

Hilton Creek Community Services District (DRAFT)

MUNICIPAL SERVICE REVIEW & SPHERE OF INFLUENCE REPORT

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Executive Summary – Municipal Service Review

1. Growth and Population Projections for the Affected Area

- ✓ The Mono County General Plan Land Use Element allows for significant additional growth in the Long Valley communities.
- ✓ Growth is anticipated to occur primarily in and adjacent to existing developed areas and to be primarily single-family residential development with a mix of multi-family residential development and commercial uses in Crowley Lake.
- ✓ The residential population in the HCCSD service area is projected to increase to 1,083 by 2030, creating an increased demand for water and sewer services. This growth is based on a 1.0% population increase year over year. This figure was used as a conservative estimate based on the population increasing between 2010 and 2020.
- ✓ In addition to the projected residential growth, Long Valley’s population experiences significant seasonal increases due to tourism.

2. Location & Characteristics of Disadvantaged Unincorporated Communities

- ✓ None of the Long Valley communities, nor any area contiguous to them, are designated as a DUC per the CaLAFCO statewide DUC map.
- ✓ Communities in Mono County are geographically isolated from one another, so it is rare for communities to be located within or adjacent to the SOI of service-providing district and not receive services from such district.

3. Infrastructure Needs and Deficiencies

- ✓ The district needs to continue developing long-term planning documents that assess future infrastructure and service needs, identify projects to meet those needs, determine the costs associated with identified projects, and outline a financial plan to pay for future needs and service.
- ✓ The district has adopted a Capital Improvement Plan (CIP) to support the proposed rate study. The CIP includes approximately \$650,000 in improvements including wastewater treatment plant clarifier replacements and emergency generator. The adopted Rate Study describes that long term capital improvement plans are a need.
- ✓ The CDBG Grant funded Phase 2 “Special District Needs Assessment Report” for Crowley Lake made the following conclusion about the capacity constraints and opportunities of the HCCSD:
 - *“The Hilton Creek CSD sewer system has capacity available during maximum day demand to serve existing demand plus vacant properties, plus approximately 61 of the 270 key site potential units in Crowley Lake. It is unknown whether the daily discharge rate of 45,000 gpd*

reported is the average day demand, so it is possible a more complete analysis of the disposal rate could provide better information for capacity analysis.”

- ✓ The CDBG Grant funded Phase 3 “CIP” identified two potential capacity improvement priority projects to increase the sewer system capacity. Mono County LAFCO recommends the district review the analysis and recommendations in the final CIP.

4. Financial Ability of Agencies to Provide Services

- ✓ The CSD’s future financing will continue to rely heavily on use fees, property tax revenues, and connection fees.
- ✓ The adequacy of property tax revenues to fund local facilities and services has steadily declined over time. There is a need to ensure that property tax assessments are kept current.
- ✓ The district should develop a schedule for reviewing its fees in order to ensure that they are adequate to meet on-going operating and maintenance costs and the costs of additional infrastructure to serve new development.
- ✓ The district should develop long-term planning documents that identify needed capital facilities and the costs associated with developing those facilities.
- ✓ The district should develop a Financial Strategic Plan to ensure that it will have adequate funding sources in the short-term and long-term.
- ✓ All funding mechanisms have inherent limitations that may prevent their implementation, use or restructure.
- ✓ Each sewer customer pays monthly sewer fees, based on the type of connection. The district periodically reviews and adjusts its monthly charges in order to ensure that they are sufficient to cover operating costs.
- ✓ The district should seek grant funding.
- ✓ In Long Valley, particularly in Crowley Lake, there are some overlapping service boundaries.
- ✓ Integrated planning, especially long-range planning, is an important part of cost avoidance. The district has no long-range plans.
- ✓ The district does not participate in JPAs in order to reduce insurance costs.
- ✓ There are a number of small service providers in Long Valley that have administrative costs associated with the overall management of those organizations. There could be some duplication of services among the service providers, particularly in areas such as personnel management, insurance, risk management, financial management services, fleet maintenance, etc. Further studies would be necessary to determine whether there are opportunities to reduce costs among the service providers.

5. Opportunities for Shared Facilities and Resources

- ✓ The Long Valley area includes other special district service providers, as well as the County, that require facilities to support their services. There may be other opportunities for shared facilities among the service providers in the area. Further studies would be necessary to determine whether there are opportunities to reduce costs by sharing facilities.

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

- ✓ The CSD complies with the minimum requirements for open meetings and public records. The CSD also complies with all the mandatory requirements in the “Website Compliance Checklist” from the Golden State Risk Management Authority. Compliance with CA Gov Code 7405 (requiring compliance with the accessibility requirements of section 508 of the Federal rehabilitation act of 1973) requires a separate evaluation.
- ✓ The district seeks to inform its customers of district activities and services.
- ✓ The CSD is managed by an elected Board of Directors.
- ✓ The district has no long-range planning documents nor has it made any long-range service projections. The CSD develops long-range goals and objectives as part of a 5-year Capital Budget plan.
- ✓ The district should develop long-range planning documents, including financial plans, in order to maintain its service levels while providing for the needs of future development.
- ✓ Several special districts, along with the County and private service providers, provide public services within the Long Valley communities.
- ✓ To alleviate government overlap and fragmentation, LAFCO law and local LAFCO policies promote the consolidation of services under the authority of one multi-purpose agency. District boundaries overlap in Long Valley.
- ✓ As a Community Service District, the Hilton CSD is authorized to provide a variety of services including sewage collection and disposal, snow removal/road maintenance, mosquito abatement, water treatment and distribution, fire protection, parks and recreational services, street lighting, police protection, and library services.
- ✓ Ultimately, in compliance with LAFCO policies, a regional CSD might be the best provider of a variety of services in the Long Valley area.

