in the case of cities, whether there are DUCs adjacent to the incorporated boundary when considering annexations.

Shasta County Profile

The following profile information is sourced from the Shasta County Annual Comprehensive Financial Report¹. The County of Shasta was established in 1850 as a general law county and was one of the State's original 27 counties. The County is located at the northern end of the Sacramento Valley and covers approximately 3,850 square miles and contains more than 2.46 million acres. The County is the 30th most populous county in the State with a population of approximately 180,531 as of January 1, 2022. The City of Redding is the County seat. The County occupies the northern reaches of the Sacramento Valley, with portions extending into the southern reaches of the Cascade Range. The County was named after Mount Shasta as it was originally within the County, but it is now part of Siskiyou County to the north. Its 14,179-foot (4,322 m) peak is visible throughout most of Shasta County.

As required by State and federal mandate, the County is responsible at the local level for activities involving public welfare, health, and justice (including jails) and for the maintenance of public records. The County also provides services such as law enforcement and public works to cities within the County on a cost-recovery contract basis. The County also operates recreational and cultural facilities serving both the incorporated and unincorporated areas of the County.

A five-member County Board of Supervisors is the legislative authority and governance for the County. Each supervisor is elected to a four-year term in nonpartisan districts. The terms are staggered with two supervisors being elected then three supervisors being elected in alternating election years.

The Board is responsible for, among other things, establishing ordinances, adopting annual budgets, appointing committees, and hiring the County Executive Officer and non-elected department heads.

The County Executive Officer is responsible for carrying out the policies and ordinances of the Board and for overseeing the day-to-day operations of the County. The County has six elected department heads responsible for the offices of the Auditor-Controller, Treasurer-Tax Collector-Public Administrator, Assessor-Recorder, County Clerk-Registrar of Voters, District Attorney, and Sheriff-Coroner.

The annual budget serves as the foundation for the County's financial planning and control. The County Budget Act, as presented in California Government Code sections 29000 and 30200, provides the general provisions and requirements for preparing and approving the County budget. All County departments are required to submit budget requests to the County Executive Officer, and then they are compiled into a proposed budget by the Auditor-Controller. The budgets are then submitted for approval by the Board, with a recommendation by the County Executive Officer. Public Hearings are set in June with the Board adopting the adopted budget before the start of the next fiscal year. During the year, department heads may make transfers of appropriations within a division with the approval of the County Executive Officer and Auditor-Controller. Transfers of

¹ Nolda Short, Auditor-Controller. (2022). *Shasta County Annual Comprehensive Financial Report*

appropriations between departments or increases in the budget from new revenue sources, reserves and/or contingencies require Board of Supervisors approval.

Economic Overview

The 2018 Carr Fire and 2020 Zogg Fire impacts are still being felt today. State cleanup programs have been completed and rebuild/recovery of properties is possible, but approximately 40% of property owners in the footprints of these fires have initiated the rebuild process. This has resulted in a continued loss of property tax revenue and displaced homeowners for the foreseeable future.

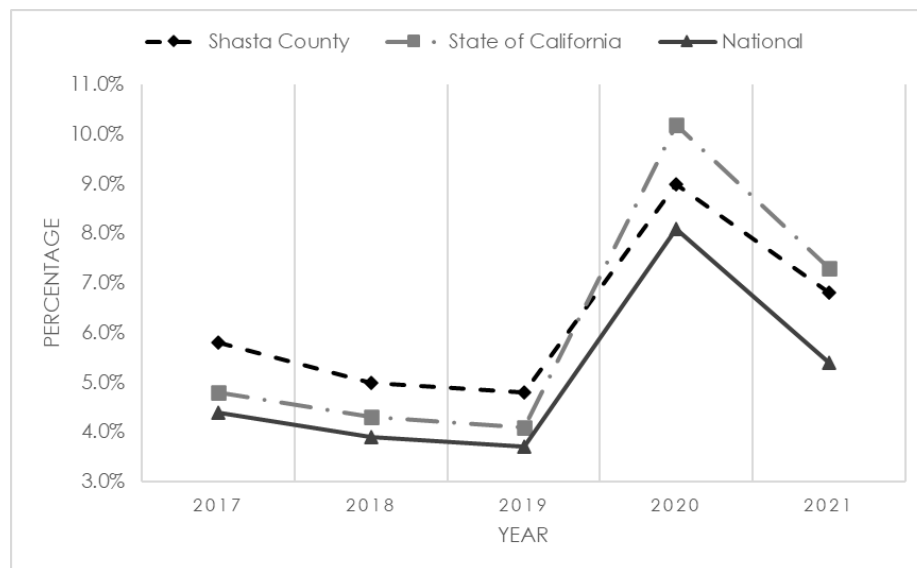
The Coronavirus pandemic impact was also notable. The County continues to experience staff shortages, recruitment challenges, and other significant issues despite state and federal assistance being provided to local governments. This assistance is meant to help backfill revenues and cover pandemic-related costs.

Employment:

While Shasta County's employment rate has recovered to pre-recession levels, the number of people in the workforce has not recovered. This indicates that the County has not yet fully recovered from the recession and its effects. The average unemployment rate for the County was 6.8% in 2021². The state rate at the time was 7.3%.

Despite having a lower unemployment rate than the state average, Shasta County's unemployment rate is higher than the average of two of the six adjacent counties (Lassen and Trinity). Their unemployment rates average 6.1%. The Department of Transportation projects the Shasta County unemployment rate will drop in 2023 to 5.6%.

Figure 1. Shasta County Unemployment Rates



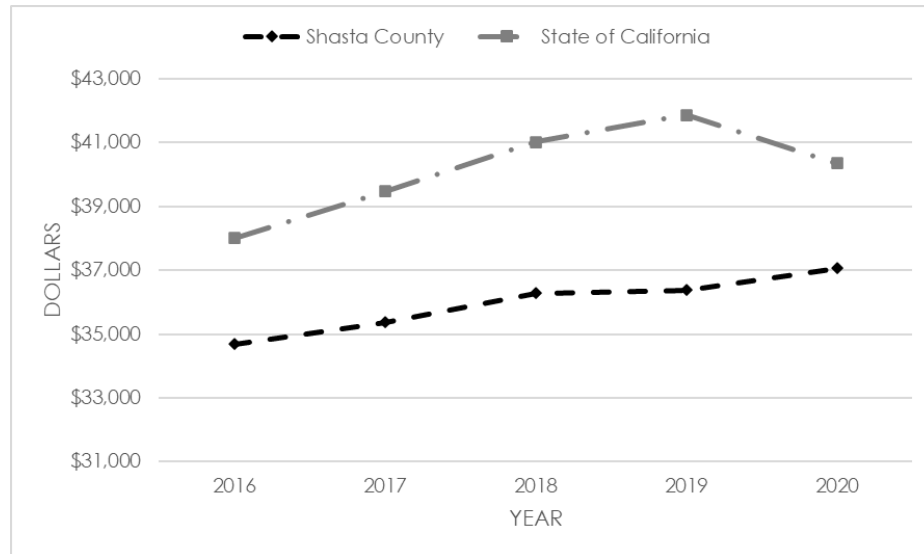
Source: US Bureau Of Labor Statistics, Annual Average Not Seasonally Adjusted.

² Short. (2022). *Shasta County Annual Comprehensive Financial Report*

Job Growth:

Shasta County’s economic forecast by the Department of Transportation predicts overall job growth to increase an average of 1.0% between 2022-2026, with an expected increase of 4,700 jobs between 2021-2026. The fastest growing job sector over the same period is expected to be Health and Education.

Figure 2. Shasta County Median Income (AGI)



Source: California Franchise Tax Board, Most Recent 5 Years (Updated Values Per CA FTB)

Income:

As reported to the Franchise Tax Board (FTB), the median income of \$37,065 increased 1.91% from 2019 to 2020 (the most recent data from FTB) for the residents of Shasta County. Shasta County’s 2020 median income was approximately 8.86% lower than the State median. Shasta County ranked 33rd out of 58 counties when comparing annual income in 2020; in 2019 we were ranked 37th, representing a slight increase over the prior year. As a result of expected job growth, the Department of Transportation forecasts that personal income will rise by 18.2% between 2021-2026.

Real Estate:

- (1) The County has seen an annual increase in the assessed roll for property tax since 2013 with a 7.03% increase for 2022. Sales tax increased by approximately \$0.7M from 2021 to 2022. Shasta’s Discretionary property tax revenue receipts were \$31.6M in 2021, compared to \$33.9M in 2022, an increase of 7.1% over the prior year³.
- (2) The median home prices increased from \$335,000 to \$383,588 from 2021 to 2022, an increase of 14.5%. County-wide home sales have been assisted by historically low mortgage rates and low inventory.