Executive Summary – Sphere of Influence Findings

1. Present and Planned Land Uses

Present land uses in the area served by the HCCSD include residential, commercial, and public uses. The planned land uses for community areas throughout Long Valley are similar with future development concentrated primarily within and adjacent to existing development.

2. Present and Probable Need for Public Facilities and Services

The CSD has an existing and continuing need for public facilities and services to serve the current and planned development in the area.

3. Present Capacity of Public Facilities and Adequacy of Public Services

The district currently provides an adequate level of service but has identified a need to improve both its facilities and services in order to serve additional development and to improve services to existing development. As a Community Service District, the district is authorized to provide a wide

array of services, including water treatment and distribution, fire protection, parks and recreational services, street lighting, police protection, and library services.

4. Social or Economic Communities of Interest

The Long Valley communities share social and economic interests with the entire incorporated area of the Town. These shared interests promote a coordinated approach to service provision in the Long Valley area. LAFCO law and local LAFCO policies advocate that certain local services should be provided by a multi-purpose service agency, rather than by several single purpose service providers.

5. Present and Probable Need for District Public Facilities and Services of Any DUCs

The District provides sewage collection/disposal in Crowley Lake and administers a Zone of Benefit for snow removal and road maintenance that includes the properties accessed by Juniper Drive, a private road located within the boundaries of the district. There are no DUCs, as defined by CaLAFCO DUC Map, within or adjacent to the existing SOI.

Executive Summary – SOI Recommendation

The Sphere of Influence for the Hilton Creek Community Services District should remain as it is, including privately owned land within the community of Long Valley and U.S. Forest Service permittees at Whiskey Tract (see Figure 3).

Executive Summary – Reorganization Recommendation

Currently, the Hilton CSD provides adequate services within its boundaries. Regional service providers include Mountain Meadows Mutual Water Company, HCCSD, and Crowley Lake Mutual Water Companies. At this time, HCCSD and the mutual water companies are not pursuing consolidation. In the future, a regional water and sewer provider with separate service areas throughout the Long Valley communities might best provide sewer and water services for the region. At that time, a reorganization study should be conducted to determine what governmental structure would best provide services for the region. Such a reorganization should occur only with the concurrence of the involved districts' Boards of Directors.

I. Introduction

Municipal Service Reviews

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH) requires Local Agency Formation Commissions (LAFCOs) to conduct comprehensive reviews of all municipal services in each county in California and to periodically update that information. The purpose of the Municipal Service Reviews (MSR) is to gather detailed information on public service capacities and issues.

Relationship Between MSRs and Spheres of Influence

The CKH requires LAFCOs to develop and determine the Sphere of Influence (SOI) for each applicable local governmental agency that provides services or facilities related to development. Government Code Section 56076 defines a SOI as “a plan for the probable physical boundaries and service area of a local agency.” MSRs must be completed prior to the establishment or update of SOIs (§56430(a)). SOIs must be reviewed and updated as necessary, but not less than once every five years (§56425).

The information and determinations contained in an MSR are intended to guide and inform SOI decisions. MSRs enable LAFCO to determine SOI boundaries and to establish the most efficient service provider for areas needing new service. They also function as the basis for other government reorganizations. Section 56430, as noted above, states that LAFCO can conduct these reviews “before, in conjunction with, but no later than the time it is considering an action to establish a SOI.”

The Hilton Creek Community Services District (HCCSD) MSR is being conducted in response to, and in conjunction with, an update of the SOI for the district.

Revised MSR Requirements

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

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

2023-2025 MSR/SOI Update Process and Approach

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

1. Antelope Valley Fire Protection District
2. Birchim Community Services District
3. Bridgeport Fire Protection District
4. Bridgeport Public Utility District
5. Chalfant Valley Fire/Community Services District
6. Hilton Creek Community Services District
7. June Lake Fire Protection District

8. June Lake Public Utility District
9. Lee Vining Fire Protection District
10. Lee Vining Public Utility District
11. Long Valley Fire Protection District
12. Mono City Fire Protection District
13. Paradise Fire Protection District
14. Wheeler Crest Community Services District
15. Wheeler Crest Fire Protection District
16. White Mountain Fire Protection District

This work was partially funded by a California Development Block Grant (CDBG) awarded to the County by the California Department of Housing and Community Development (HCD) in February 2021. Resource Concepts, Inc. (RCI) was awarded the contract for this work through an RFP process approved by the Board of Supervisors on May 10, 2022. The intent of this three-phase project was to better understand the exact opportunities and limitations of special districts, as these limitations are a potential barrier to housing production in unincorporated Mono County. The final CIP deliverable will be finalized in April 2024 and will go to the Board of Supervisors in May 2024 for review and potential approval. Approval of the final deliverables will go before the Board of Supervisors in June 2024. The deadline for grant funds to be expended is June 16, 2024.