³ Short. (2022). *Shasta County Annual Comprehensive Financial Report*

- (3) Building permits issued decreased from 2021 to 2022 by 12.33% with 4,851 and 4,253 issued, respectively. The limited number of homes being rebuilt from both the Carr and Zogg fires has contributed to the overall decline in building permits issued.

Long Term Financial Planning:

The County continues to adhere to conservative spending due to economic uncertainty at the State and Federal level. The impact of decisions made by the CalPERS board is the most significant uncertainty in future budgets. Absent any favorable decisions by the CalPERS board, the County will be required to make larger retirement contributions. Taking a conservative approach to spending in the past several fiscal years has helped keep the County solvent; but, without sustained annual revenue growth, reductions in service may be necessary in the future. Balancing service delivery with available resources will continue to be a challenge to the County for many years.

Shasta County Growth Projections

Between 2014 and 2018, the estimated Shasta County population grew from 178,520 to 180,040 people, an average annual growth rate of 0.17 percent⁴. When reviewing population data, it is important to distinguish between population changes that affect the entire County and the unincorporated portion of the County, which can be affected by annexations and other boundary changes. The unincorporated area of the County currently makes up about 38% of the County's total population. The California Department of Finance projects the County's population will increase from 179,412 to 188,154, between 2020 and 2030, an average annual growth rate of 0.49%⁵. If the unincorporated area's portion of the County's population remains near 38%, it is estimated that the unincorporated area would increase from 68,177 to 71,499 people.

However, according to the most recent California Department of Finance estimate, the Shasta County population decreased by 0.1% from 2018 to 2019⁶. This could be the result of recent wildfires throughout the county. For report purposes an annual population growth estimate of 0.17% to 0.49% is used to predict the future population range that may be served by the CSA during this MSR cycle. It should also be noted that the Department of Finance Demographics Division now states that assumptions used to project future population may no longer be applicable and that these projections could change with their next estimate cycle, which is every 5 years.

Existing and Planned Land Uses

Land use within the unincorporated portion of the districts is subject to the Shasta County General Plan and Zoning Regulations, which was last updated in 2004.

Governance and Accountability

CSAs operate pursuant to County Service Area Law (Government Code §61000, et seq.) and are under direction of County Board of Supervisors.

⁴ US Census Bureau, 2014-2018 ACS 5-year Estimates for Shasta County (Table S0101). Accessed July 5, 2020.

⁵ California DOF, Projections, P-1: State Population (2010-2060), Total Population by County (1-year increments).

⁶ California Department of Finance, E-1 Cities, Counties, State Population Estimates – January 1, 2018/2019, May 2019.

County Service Areas
Municipal Service Review & Sphere of Influence

Table 1: Shasta County Board of Supervisors

Member	Title – District	Term ends
Kevin W. Crye	Supervisor - #1	12/2026
Tim Garman	Supervisor - # 2	12/2024
Mary Rickert	Supervisor - # 3	12/2024
Patrick Jones	Supervisor - # 4	12/2024
Chris Kelstrom	Supervisor - # 5	12/2026

In accordance with California Government Code Section 29000 and 29143 provisions and other statutory provisions, commonly known as the County Budget Act, Shasta County prepares a budget for each fiscal year on or before August 30. Budgeted expenditures are enacted into law through the passage of an Appropriation Ordinance. This ordinance mandates the maximum authorized expenditures for the fiscal year and cannot be exceeded except by subsequent amendments to the budget by the County’s Board of Supervisors. An operating budget is adopted each fiscal year for all Governmental Funds.

Expenditures are controlled at the object level in County budget units, where expenditures may not legally exceed appropriations. Amendments for appropriations transfers between departments or funds are authorized by the County Administrative Office and approved by the Board of Supervisors.

The Board of Supervisors must approve supplemental appropriations normally financed by unanticipated revenues during the year. Pursuant to Board Resolution, the County Administrative Officer is authorized to approve any budget transfer within a budget unit provided that such approval does not exceed \$75,000 nor increase the total appropriations of the budget. Budgeted amounts in the budgetary financial schedules are reported as originally adopted and as amended during the fiscal year by Board of Supervisors approved resolutions.

The County uses an encumbrance system as an extension of normal budgetary accounting for the general, special revenue, and other debt service funds and to assist in controlling expenditures of the capital projects funds. Under this system, purchase orders and contracts for the expenditure of monies are recorded to reserve that portion of applicable appropriations. Encumbered appropriations are not carried forward in the ensuing year’s budget, all amounts must be re-budgeted. Annual budgets are prepared on the modified accrual basis of accounting plus encumbrances for governmental fund types and on the accrual basis plus encumbrances for proprietary funds.

Intrafund transfers (transfers between operating units in the same governmental type fund) are included in the Budgetary Comparison Schedules as Other Financing Sources (uses) transfers in or out. The effects of these intrafund transfers are eliminated in the fund financial statement to conform to GAAP. The Inmate Welfare Fund is not required to submit a budget to the County and as such, budgetary information for that fund is not available.

AGENCY PROFILE

This section profiles the County Service Area listed below. Included in the profile is a description of the agency's organizational development, tables listing key service information, and maps showing jurisdictional boundaries.

CSA #14 - Belmont

CSA #14 - Belmont

CSA #14 - Belmont is located in northeastern Shasta County approximately 54 miles northeast of Redding off CA 299 and 92 miles southwest of Alturas. Shasta-Trinity National Forest is located to the south. Mount Shasta is located approximately 45 miles north.

Table 2: CSA #14 - Belmont Overview Summary

Primary Contact	Venton L. Trotter, Deputy County Surveyor- Supervising Engineer		
Address:	Shasta County Department of Public Works Development Services Division 1855 Placer Street, Redding CA 96001		
Website	County of Shasta website		
Services Provided	Surface storm drains		
Population Served:	80	Service Area:	Long Leaf Lane: 9.23 acres Carberry St: 9.25 acres

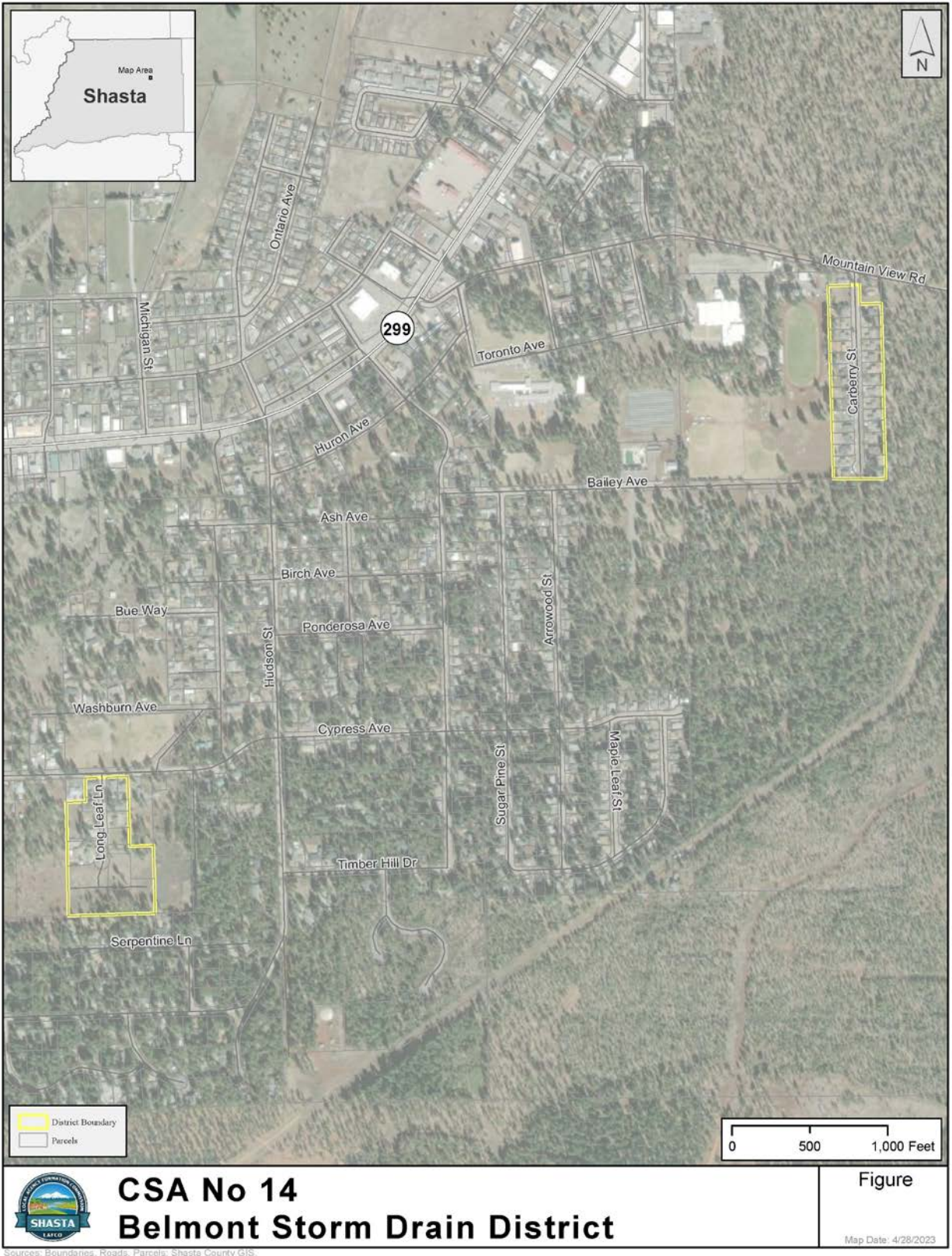
Formation

CSA #14 - Belmont was formed by the Shasta County Board of Supervisors in July 1982 to provide storm drain services at the request of landowners within the Belmont Subdivision. The CSA was formed after the Belmont Community Services District (CSD) experienced ongoing administrative, operational, and financial difficulties and was subsequently activated. In May of 1984 the Board of Supervisors approved the annexation of Burney Meadows Subdivision (Tract 1639) into CSA #14 - Belmont.

CSA Boundary and Sphere

The CSA boundary includes parcels along Long Leaf Lane, south of Park Avenue: totaling 9.23 acres and parcels along Carberry Street, south of Mountain View Road: totaling 9.25 acres, for a combined total of 18.48 acres. Both subdivisions lie southerly of CA 299, in the community of Burney. The SOI has the same boundary as the CSA.

Figure 3. CSA #14 Belmont Boundary



Other Service Providers

Several other service providers operate within CSA #14 - Belmont. These include:

CSA #7 Burney Flood Control

The Burney Flood Control CSA is at the southern edge of the unincorporated Burney community adjacent to Burney Creek and primarily along Sapphire Drive. The CSA was formed in order to provide stormwater management and flood control to two major subdivisions, along Bartel Street, Sapphire Road, and Hundson Street to the south of Highway 299. The CSA encompasses 79.8 acres and includes 103 parcels, the majority of which are developed with single family homes. The CSA boundary and SOI have not changed since original formation. County maintained improvements include drainage ditches along County roadways. These ditches allow gravity flow towards a storm water gravity line and pump station on the western side of the CSA. This drainage line flows under a flood wall to an outfall in the Burney Creek overflow channel.

Burney Water District

The Burney Water District is located in the Intermountain Area of Eastern Shasta County which includes towns in the Burney Basin and Fall River Valley. The Water District provides water services; collection, treatment, and disposal of wastewater and stormwater; and recreation facilities services.

Burney Fire Protection District

Fire services in the Burney area are provided by the Burney Fire Protection District which covers the communities of Burney and Johnson Park along with surrounding agricultural and forest lands. The District maintains two fire stations in the area which are in fair condition. While the District is able to provide adequate service, additional upgrades to stations and additional apparatus would further improve services. There is also a CAL FIRE station in Johnson Park that helps supplement fire services for the area.

Fall River Resource Conservation District (RCD).

The Fall River RCD was organized in 1957 and covers slightly less than 1.2 million acres in eastern Shasta County and parts of Shasta, Siskiyou, Lassen, and Modoc Counties. The RCD provides a number of landowner services, focusing on soil and water conservation on rangeland, pastureland, and irrigated cropland, and monitors the water quality of Fall River, Pit River, Hat Creek, Burney Creek, and all the watersheds in the District. The residents in the District have benefited from educational workshops on a variety of topics from fuel reduction to noxious weed control.

Existing and Planned Land Uses

Land Use

Shasta County Land Use designation in CSA #14 is Rural Residential.

Zoning

Zoning in the two subdivisions covered by the CSA is residential.

Growth and Population

The estimated District population is 80 based on Shasta County GIS parcel data and most recent US Census data. The CSA serves two subdivisions at 18.84 acres, and the SOI is coterminous with the boundary. Population growth may be limited due to the small size of the CSA and only offering surface storm drain services.

Disadvantaged Unincorporated Communities

The CSA #14 areas served are short cul-de-sacs and quite small compared to most CSAs. There is no sufficient census data to determine a MHI for DUC identification and wouldn't necessarily be applicable to annexation considerations due to distance from other CSAs or Districts. Their services are not one typically considered: water, wastewater, fire protection, in DUC analysis.

Both CSA #14 areas served are small separate islands, which are in different, larger census block-groups. Only one portion has income data available. That area has an MHI of \$59,306 (2021 ACS), however that block-group includes the entire southeast portion of the unincorporated community of Burney. The Burney CDP has an MHI of \$58,443 (2021 ACS), although there are no Districts there with storm drain powers.

Municipal Services

CSA #14 - Belmont provides storm drain services to two separate residential subdivisions in the Burney area.

Storm Drain Services

Storage and Infrastructure

The maximum capacity of the storm drain infrastructure services was established when the two subdivisions within the CSA were established. The infrastructure is in good condition and functioning as designed.

Demand

The CSA services 42 parcels with none outside of the boundary.

Rates

The CSA does not currently have a rate structure or connection fees. The County collects revenues via assessments.

Financial Overview

CSA #14 - Belmont is primarily funded through assessments. Based on adopted budgets, the CSA is able to operate with a surplus each fiscal year.

The County oversees the CSA. The County has a total of \$686,061,941 in assets, \$456,459,656 in liabilities, and a net position of \$181,010,091. In FY 2020, the County had a total loss of \$7,175, but through FY 2021 and FY 2022 the County had a surplus of funds. The County has had a surplus of funds a majority of the time in the last ten years. In that time, the only other loss was in FY 2017 where they had a minor loss of \$135.

Table 3: CSA #14 - Belmont Financial Summary

Description	FY 2019-20	FY 2020-21	FY 2021-22
Cash in Treasury	\$50,941.20	\$53,381.46	\$53,655.99
Net Fair Value of Investments	-	-	-\$1,832.23
Fund Balance Restricted	\$47,935.87	\$50,941.20	\$53,381.46
Maintenance of Structures	\$0.00	\$0.00	\$0.00
Professional Maintenance Services	\$0.00	\$0.00	\$0.00
Property Tax Administration Services	-	-	\$128.00
Central Service Cost Plan Charges	\$95.00	\$265.00	\$165.00
Interest	\$929.13	\$581.26	\$315.53
Change in Fair Value Investments	-	-	-\$1,832.23
S/A in Lieu Parcel Charges Current	\$556.90	\$534.50	\$600.00
S/A CSA 14 Belmont/BRNY MDWS	\$1,614.30	\$1,589.50	\$1,652.00
Total Revenue	\$3,100.33	\$2,705.26	\$758.30
Total Expenses	\$95.00	\$265.00	\$293.00
Net Total	\$3,005.33	\$2,440.26	\$442.30

Accountability and Governance

CSA #14 – Belmont does not currently have an active Community Advisory Board (CAB). The County currently provides staff for managing storm drain services, including one operation supervisor and three licensed water treatment plant operators that are shared with multiple CSAs. County road maintenance personnel are available as needed.

Municipal Service Review Determinations

(1) Growth and population projections for the affected area

- a) Based on County records, there are approximately 80 residents in the District.
- b) Based on small service area – minimal growth anticipated.

(2) The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence

- a) The only service CSA #14 provides is storm drains. As such, the CSA has no effect on water, wastewater, fire services that would be considered in a CSA boundary change determination.

3) Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies.

- a) The present public facilities, individual storm drains, were sized for the subdivision on individual cul-de-sacs and are adequate for that limited function. Any additional development would increase the need for more infrastructure.
- b) The CSA facilities are limited to storm drain improvements in County Road rights of way. There are no planned capacity increases, only maintenance of existing facilities.

4) Financial ability of agencies to provide services.

- a) The CSA has a current fund balance of \$53,381.46 which has increased over the three-year budget period in Table 3. This annual fund surplus indicates the agency is able to provide continued service and build up reserves for major maintenance and repair projects.

5) Status of and, opportunities for, shared facilities

- a) Shasta County also has CSA #7 Burney Flood Control, which provides similar infrastructure maintenance. There is a consolidation opportunity for shared services.

- b) Shasta County manages flood control and drainage infrastructure on County roadways and other County facilities, creating opportunities for their equipment and staff to be shared.
- 6) **Accountability for community service needs, including governmental structure and operational efficiencies.**
 - a) The CSA is governed by the County's Board of Supervisors that meets monthly.
 - b) The County maintains a website in compliance with state law where meeting agendas and minutes are posted regularly.
- 7) **Any other matter related to effective or efficient service delivery.**
 - a) None beyond those noted above.