- Phase One conducted extensive data gathering from Districts and summarize (in table form) the updates necessary for 2023/2024 Reports for sixteen Special Districts. Implementing the revisions was not part of RCI's scope of work so updates were made by LAFCO staff.
- Phase two included a needs assessment for the key sites (identified in the Mono County Housing Element) and communities within each special district. RCI performed a more thorough investigation of infrastructure barriers and opportunities within the communities of Bridgeport, Crowley Lake, June Lake, and Lee Vining, and the key sites identified in the Housing Element.
- Phase 3 included developing a key sites Capacity Improvement Plan (CIP) with recommendations for Bridgeport, Crowley Lake, June Lake, and Lee Vining communities.

The remaining eleven Special Districts in both the unincorporated County and the Town of Mammoth Lakes will be completed via a contract with Bauer Planning and Environmental Services, Inc. (BPES, Inc.) and LAFCO staff time (as needed).

1. Mammoth Lakes Fire Protection District
2. Mammoth Lakes Mosquito Abatement District
3. Southern Mono Hospital District
4. Town of Mammoth Lakes
5. Mammoth Lakes Community Service Area
6. County Service Area #1
7. County Service Area #2
8. County Service Area #5
9. Countywide CSA
10. Antelope Valley Water District (LAFCO Staff)

Community Services Districts

Overview

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

Financing Tools

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

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

Mono County CSD's

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

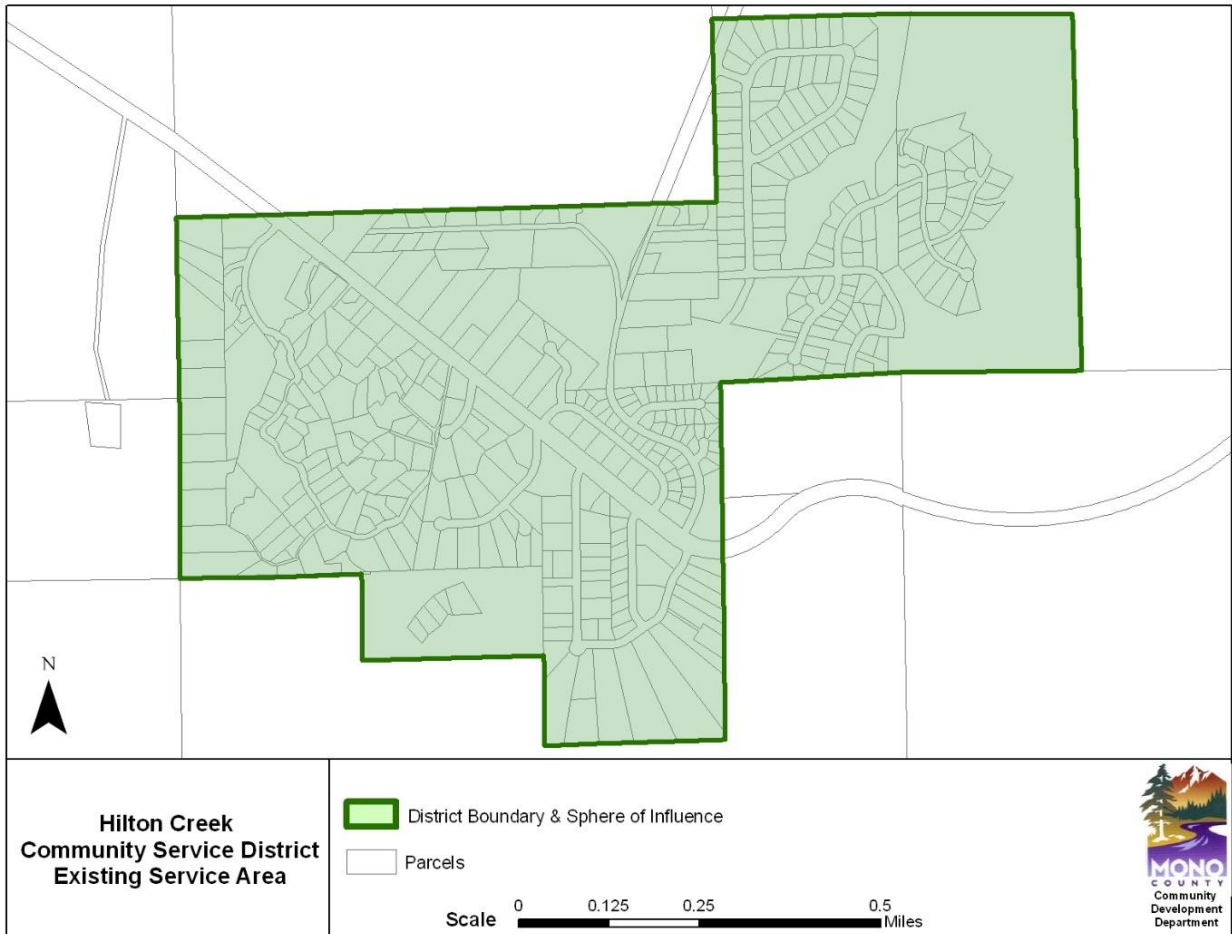
1. Birchim CSD
2. Chalfant Valley CSD & Fire
3. Hilton Creek CSD
4. Wheeler Crest CSD
5. Mammoth Lakes CSD