Sphere of Influence Determinations

In order to carry out its purposes and responsibilities for planning and shaping the logical and orderly development of local governmental agencies, to advantageously provide for the present and future needs of the county and its communities, the commission shall develop and determine the sphere of influence, as defined by GC § 56036, and enact policies designed to promote the logical and orderly development of areas within the sphere. In determining each local agency's SOI, the commission shall consider and prepare a written statement of its determinations with respect to the following:

- (1) **Present and planned area land uses, including agricultural and open-space lands.**
 - a) Land uses surrounding the Burney area are primarily rural residential and resource lands. Should additional residential development be proposed that requires County maintained storm drains, annexation would be required.
 - b) It is not anticipated this service is needed for agricultural and open-space lands.
- (2) **Present and probable need for public facilities and services in the area.**
 - a) No probable need for this type of public facilities and maintenance services have been identified for the Burney area.
 - b) The SOI is coterminous with the CSA boundaries and would need to be updated concurrently with any additional storm drain area annexations.
- (3) **Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.**
 - a) Due to the SOI being coterminous with the CSA boundaries and existing infrastructure designed for uses within those boundaries, present public facility capacity appears adequate.

(4) Existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

a) The CSA serves small rural residential developments and would not be able to serve the broader community without reorganization.

(5) For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere.

a) This CSA does not provide sewers, municipal and industrial water, or structural fire protection. The limited service offered by the CSA is not a primary need for disadvantaged unincorporated communities.

AGENCY PROFILE

This section profiles the County Service Area listed below. Included in the profile is a description of the agency's organizational development, tables listing key service information, and maps showing jurisdictional boundaries.

CSA #15 - Lighting

CSA #15 - Lighting

CSA #15 - Lighting primarily around the City of Redding

Table 4: CSA #15 – Lighting Overview Summary

Services Provided	Lighting		
Population Served:	Approx 1,620	Service Area:	1,240 acres

Formation

The CSA #15 - Lighting was formed by the Shasta County Board of Directors in August 1982 to provide lighting services. The CSA was formed after 20 dissolved districts became service zones under the county-wide CSA #15.

CSA Boundary and Sphere

The original CSA boundary encompasses the entire county. There are now 30 service areas where lighting services are provided, see Figure 1. The SOI is the County boundary.

Table 5: CSA #15 – Lighting Parcel Acreage

Area	Name	Acres	Parcel #
1	Amber Ridge Estates	113.9	44
2	Bally View	22.3	4
3	Blackstone Estates	64.0	20
4	Circle C Manor	13.8	58
5	Cody Addition Unit 1	0.6	4
6	Cody Addition Unit 2	7.6	26
7	Construction Way	13.0	4
8	Country Fields Estates	184.5	33
9	Danish Lane	30.3	9
10	Foothill Vista No 1	5.4	27
11	Foothill Vista No 2	1.8	8

**County Service Areas
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Area	Name	Acres	Parcel #
12	Hollywood Drive	2.8	4
13	Manor Crest	40.1	44
14	Marianas Way	102.4	42
15	Montgomery Hills	86.7	16
16	Palo Cedro Manor	167.1	24
17	Palo Cedro Oaks	34.7	41
18	Rhonda View	5.8	17
19	Rolland Country Estates	32.0	14
20	Santa Barbara Estates	12.7	45
21	Santa Barbara Estates Phase 2	9.1	33
22	Santa Barbara Estates Units 3&4	4.6	21
23	Ski Way	26.8	4
24	Sombrero Court	3.7	5
25	Sylvan Trails	98.0	32
26	Timber Hills Drive	2.6	3
27	Valparaiso Way	102.2	19
28	Victoria Highlands Estates	37.8	17
29	Winchester Manor	8.1	33
30	Winchester Manor Phase 2	5.7	27

Other Service Providers

CSA #15 provides lighting services to the designated service areas in the unincorporated area of Shasta County. Lighting services are authorized within the cities of Anderson, Redding, and Shasta Lake, Power is provided by Pacific Gas and Electric, the sole-source franchised service provider, who also maintains the infrastructure (streetlights) under contract to Shasta County.

Existing and Planned Land Uses

Land Use

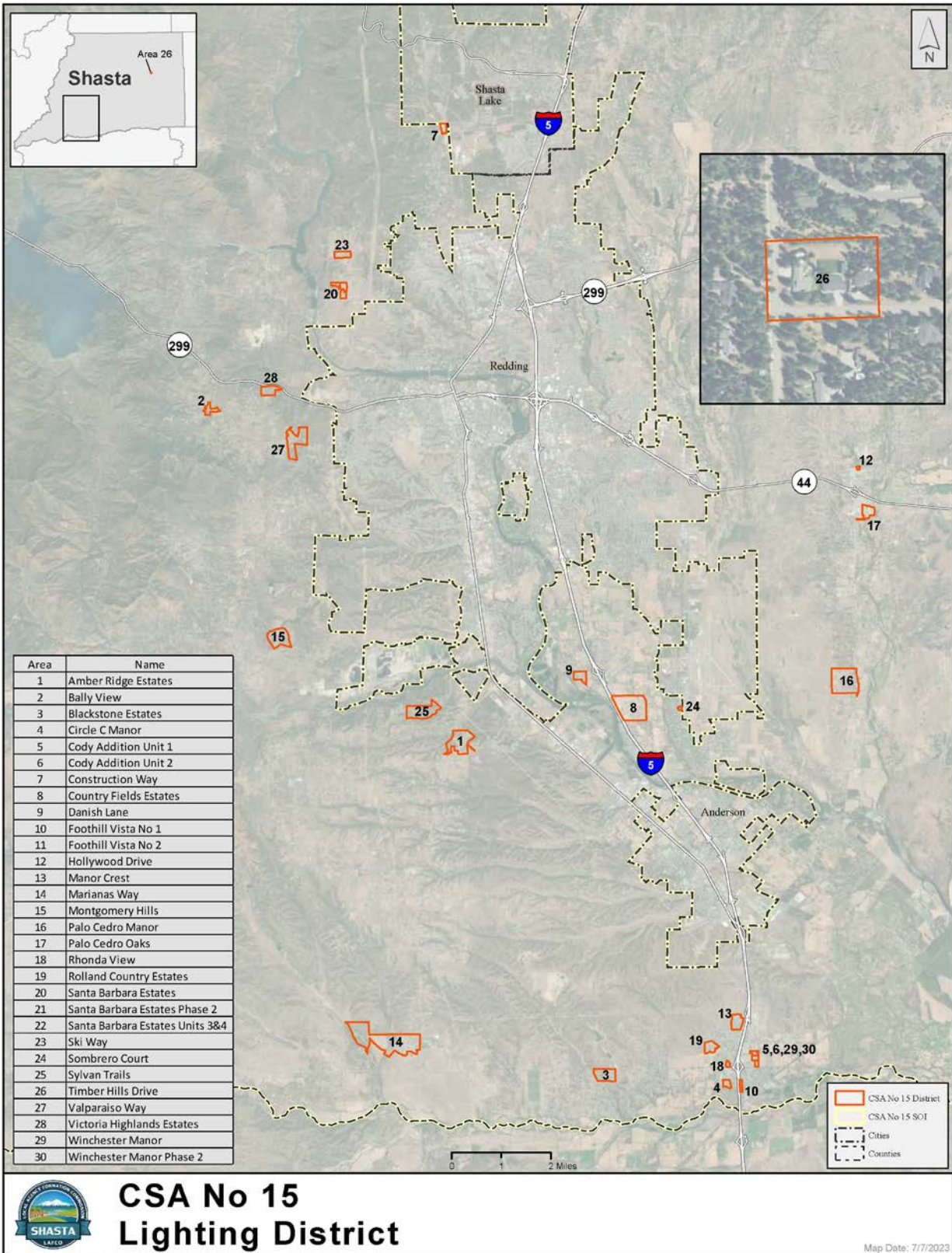
Land use and planning services are provided by the County of Shasta to the unincorporated areas of the county by various county departments. Shasta County Land Use designations vary considerably. The County profile begins on page 6 of this document and highlights the County Land Use designations.

Zoning

Shasta County zoning designations also vary considerably. The County profile begins on page 6 of this document and highlights the County zoning designations.

County Service Areas Municipal Service Review & Sphere of Influence

Figure 4. CSA #15 - Lighting Boundary and Sphere of Influence



Growth and Population

The County profile begins on page 6 of this document and highlights the County population and growth projections.

Disadvantaged Unincorporated Communities

Government Code Section 56425(e)(5) requires LAFCO to adopt determinations for a SOI update primarily where the public facilities and services provided relate to sewer, water, or fire protection. CSA #15 does not provide sewer, water, or fire protection services. However, these individual service areas do provide lighting services to certain DUCs. The lighting services are provided to these communities at very low cost to area property owners and residents.

Municipal Services

CSA #15 - Lighting is a county-wide CSA established to provide lighting services to the County. The CSA includes 30 separate lighting service areas. Pursuant to Government Code Sections 19004 – 19006, Street Lighting, providers are authorized to set and maintain lights on poles or suspended above ground. Streetlights are typically located in a county road right of way or road easement of a given parcel. PG&E is the sole-source franchised service provider for electrical source and streetlight maintenance. Many streetlights are at roadway intersections, similar to locations shown for #13 Manor Crest lighting area, with 44 parcels, on following page.

Street Light Technology

Streetlight and streetlight control technology have made technological advances in the past few years. Most existing streetlights served by Pacific Gas and Electric Company (PG&E) are connected to PG&E's system without meters and are billed using flat rates based on a fixed use calculation for lamp energy consumption⁷. Emerging new control technology allows lights to be "dimmed" during low traffic periods of the night, reducing the energy consumed.

Without an electric meter to verify reduced energy use, dimmable light "credit" cannot be given for energy reduction. PG&E had initiated a pilot program to explore the potential of the newly emerging control technology to save energy. It also aimed to investigate means for PG&E to ensure that the customer can benefit from the reduced energy use by capturing the energy saved through dimming and providing adjustments to the customer's lighting bill.

U.S. DOT Federal Highway Administration -FHWA-SA-21-050

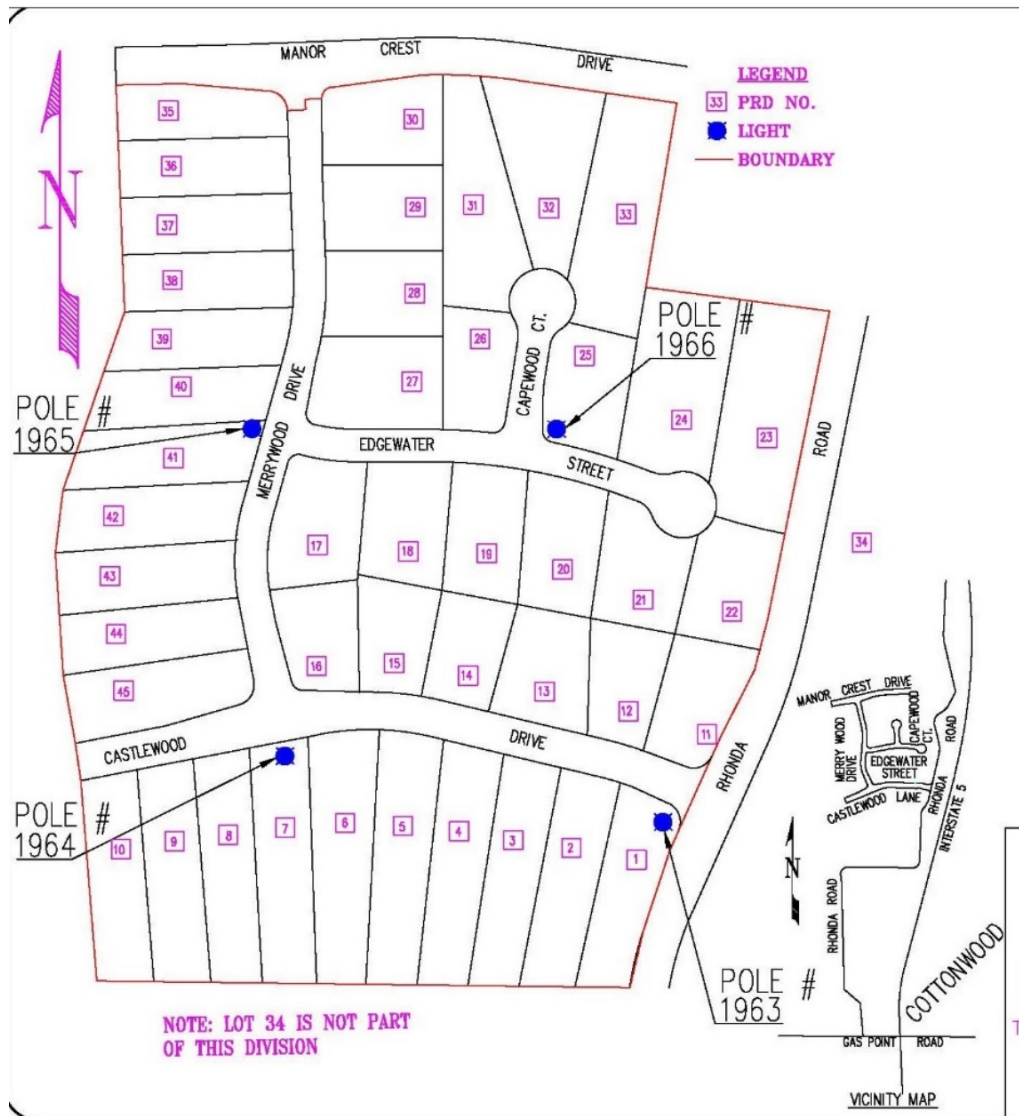
Increased nighttime intersection visibility is important since various modes of travel cross paths at these locations. Agencies should consider providing lighting to intersections based on factors such as a history of crashes at nighttime, traffic volume, the volume of non-motorized users, the presence of crosswalks and raised medians, and the presence of

⁷ Pacific Gas & Electric Company. (2012). *Network Controlled Dimmable Streetlight Pilot Program for City and County Government Customers*

County Service Areas
Municipal Service Review & Sphere of Influence

transit stops and boarding volumes⁸. Additionally, agencies can consider community priorities such as eliminating crash disparities, connecting to essential neighborhood services, increasing personal safety, and more in order to determine how lighting improvements can best benefit the community.

Figure 5. CSA #15 - Lighting Area #13 – Tract 1707A, Unit 1, Phase 1 Manor Crest



Lakehead, Sierra Vista, and Rother Riverside are 3 additional special Lighting Districts that the County administers.

⁸ US Department of Transportation, Federal Highway Administration. (2021). *Proven Safety Countermeasures, Lighting*

Lighting Services

Rates

The CSA collects revenue via assessments.

Operations

The County of Shasta does not have the facilities or staff to provide street light maintenance services. PG&E provides this service to area customers, with minimal County Staff assistance. The five-member Board of Directors (Board of Supervisors) conducts lighting service area business at their regularly scheduled meeting dates as needed, with other County business, at no additional charge.

Financial Overview

CSA #15 - Lighting is primarily funded through assessments. Based on adopted budgets, the CSA is able to operate with a surplus each fiscal year.

The County oversees the CSA. The County has a total of \$686,061,941 in assets, \$456,459,656 in liabilities, and a net position of \$181,010,091. In FY 2020, the County had a total loss of \$7,175, but through FY 2021 and FY 2022 the County had a surplus of funds. The County has had a surplus of funds a majority of the time in the last ten years. In that time, the only other loss was in FY 2017 where they had a minor loss of \$135.

Table 6: CSA #15 - Lighting Financial Summary

Description	FY 2019-20	FY 2020-21	FY 2021-22
Cash in Treasury	\$803,190.21	\$874,549.09	\$945,236.60
Net Fair Value of Investments	-	-	-\$31,117.86
Due to Other Funds	\$1,600.80	-	\$1,714.88
Fund Balance Restricted	\$733,567.39	\$806,718.41	\$874,549.09
Professional and Special services	\$11,133.79	\$15,479.92	\$15,763.18
Property Tax Administration Services	\$3,197.07	\$3,289.14	\$3,573.65
Special Departmental Expense	\$0.00	\$0.00	\$0.00
Utilities	\$62,775.20	\$64,002.14	\$65,725.69
Central Service Cost Plan Charges	\$1,218.00	\$981.00	\$1,254.00
Current Secured Taxes	\$103,362.20	\$108,482.70	\$112,180.56
Current Unitary Taxes	\$7,551.47	\$7,744.38	\$8,545.57
Current Secured Taxes Delivered ADV TEETER	\$1,756.12	\$1,633.46	\$1,881.96
RDA Residual Property Tax HS34188	\$344.87	\$330.08	\$465.70
RDA 1290 PT Property Tax HS33607.5	\$294.14	\$361.96	\$376.30
Supplemental Taxes Current	\$1,692.25	\$1,477.89	\$2,379.97
Supplemental Taxes CURR	\$287.61	\$226.17	\$341.43

County Service Areas
Municipal Service Review & Sphere of Influence

Description	FY 2019-20	FY 2020-21	FY 2021-22
Current Unsecured Taxes	\$5,031.12	\$5,283.88	\$5,979.79
Supplemental Taxes Prior	\$40.87	\$3.27	\$4.79
Prior Year Unsecured Taxes	\$60.72	\$95.27	\$128.33
Timber Yield Taxes	\$4.15	\$4.17	\$2.63
PMT in Lieu Property Tax Non-Government	-	-	\$887.48
Interest	\$14,290.62	\$9,233.74	\$5,204.58
Change in Fair Value Investments	-	-	-\$31,117.86
State Homeowners Exemption	\$1,554.20	\$1,516.46	\$1,487.26
S/A in Lieu Parcel Charges Current	\$15,204.74	\$15,189.45	\$15,422.80
Total Revenue	\$154,575.41	\$154,288.14	\$124,906.59
Total Expense	\$78,419.06	\$84,017.20	\$86,609.52
Net Total	\$76,156.35	\$70,270.94	\$38,297.07

Accountability and Governance

CSA #15 - Lighting does not currently have an active Community Advisory Board.