II. District Overview

GENERAL INFORMATION	
Agency Type	CSD
Date Formed	1963
Location/Community	The district boundaries include approximately 460 acres of land in the community of Crowley Lake (see Figure 1), 440 acres of privately owned land and 20 acres of public land managed by the US Forest Service.
Population Served	Mono County GIS estimates that there are 538 parcels in the district, including 396 developed parcels (residential or commercial parcels valued at \$10,000 or more). Population data from the 2020 US Census and California Department of Finance population estimates show the population of the HCCSD service

	area to be 980 in 2020. In 2020, there were 399 households in the HcCSD service area.
Last MSR/SOI Update	2009
Services Provided	<ul style="list-style-type: none"> • The District provides sewage collection and disposal for Crowley Lake (Hilton Creek). The district currently has 373 sewer connections within its district boundaries and there are approximately 112 vacant lots within the district for future connections. The district estimates it serves approximately 1,000 to 1,200 residents. • Administers a Zone of Benefit for snow removal and road maintenance that includes the properties accessed by Juniper Drive, a private road located within the boundaries of the district. • The district no longer provides limited mosquito abatement activities.
Other Services	As a Community Service District, the district is authorized to provide a wide array of services, including water treatment and distribution, fire protection, parks and recreational services, street lighting, police protection, and library services.
Website	https://www.hiltoncreekcsd.com/
Independent/Dependent	Independent
Special District Personnel	The district typically employs a district manager and a part-time secretary. Currently, the district is operating with a contract operator and operator in training in lieu of a district manager. The operator in training will assume the role of district manager once they are certified as a sewer treatment operator.
District Issues/Concerns	<ul style="list-style-type: none"> • Addressing growth in the area and providing the infrastructure to support that growth. • The need to increase sewer use fees in order to fund the operation and maintenance expenses of sewer treatment. • Determining, as a community, how to provide Crowley Lake with a community water system, including adequate fire suppression. • The district has recently experienced significant staff turnover due to retirement and the associated loss of historical knowledge

Figure 1 – District Boundaries



III. Municipal Service Review Analysis and Determinations

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

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

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

1. Growth and Population Projections for the Affected Area

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

Existing and Anticipated Residential Growth Patterns in Long Valley

Future residential growth in Long Valley is anticipated to occur primarily in and adjacent to existing developed residential areas. Aside from development in Crowley Lake, most existing and planned development will be single-family residential development. Existing and planned development in Crowley Lake includes single-family and multi-family residential development, commercial uses, lodging, and public facilities. The Mono County General Plan, Housing Element 2019-2027 provides for the following buildout in the Long Valley:

Table 1 – Buildout Figures

Quick Facts ⁵	Long Valley Buildout Potential		
Communities: Crowley Lake (pop: 880) Sunny Slopes (pop: 182) Aspen Springs (pop: 65) McGee Creek (pop: 41) Housing Units: 658 Approximately 4/5 of units are owner occupied Highest average household income in County Less than 1% of units are in poor condition	Land Use Designation	Acres	Unit Potential
	C	35	497
	ER	422	212
	MFR	4	52
	MU	33	478
	PF	3	2
	RM	59	1
	RR	71	8
	SFR	338	770
	Total	965	1,968
Buildout Potential Remaining: 66.6%			

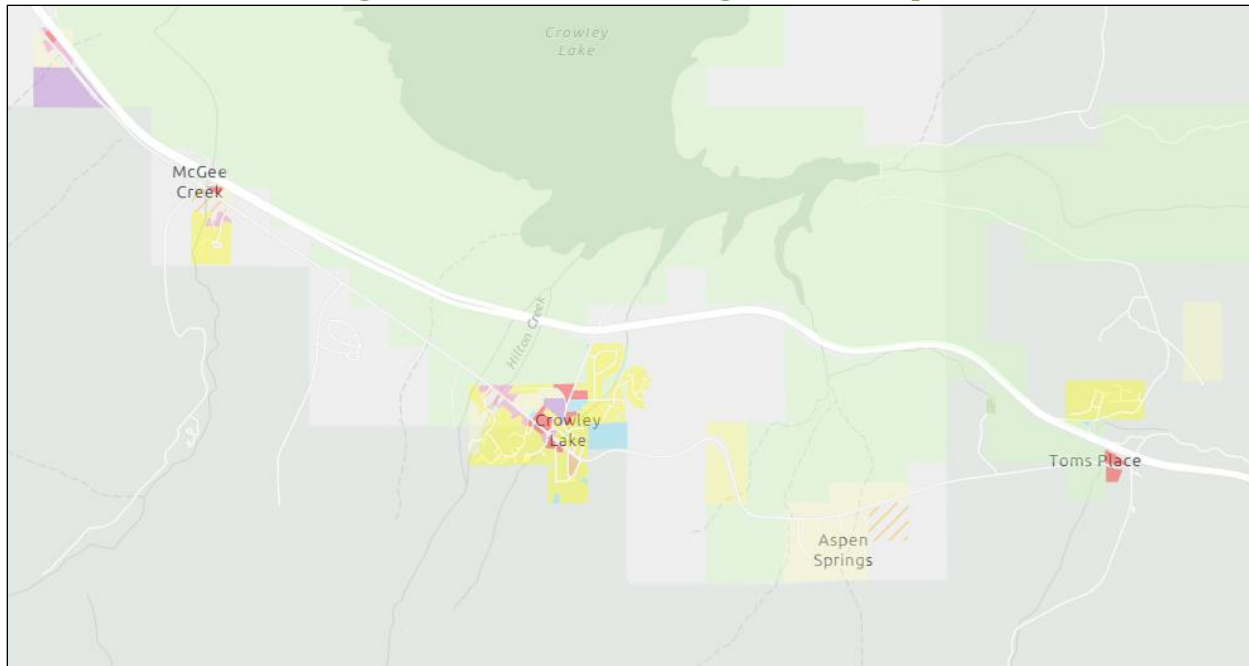
Planned Land Uses

The Mono County Land Use Element provides for substantial additional development in Long Valley, primarily in the communities along Crowley Lake Drive. The additional development allowed by the plan in community areas would be a mix of single-family residential uses, multiple-family residential uses, and commercial uses.

Figure 2 shows land use designations in Long Valley which is characterized by residential land uses (Single Family Residential (SFR), Estate Residential (ER) and Multi-Family Residential (MFR). Commercial (C) and Mixed Use (MU) designations are located in Crowley Lake and Tom’s Place. The communities in Long Valley are surrounded by either U.S. Forest Service and Bureau of Land Management Resource Management (RM) parcels and Los Angeles Department of Water and Power Open Space (OS) parcels.

The Mono County Housing Element identifies six parcels in Long Valley (totaling approximately 180.7-acres) as key housing sites with the potential to provide more than 94 additional units of future housing stock (housing unit estimate does not include three key sites).ⁱ

Figure 2 – Land Use Designations Map



May 6, 2024

Landuse Designations (LUD)		ER	SFR	SP	SC	NA
A	ER	SFR	SP	MU	Mono County Boundary	
AG	ER	SFR	SP	IP		
OS	ER	SFR	MFR	MD		
ER	RR	SFR	C	RM		

1:72,224

0 0.5 1 2 mi
0 1 2 4 km

Fresno County Dept. PWP, Mono County, California
State Parks, Esri, TomTom, Garmin, SafeGraph,
GeoTechnologies, Inc, METN/ASA, USGS, Bureau of
Land Management, EPA, NPS, USDA, USFWS

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

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

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

The implementation of these regulations has the potential to increase the demand for services in Long Valley communities.

Seasonal Population

In addition to the projected residential growth, Long Valley’s population experiences significant seasonal increases due to tourism, and to a lesser degree to second homeowners. Long Valley and surrounding areas accommodate large numbers of recreational users and are a vacation destination for outdoor and wilderness activities such as fishing and hiking.

Residential Population Projections

Population data from the 2020 U.S. Census and California Department of Finance population estimates show the residential population in the HCCSD service area to be 980 in 2020. In 2020, there were 399 households in the HCCSD service area. The residential population is projected to increase to 1,083 by 2030, creating an increased demand for water and sewer services. This growth is based on a 1.0% population increase year over year. This figure was used as a conservative estimate based on the population increasing between 2010 and 2020.

Determinations

- ✓ The Mono County General Plan Land Use Element allows for significant additional growth in the Long Valley communities.
- ✓ Growth is anticipated to occur primarily in and adjacent to existing developed areas and to be primarily single-family residential development with a mix of multi-family residential development and commercial uses in Crowley Lake.
- ✓ U.S. Census and California Department of Finance population estimates show the residential population in the HCCSD service area to be 980 in 2020. In 2020, there were 399 households in the HCCSD service area.
- ✓ The residential population in Hilton Creek is projected to increase to 1,083 by 2030, creating an increased demand for water and sewer services.
- ✓ In addition to the projected residential growth, Long Valley’s population experiences significant seasonal increases due to tourism.
- ✓ The Mono County Housing Element identifies six parcels in Long Valley communities (totaling approximately 180.7-acres) as key housing sites with the potential to provide more than 94 additional units of future housing stock (housing unit estimate does not include three key sites).ⁱⁱ
- ✓ Recent changes to State law create a potential for increased density on residential parcels in Long Valley communities (up to three units: a main residence, an ADU and JADU). These changes have the potential to increase the demand for HCCSD’s services.