Municipal Service Review Determinations

(1) Growth and population projections for the affected area

- a) There are approximately 1,620 residents in the service area.
- b) Minimal growth, based on County growth projections, is expected for the lighting areas.

(2) The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence

- a) Given there are 30 separate lighting areas, all but one surrounding the three cities, it is difficult to get household income information to determine household incomes and whether these areas qualify as DUCs. Given the proximity of many lighting areas to incorporated City boundaries, they should be considered when updating City SOIs, especially when looking at SOI updates and future annexations to ensure disadvantaged communities are adequately served with water and wastewater.

3) Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies.

- a) PG&E currently provides service and maintains the infrastructure. They have not indicated any lack of capacity to maintain the existing service.

- b) Given increasing energy efficiencies for street lighting and improved bulb and dimming technology, there may be opportunities for additional lights to be installed for increased community safety without substantial lighting cost increases.

4) Financial ability of agencies to provide services.

- a) The County budget for lighting areas has been operating at a surplus for a majority of the last ten years. In FY 2021-22, they had a surplus of \$38,297.07.

5) Status of and, opportunities for, shared facilities

- a) PG&E provides electricity to the lights and residential uses in each lighting area.
- b) PG&E manages lighting infrastructure (poles, wiring, lights) in the lighting areas and surrounding communities, creating opportunities for their equipment and staff to be shared.

6) Accountability for community service needs, including governmental structure and operational efficiencies.

- a) The CSA is governed by the County's Board of Supervisors that meets regularly.
- b) The County maintains a website in compliance with state law where meeting agendas and minutes are posted regularly.

7) Any other matter related to effective or efficient service delivery.

- a) None beyond those noted above.

Sphere of Influence Determinations

The commission shall develop and determine the sphere of influence, as defined by GC § 56036, and enact policies designed to promote the logical and orderly development of areas within the sphere. In determining each local agency's SOI, the commission shall consider and prepare a written statement of determinations with respect to the following:

(1) Present and planned land uses in the area, including agricultural and open-space lands.

- a) Land uses surrounding the lighting areas is governed by the County. There are areas in the vicinity designated for residential use that may be appropriate for street lighting.
- b) It is not anticipated that street lighting would be needed for agricultural and open-space lands and in fact may be detrimental to certain species inhabiting open-space lands.

(2) Present and probable need for public facilities and services in the area.

- a) As development occurs there will be street lighting needs for public safety. Future City MSRs should consider adjacent lighting areas in SOI Updates. This includes the City of Redding, where lighting areas 20, 23 and 27 are included in the City SOI.
- b) Many of the lighting areas are adjacent to City boundaries. If those areas are annexed and densities or development potential increases, the need for lighting as a public facility is expected to increase as well.

(3) Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

- a) As mentioned before, increasing street lighting energy efficiencies, given improved illumination technology, may represent opportunities for additional lighting to be extended to adjacent areas for increased community safety without substantial lighting cost increases. This should be considered in SOI Updates.

(4) Existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

- a) Improved lighting on roadways and in common areas have public safety benefits that should be considered when planning services and infrastructure for social or economic communities of interest in the area.

(5) For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere.

None noted.

AGENCY PROFILE

This section profiles the County Service Area listed below. Included in the profile is a description of the agency’s organizational development, tables listing key service information, and maps showing jurisdictional boundaries.

CSA #23 - Crag View

CSA #23 - Crag View

CSA #23 - Crag View is west of the Sacramento River, east of Interstate 5, and north of the Shasta-Trinity National Forest. Mount Shasta is located approximately 11 miles north.

Table 7: CSA #23 - Crag View Overview Summary

Services Provided	Water		
Population Served:	100	Service Area:	183 acres (78 parcels)

Formation

The CSA #23 - Crag View was formed by the Shasta County Board of Supervisors in February 1992 following a reorganization consisting of dissolving Crag View Community Services District and forming the CSA to continue providing water services. Crag View CSD was originally formed in September 1968, but by 1991 the CSD had begun to experience administrative, operational, and financial difficulties. The CSD’s Board of Directors requested LAFCO to initiate proceedings to reorganize the District into CSA #23.

CSA Boundary and Sphere

The CSA boundary is shown in Figure 3. The SOI has the same boundary as the CSA. The north CSA Boundary is the Shasta – Siskiyou County boundary. The Siskiyou County City of Dunsmuir is to the north. The City’s wastewater treatment facility is east of the CSA, across the Sacramento River.

The westerly boundary is the Interstate 5 Freeway, however, there are developed areas west of the I-5 primarily adjacent to the Crag View interchange. These areas may be served by small municipal water systems.

The service area boundary does not match the Tax Rate Area (TRA) boundaries set by the State Board of Equalization. This discrepancy will be addressed with filing of an amended map with the State BOE, as part of this MSR process.

Figure 6. CSA #23 – Crag View Boundary and Sphere of Influence



Other Service Providers

Several other service providers operate in or near CSA #23 - Crag View.

City of Dunsmuir

The City of Dunsmuir is a general law city, approximately 1.81 square miles in size, and provides the following municipal services: Water, Wastewater, Storm Drainage; Public Works; Law Enforcement; Fire Protection; Parks and Recreation; Administration, Management and Operations; Fiscal Resources; and Governance. The City wastewater treatment plant is located east of the Sacramento River, directly across from CSA #23. The City is contracting with an engineering firm to scope studies to extend City water and sewer services. This will include services review for CSA #23 Crag View.

According to the contract engineer, both studies involve receiving State Revolving Fund (SRF) grant funding for planning and design efforts. Once the City is able to obtain planning and design grant funding, studies begin with a feasibility study for each service to determine logistics and identify infrastructure that would need to be constructed to properly serve area residents. These studies are likely a year or two out from the start while the City of Dunsmuir waits for a funding agreement. The water services study would include a potential consolidation of services, with City of Dunsmuir acquiring CSA #23's water rights, treatment, storage, and distribution system and integrate it with the City's water system which is just across the Sacramento River from CSA #23. Any infrastructure upgrades needed to CSA #23 and the City's water systems to facilitate this would be constructed. Consolidation, services extensions, and Sphere of Influence Updates are subject to LAFCO review.

Castella Fire Protection District

The Castella Fire Protection District (FPD) is an independent special district formed in 1947. The District works in conjunction with the City of Dunsmuir Fire Department and the Dunsmuir Fire Protection District to provide fire, rescue, and emergency services. The District provides fire protection services to the unincorporated Castella, Sweetbriar and Crag View Drive communities. Dispatch is provided by the Yreka Interagency Command Center in Siskiyou County.

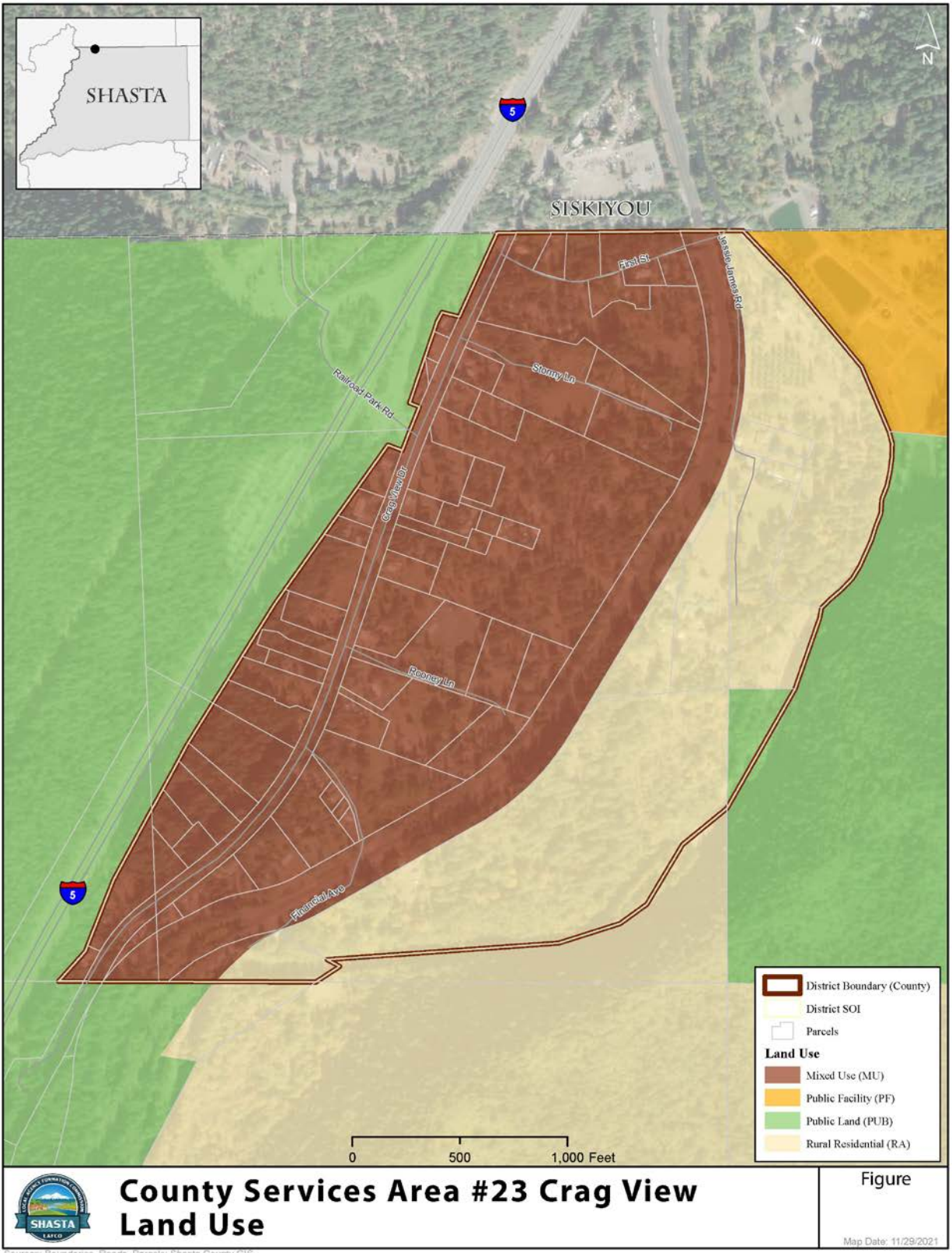
Existing and Planned Land Uses

Land Use

Shasta County Land Use designations in the CSA consist of Mixed Use (MU), Public Land (PUB), and Rural Residential (RA). Other land uses include Public Facility (PF) and Public Land (PUB). Land Uses are shown in Figure 7.

**County Service Areas
Municipal Service Review & Sphere of Influence**

Figure 7. CSA #23 - Crag View Land Use



Zoning

Zoning in the CSA is consistent with the County General Plan land use designations described above.

Growth and Population

The estimated District population is 100 based on Shasta County GIS parcel data and most recent US Census data. However, there are 183 parcels in the service area so some population growth, even if from second unit development or residential units as part of mixed-use development, could occur.

Disadvantaged Unincorporated Communities

According to 2018 American Community Surveys (ACS) estimates, the larger Census Blocks covering the service area have a MHI income of approximately \$49,135. This is approximately 58% of the California MHI of \$84,097. This indicates that the service area can be considered a DUC. Surrounding unincorporated areas west, east, and south have a mix of public facility, public land, and rural residential Shasta County land uses, with no service provider other than Castell FPD. Adjacent lands to the north in Siskiyou County are within the City of Dunsmuir SOI. Future City of Dunsmuir annexations should consider CSA #23 as a DUC.

Municipal Services

CSA #23 - Crag View provides water services to the Crag View community. Due to the large parcel sizes, wastewater is provided by onsite septic systems. The proximity to the Upper Sacramento River makes properly functioning wastewater systems an important health consideration. Non-compliant systems fall within the corrective authority of the Shasta County Environmental Health Department. As noted in this MSR, the City of Dunsmuir is initiating studies to extend wastewater services to the Crag View area. The City wastewater treatment plant is east of CSA #23, across the Sacramento River.

Water Services

Supply

CSA #23 receives its water supply from Castle Creek via an intake facility near the Dunsmuir Railroad Park. In 2022, approximately 11.6 million gallons of water was drawn from the Castle Creek source and approximately 8.9 million gallons of water was delivered resulting in a loss of approximately 23.5 percent.

Storage and Infrastructure

There is a small storage tank and treatment plant adjacent to Castle Creek source point.

The supply flows across Interstate 5 into a looped system within the CSA's boundary. The system runs along the Shasta/Siskiyou County line in the north, Interstate 5 in the west, and the Union Pacific Railroad in the east. The system extends to several parcels with hydrants,

meters, or blowoffs at some line ends. Blowoffs are to regulate the water pressure within the system.

Demand

Within the CSA, there are 72 parcels including two outside of the CSA’s boundary. The two out of area service connections existed before the CSA was established. Both parcels are within Siskiyou County, one receives services in exchange for a water line easement and the other has continuation of services provided before the CSA was formed. The CSA currently serves 72 customers including 65 residential, 6 commercial, and 1 County fire. Of those customers, 61 are active and 11 are on standby.

Rates

The CSA maintains a bi-monthly rate structure for water services. The CSA charges an annual parcel charge used to repay the loan used to construct the water system. This charge is collected through a property tax. Any newly created or annexed parcels must pay a fee equal to the amount in-district parcels were charged at that time. Out-of-district, short-term usage customers may purchase water, if available, at twice the amount charged to regular customers in a two-month period. The CSA can provide a meter upon receipt of a \$500 deposit.

Table 8: CSA #23 - Crag View Water Use Rates

Customer Type	Base	Usage (per 100ft³)
In-District Customer	\$128.28	\$1.04
Out-of-District Customer	\$158.70	\$1.59
Standby Charge	\$25.00	-

Connections

Meter and main line extensions shall be at applicant’s sole expense at following rates:

(1) When main line extension not required, meter on existing service pipe in existing box:

3/4 Inch Meter: \$210.00

Other Meter sizes: \$ 500.00 deposit, plus actual costs:

(2) With Service Line and box installation:

\$ 3,600.00 deposit, plus actual costs

Bi-Monthly Charges – Effective January 1, 2022:

In District Customers:

- (1) A basic Bi-monthly Charge of \$128.28, which includes first 2,000 cubic feet of water consumed (0-2,000 cubic feet);
- (2) A charge of \$1.04 for every 100 cubic feet or portion thereof for that -portion of the total Bi-monthly consumption over 2,000 cubic feet.

Out of District Customers:

- (1) A basic Bi-monthly Charge of \$158.70, which includes first 2,000 cubic feet of water consumed (0-2,000 cubic feet);
- (2) A charge of \$1.59 for every 100 cubic feet or portion thereof for that portion of the total Bi-monthly consumption over 2,000 cubic feet.

In District Customers with Multiple Household Equivalents:

Customers will be assigned household equivalents (HEs) based on the Crag View Water System Assessment District No. 2010-1 and charged the basic Bi-monthly rate multiplied by the number of HEs assigned. The quantity of water available at the basic charge is multiplied by the number of HEs assigned. The consumption charge of \$1.04 will be applicable for every 100 cubic feet of water used in excess of the base amount, or portion thereof used after January 1, 2022. The Public Works Director shall have the discretion to adjust the number of HEs assigned to a parcel based on a change in use, as requested by the property owner.

Out-of District Customer with Multiple Household Equivalents:

Customers outside of Crag View Water System Assessment District No. 2010-1 shall be assigned HEs based on average annual water use between July 1, 2011, and June 30, 2014. One HE shall equal one acre-foot of water used.

HE's assigned shall be rounded upward. The basic Bi-monthly Charge of \$158.70 is multiplied by the number of HEs assigned, as is the water available at the basic charge. The consumption charge of \$1.59 will be applicable for every 100 cubic feet of water used in excess of the base amount, or portion thereof used.

Financial Overview

CSA #23 - Crag View is primarily funded through service fees. Funds are held by the County Auditor. Annual Budgets, reported by the County Auditor, are shown in Table 9.