2. Location & Characteristics of Disadvantaged Unincorporated Communities

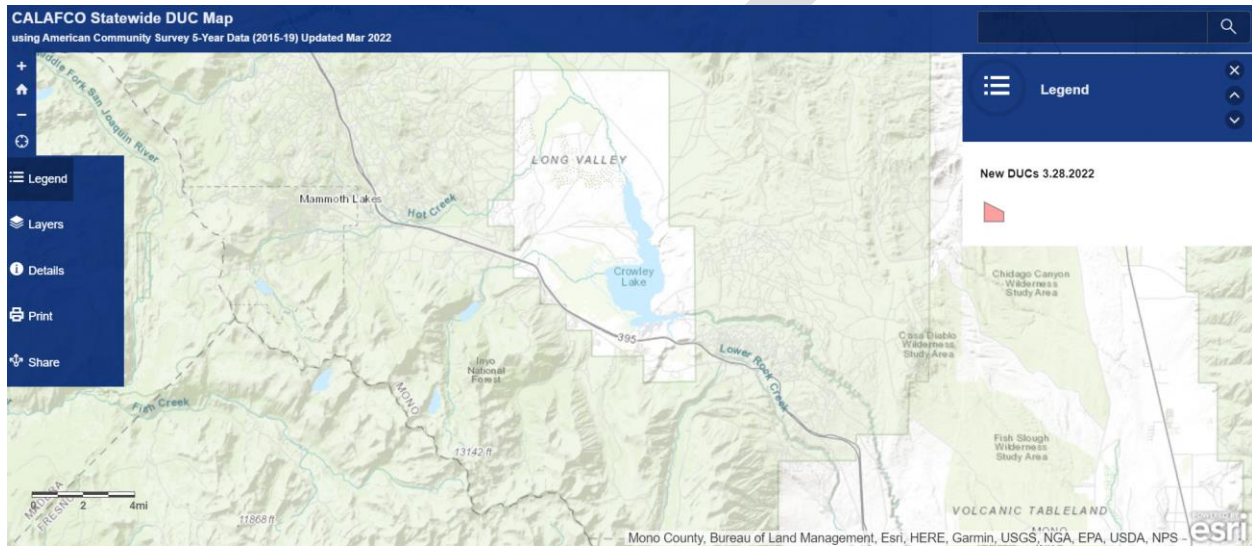
Senate Bill 244, passed in 2011, requires LAFCO identify Disadvantaged Unincorporated Communities (DUCs) when making MSR determinations (Government Code section 56430(a)), SOI determinations (Government Code section 56425(e)(5)) and certain city annexations. DUCs are defined in the bill as “a fringe,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

CaLAFCO created an online map identifying DUCs in every California county based on the most recent and accurate household income data released by the Census Bureau on December 10, 2020. The purpose of CaLAFCO’s DUC Map is to enable any LAFCO that has not already identified DUCs within their

respective county to utilize it as the source of the most recent household income data and DUC designations. No part of Crowley Lake, nor any area contiguous to it, is designated as a DUC (See Figure 3, below).

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

Figure 3: CaLAFCO Statewide DUC Map



Determinations

- ✓ None of the Long Valley communities, nor any area contiguous to them, are designated as a DUC per the CaLAFCO statewide DUC map.
- ✓ Communities in Mono County are geographically isolated from one another, so it is rare for communities to be located within or adjacent to the SOI of service-providing district and not receive services from such district.

3. Infrastructure Needs and Deficiencies

Purpose: To evaluate the infrastructure needs and deficiencies of a district in terms of capacity, condition of facilities, service quality, and levels of service and its relationship to existing and planned service users.

Services Provided

The District provides sewage collection and disposal for Crowley Lake (Hilton Creek). The district currently has 373 sewer connections within its district boundaries and there are approximately 112 vacant lots within the district for future connections. The district estimates it serves approximately 1,000 to 1,200 residents. Administers a Zone of Benefit for snow removal and road maintenance that includes the properties accessed by Juniper Drive, a private road located within the boundaries of the district. The district no longer provides limited mosquito abatement activities.

Sewage Collection System

The HCCSD sewage collection system consists of 12 miles of pipes (10-inch collection pipes, 8-inch interceptor pipes), one pump station and a treatment facility. Sewage is pumped to the treatment facility by two 40-horsepower pumps located within a single pump station. The pump station pumps 80-85% of the district's daily sewage flow to the treatment facility. The remaining 15-20% of the daily sewage flow reaches the treatment plant via a gravity fed system.

Sewage Treatment

At the treatment plant, sewage is pumped into an extended aeration tank, then into a secondary clarifier, and finally to percolation/evaporation ponds. During the winter months, sludge must be stored in an aeration tank until the percolation/evaporation ponds are clear of snow and ice.

Wastewater Demand

The district manager estimates that the district's daily waste flow to be approximately 60,000 gallons per day (gpd). The collection system's capacity is 176,000 gpd. The treatment plant's capacity is also 176,000 gpd.

Snow Removal and Road Maintenance

The HCCSD administers a Zone of Benefit for snow removal and road maintenance that includes the properties accessed by Juniper Drive, a private road located within the boundaries of the district. The CSD collects a monthly maintenance fee from each of the properties within the Zone of Benefit, which is used to pay for snow removal and road maintenance.

District Personnel

The district typically employs a district manager and a part-time secretary. Currently, the district is operating with a contract operator and operator in training in lieu of a district manager. The operator in training will assume the role of district manager once they are certified as a sewer treatment operator.

District Planning

The district is in the process of increasing rates based on a rate study adopted February 2023. The district proposes to complete a public hearing and vote on the increased rates per Proposition 218 this year. The CSD develops long-range goals and objectives as part of a 5-year Capital Budget plan.

The district is in the process of increasing rates based on a rate study adopted February 2023. The district proposes to complete a public hearing and vote on the increased rates per Proposition 218 this year.

District Issues of Concern

The district has indicated several concerns, including:

- Addressing growth in the area and providing the infrastructure to support that growth.
- The need to increase sewer use fees in order to fund the operation and maintenance expenses of sewer treatment.
- Determining, as a community, how to provide Crowley Lake with a community water system, including adequate fire suppression. The district has recently experienced significant staff turnover due to retirement and the associated loss of historical knowledge.

2024 Special District Needs Assessment Report and CIP

The CDBG Grant funded Phase 2 “Special District Needs Assessment Report” for Crowley Lake made the following conclusion about the capacity constraints and opportunities of the HCCSD (below).

- *“The Hilton Creek CSD sewer system has capacity available during maximum day demand to serve existing demand plus vacant properties, plus approximately 61 of the 270 key site potential units in Crowley Lake. It is unknown whether the daily discharge rate of 45,000 gpd reported is the average day demand, so it is possible a more complete analysis of the disposal rate could provide better information for capacity analysis.”*

The CDBG Grant funded Phase 3 “CIP” identified two potential capacity improvement priority projects to increase the sewer system capacity. Mono County LAFCO recommends the district review the analysis and recommendations in the final CIP.

Determinations

- ✓ The district needs to continue developing long-term planning documents that assess future infrastructure and service needs, identify projects to meet those needs, determine the costs associated with identified projects, and outline a financial plan to pay for future needs and service.
- ✓ The district has adopted a Capital Improvement Plan (CIP) to support the proposed rate study. The CIP includes approximately \$650,000 in improvements including wastewater treatment plant clarifier replacements and emergency generator. The adopted Rate Study describes that long term capital improvement plans are a need.
- ✓ The CDBG Grant funded Phase 2 “Special District Needs Assessment Report” for Crowley Lake made the following conclusion about the capacity constraints and opportunities of the HCCSD:
 - *“The Hilton Creek CSD sewer system has capacity available during maximum day demand to serve existing demand plus vacant properties, plus approximately 61 of the 270 key site potential units in Crowley Lake. It is unknown whether the daily discharge rate of 45,000 gpd reported is the average day demand, so it is possible a more complete analysis of the disposal rate could provide better information for capacity analysis.”*
- ✓ The CDBG Grant funded Phase 3 “CIP” identified two potential capacity improvement priority projects to increase the sewer system capacity. Mono County LAFCO recommends the district review the analysis and recommendations in the final CIP.

4. Financial Ability of Agencies to Provide Services

Financing Constraints and Opportunities

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

Overview: Expenses for special districts generally fall into one of three categories: (1) acquisition of facilities and major capital equipment, (2) employee expenses, and (3) ongoing operations and maintenance costs. The primary criteria that should be considered when evaluating adequacy of potential funding sources is availability, adequacy to meet the need, equity between existing and future residents, stability, and ability to cover on-going operating and maintenance costs.

The district’s main sources of revenue are property taxes and sewer use fees. It also collects road maintenance fees from residents of Juniper Drive, which are then used for road maintenance and snow removal within the zone of benefit established there.

The CSD depends on sewer use fees, property taxes, and sewer connection fees as its main sources of revenue. The district's fees are reviewed periodically to ensure that they are adequate. As of March 2023, the Capital Reserve fund balance was approximately \$52,902.34. The total sewer fund balance was \$511,200.79. The total Juniper Drive fund balance was \$423,531.32.

The district is in the process of increasing rates based on a rate study adopted February 2023. The district proposes to complete a public hearing and vote on the increased rates per Proposition 218 this year.

Per the adopted Financial Planning, Revenue Requirements, Cost of Service, and Rate Setting Analysis the District has identified financial goals: Increase operating reserves to \$150,000,

As of March 2023, the Capital Reserve fund balance was approximately \$52,902.34. The total sewer fund balance was \$511,200.79. The total Juniper Drive fund balance was \$423,531.32. The district plans to pay for future improvements out of the reserves instead of utilizing financing.

The district does not participate in any joint financing, cost sharing or purchasing, nor does it utilize any shared facilities. The district does not apply for grant funding.

Table 2 – HCCSD Balance Sheet – Fiscal Year 2020-2021

Operating Revenues	
Sewer use fees	\$337,136
Maintenance fees	\$85,256
Connection fees	\$14,636
Other	<u>\$878</u>
Total Operating Revenues	\$437,906
Operating Expenses	
Treatment	\$180,119
Collection	\$91,558
Administration and general	\$146,591
Juniper Drive	\$120,976
Depreciation	<u>\$97,026</u>
Total Operating Expenses	\$636,270
Operating Income (loss)	(\$198,364)
Non-Operating Revenues (expenses)	
Property taxes	\$148,227
Interest income	\$5,795
Interest expense	<u>(\$2,839)</u>
Total Non-Operating Revenues	\$151,183
Income (loss) before contributions	(\$47,181)
Capital Contributions	\$ --
Change in net position	(\$47,181)
Net position, beginning of year	\$1,179,335

Net position, end of year

\$1,132,154

Cost Avoidance Opportunities

Purpose: To identify practices or opportunities that may aid in eliminating unnecessary costs.

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

Generally, in Mono County each community area is a discrete geographic area and, as a result, there is no duplication of service efforts or overlapping or inefficient service boundaries. Long Valley is a discrete geographic area in the county, with a number of small residential areas. These residential areas are physically separate from each other and there are few overlapping service boundaries except in Crowley Lake. However, there are a number of small service providers operating within the Long Valley communities which could result in the duplication of some services, particularly in such areas as personnel management, insurance, risk management, financial management services, fleet maintenance, purchasing/budgeting, economies of scale, etc. Further studies would be necessary to determine whether there are opportunities to reduce costs among the service providers.