**County Service Areas
Municipal Service Review & Sphere of Influence**

Table 9: CSA #23 - Crag View Financial Summary

Budget Item	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Cash in Treasury	\$6,610.82	\$11,427.76	\$40,993.19	\$48,030.76
Net Fair Value of Investments	-	-	-\$1,349.52	-\$1,349.52
Accounts Receivable	\$11,885.28	\$13,112.09	\$14,393.92	\$5,055.57
Uncollectable A/R Allowance	-\$17.73	-\$32.39	-\$101.11	-\$101.01
Due from Other Governments/Funds	\$118.76	\$2,622.26	\$1,220.56	-
Structures & Improvements	\$1,510,238.44	\$1,510,238.44	\$1,510,238.44	\$1,510,238.44
Accum. Depreciation Structures	-311357.60	-\$342,333.48	-\$373,309.36	-\$373,309.36
Accounts Payable	\$217.35	\$325.59	\$10,428.12	-
Advanced From Water Agency	\$5,000.00	-	-	-
Due to Other Funds	\$6,278.18	-	\$7,819.93	-
DFO Security Deposits	\$500.00	-	-	-
Unearned Revenue	\$1,467.19	\$1,572.13	\$2,734.31	\$2,734.31
R/E DSG Invest Capital Asset Net	\$1,006,698.64	\$989,450.06	\$972,201.48	
R/E DSG Fair Value Investments	-	-	-\$1,349.52	-\$1,349.52
Retained Earnings	\$222,680.25	\$214,565.19	\$222,285.00	\$1,172,453.28
Communications Expense	\$294.03	\$415.06	\$479.80	\$328.45
Household Expense	\$30.21	-	-	-
Insurance XP Misc.	\$12.00	\$12.00	\$24.00	\$10.00
Maintenance of Equipment	\$2,402.86	\$1,568.46	\$912.93	\$1,457.76
Management Maintenance Structure	\$974.24	-	-	-
Memberships	\$150.00	\$150.00	\$150.00	\$300.00
OC Postage Services	\$334.23	\$306.74	\$378.53	\$251.94
Professional & Special Services	\$0.00	\$0.00	\$10,083.70	\$487.50
Professional Admin. Services	\$1,582.69	\$72.43	\$84.03	\$395.52
Professional Lab Services	\$3,345.50	\$2,468.00	\$1,817.50	\$1,684.00
Professional Maintenance Services	\$36,669.24	\$32,103.15	\$31,320.06	\$14,495.58
Property Tax Admin. Services	\$173.44	\$174.09	\$248.85	\$270.28
Minor Equipment	-	\$3.85	-	-
Special Departmental Expense	\$965.21	\$981.95	\$1,139.34	\$1,224.97
Transportation & Travel	\$6,867.42	\$6,747.09	\$6,731.23	\$5,466.81
Utilities	\$5,529.96	\$5,358.71	\$9,195.41	\$4,428.51
Central Service Cost Plan Charges	\$4,460.04	\$4,425.96	\$4,601.00	\$2,562.60
Depreciation Expense	\$30,975.88	\$30,975.88	\$30,975.88	\$0.00
Bad Debts	-	\$14.66	\$68.72	-
Current Secured Taxes	\$5,732.86	\$5,858.95	\$6,288.81	\$4,034.67
Current Unitary Taxes	\$274.56	\$281.92	\$337.43	\$200.82

**County Service Areas
Municipal Service Review & Sphere of Influence**

Budget Item	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Current Sec. Taxes Del. Adv. Teeter	\$97.40	\$88.22	\$105.50	\$0.00
Supplemental Taxes Current	\$94.47	\$77.90	\$131.12	\$81.33
Supplement Taxes CURR.	\$15.86	\$11.92	\$18.97	-
Current Unsecured Taxes	\$279.04	\$285.38	\$322.96	\$346.68
Supplemental Taxes Prior	\$2.30	\$0.18	\$0.25	\$0.27
Prior Year Unsecured Taxes	\$3.44	\$5.29	\$6.93	\$4.23
Interest	\$189.29	\$149.38	\$160.06	\$150.61
Change in Fair Value Investments	-	-	-\$1,349.52	-
State Homeowner Exemption	\$87.20	\$83.14	\$82.62	\$43.34
S/A Del Water CURR.	\$1,461.35	\$2,190.11	\$2,908.78	\$673.33
Water Service Collections	\$61,165.54	\$65,867.35	\$67,158.64	\$42,555.35
Auditor Void/Stale Dated Check	-	-	\$5.23	-
Total Revenue	\$69,403.31	\$74,899.74	\$76,177.78	\$48,090.63
Total Expense	\$94,766.95	\$85,778.03	\$98,210.98	\$33,363.92
Net Total	-\$25,363.64	-\$10,878.29	-\$22,033.20	\$14,726.71

Net Position

The County Auditor provides a net position report for County Service Areas, based on assets and liabilities. The position summary, shown in Table 10, includes cash flows, changes in cash flows and Reconciliation of Operating Income by Operating Activities.

Table 10: CSA #23 - Crag View Net Position Summary

Net Position Summary	
Assets	FY 2022-23
Current Assets	\$76,133
Noncurrent Assets	\$1,279,386
Total Assets	\$1,355,519
Liabilities	
Current Liabilities	\$34,710
Noncurrent Liabilities	\$151,000
Total Liabilities	\$185,710
Net Position	
Total Net Position	\$1,169,809
Cash Flows from Operating Activities	
Net Cash Provided (Used) by Operating Activities	\$14,898
Cash Flows from Noncapital Financing Activities	
Net Cash Provided (Used) by Noncapital Financing Activities	\$7,212

**County Service Areas
Municipal Service Review & Sphere of Influence**

Net Position Summary	
Cash Flows from Capital and Related Financing Activities	
Net Cash (Used) by Capital and Related Financing Activities	\$6,735
Cash Flows from Investing Activities	
Net Cash Provided (Used) by Investing Activities	-\$1,579
Net Increase (Decrease) in Cash	
	\$27,267
Cash and Cash Equivalents - Beginning of Year	\$40,336
Cash and Cash Equivalents - End of Year	\$67,603
Reconciliation of Operating Income by Operating Activities	
Net Cash Provided (Used) by Operating Activities	\$14,898

Accountability and Governance

As noted earlier, CSA #23 - Crag View is governed by County Board of Supervisors (BOS). The District currently has no distinct employees, but is supported by Public Works staff, consisting of: an operation supervisor, four licensed water treatment plant operators, and five part-time non-licensed employees which are shared with multiple county service areas. All County employees operate according to Shasta County policies and employment guidelines.

Municipal Service Review Determinations

(1) Growth and population projections for the affected area

- a) There are approximately 100 residents in the service area. Due to its small size, limited services and low growth experienced in the upper Sacramento Canyon, limited growth is expected in the next several years.
- b) The one land use factor that could affect growth in the area is the County Mixed Use designation. Uses other than residential, in a recreation and tourist area, could affect growth and services demands.

(2) The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence

- a) Based on parcel and census data the District is considered a DUC with a MHI that is 58% of the statewide MHI. Future annexations within the City of Dunsmuir SOI should consider services extension to ensure the community is adequately served with water and wastewater.

3) Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies.

- a) In 2022 the District reported a demand of 9,984,431 million gallons of the 11,602,616 million gallons produced an approximate 14% loss. While there is sufficient capacity

to meet current and future demand, peak demand can exceed capacity due to infrastructure limitations.

4) Financial ability of agencies to provide services.

- a) The CSA has been operating at a loss for the past three FY. At the end of FY 2021-22, the CSA had a loss of \$22,033.20.

5) Status of and, opportunities for, shared facilities

- a) The City of Dunsmuir is scoping water and wastewater services studies that will consider services extensions and potential for consolidation to the CSA # 23 area. The Castella Fire Protection District has a station in Crag View and relies of CSA # 23 for fire flows to area fire hydrants. Ongoing testing and maintenance will be needed for these shared facilities.

6) Accountability for community service needs, including governmental structure and operational efficiencies.

- a) The CSA is governed by the County's Board of Supervisors that meets monthly. CSA services are managed by the Shasta County Department of Public Works, Development Services Division.
- b) The County maintains a website in compliance with state law where meeting agendas and minutes are posted regularly.

7) Any other matter related to effective or efficient service delivery.

- a) None beyond those noted above.

Sphere of Influence Determinations

In order to carry out its purposes and responsibilities for planning and shaping the logical and orderly development of local governmental agencies, to advantageously provide for the present and future needs of the county and its communities, the commission shall develop and determine the sphere of influence, as defined by GC § 56036, and enact policies designed to promote the logical and orderly development of areas within the sphere. In determining each local agency's SOI, the commission shall consider and prepare a written statement of its determinations with respect to the following:

(1) Present and planned land uses in the area, including agricultural and open-space lands.

- a) Land use within the CSA is Mixed Use (MU), Public Land (PUB), and Rural Residential (RA). The MU and RA uses have potential for continued development especially with expanded services.

(2) Present and probable need for public facilities and services in the area.

County Service Areas
Municipal Service Review & Sphere of Influence

- a) The area currently only receives water services, from a source west of Interstate 5, that is subject to water supply fluctuations. There may be future needs for increased services if recreation and tourism use increases.
- b) Wastewater is currently provided by onsite septic systems. Due to proximity to the Sacramento River, which is a water supply for downstream users, a municipal wastewater system may be needed.

(3) Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

- a) The District maintains good water quality and has a dedicated apportionment allocation supply to meet demand during years with normal rainfall.
- b) The District's Castle Creek water supply source produced approximately 11,602,616 gallons of water in 2022, with approximately 9,984,431 gallons delivered. Increased delivery efficiency should be considered for this service.

(4) Existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

- a) The City of Dunsmuir should be considered as a community of interest, given the services they provide.

(5) For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere.

- a) The service area qualifies as a DUC. Surrounding unincorporated areas west, east and south have no service provider other than Castella FPD. Adjacent lands to north in Siskiyou County are within the City of Dunsmuir SOI. Future City of Dunsmuir annexations should consider CSA #23 as a DUC.