The district is in the process of increasing rates based on a rate study adopted February 2023. The district proposes to complete a public hearing and vote on the increased rates per Proposition 218 this year.

Opportunities for Rate Restructuring

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

Overview: As noted in the Financing Constraints and Opportunities Section, the district's funding includes property taxes, connection fees, customer use/service charges, and grants. Each of these categories has inherent constraints that prevent an agency from restructuring them.

Property Taxes

In California, the maximum property tax assessed on any land is generally 1% of the property's value.

Connection Fees

The district imposes connection fees on new construction. Connection fees are based on the type of use and the size of the connection.

The district periodically reviews and adjusts its connection fees in order to ensure that the district collects sufficient funds to construct the additional infrastructure and obtain the equipment necessary to serve new development.

Customer Use/Service Charges

Each district customer pays a monthly sewer charge, which is based on the type of connection (single family unit, commercial use, motel room, etc.).

The district is in the process of increasing rates based on a rate study adopted February 2023. The district proposes to complete a public hearing and vote on the increased rates per Proposition 218 this year.

Grants

Grant money is a one-time source that is useful in funding certain special projects but may be too unreliable or variable for ongoing expenses or recurring needs. The district does not apply for grant funding.

Determinations

- ✓ The CSD's future financing will continue to rely heavily on use fees, property tax revenues, and connection fees.
- ✓ The adequacy of property tax revenues to fund local facilities and services has steadily declined over time. There is a need to ensure that property tax assessments are kept current.
- ✓ The district should develop a schedule for reviewing its fees in order to ensure that they are adequate to meet on-going operating and maintenance costs and the costs of additional infrastructure to serve new development.
- ✓ The district should continue to develop long-term planning documents that identify needed capital facilities and the costs associated with developing those facilities.
- ✓ The district should develop a Financial Strategic Plan to ensure that it will have adequate funding sources in the short-term and long-term.
- ✓ In Long Valley, particularly in Crowley Lake, there are some overlapping service boundaries.
- ✓ Integrated planning, especially long-range planning, is an important part of cost avoidance. The district is in the process of increasing rates based on a rate study adopted February 2023. The district proposes to complete a public hearing and vote on the increased rates per Proposition 218 this year. The district should continue to develop long-term planning documents.
- ✓ The district does not participate in JPAs in order to reduce insurance costs.
- ✓ There are a number of small service providers in Long Valley that have administrative costs associated with the overall management of those organizations. There could be some duplication of services among the service providers, particularly in areas such as personnel management, insurance, risk management, financial management services, fleet maintenance, etc. Further studies would be necessary to determine whether there are opportunities to reduce costs among the service providers.
- ✓ All funding mechanisms have inherent limitations that may prevent their implementation, use or restructure.
- ✓ The district charges connection fees to cover the costs associated with constructing additional infrastructure and equipment necessary to serve new development. The district reviews and adjusts these fees periodically to ensure that the fees are sufficient.
- ✓ Each sewer customer pays monthly sewer fees, based on the type of connection. The district is in the process of increasing rates based on a rate study adopted February 2023.
- ✓ The district should seek grant funding.

5. Opportunities for Shared Facilities

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

Overview: Sharing facilities and resources can result in a more efficient and cost-effective delivery of resources.

Currently, the district does not share any facilities. The Long Valley area includes other special district service providers, as well as the County, that require facilities to support their services. There may be

opportunities for shared facilities among the service providers in the Long Valley communities. Further studies would be necessary to determine whether there are opportunities to reduce costs by sharing facilities.

Determinations

- ✓ The Long Valley area includes other special district service providers, as well as the County, that require facilities to support their services. There may be other opportunities for shared facilities among the service providers in the area. Further studies would be necessary to determine whether there are opportunities to reduce costs by sharing facilities.

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

Local Accountability and Governance

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

Overview: Districts are subject to the Ralph M. Brown Act for meetings, agendas and minutes. They are also subject to the Public Records Act. As such, Special districts are required to adopt budgets at open public meetings and to file their budgets with the county auditor. They are required to have annual or biennial independent audits. Complying with the minimum open meeting and information requirements is not sufficient to allow an adequate amount of visibility and accountability. Outreach efforts, including convenient meeting times, additional notice of meetings and dissemination of district information, are desirable.

HCCSD is governed by a five-member Board, elected at large to four-year terms. The HCCSD Board of Directors (Board) meets on the second Tuesday of each month at 5:00 pm at the Crowley Lake Community Center. There are no current vacancies on the Board.

Table 3 – Board Roster

BOARD MEMBER	POSITION	TERM EXPIRES
Steve Shipley	President	11/30/2024
Isabel Connolly	Vice-President	11/30/2026
Cindy Adamson	Director	11/30/2026
Windsor Czeschin	Director	11/30/2024
Devin Preston	Director	11/30/2026

The CSD complies with the minimum open meetings and public information requirements. Meeting notices and agendas are posted locally, at the Crowley Lake Store, Crowley Lake Library, and the Crowley Lake Community Center. The district maintains a website where agendas are available (<https://www.hiltoncreekcsd.com/>). The website meets the minimum requirements of SB 929 for posting agendas, financial statements, compensation, and enterprise systems. The district uses inserts with the billing to disseminate information to its customers.

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

1. Adopting budgets at open public meetings;
2. Filing budgets with the County Auditor;
3. Annual or biennial independent audits;

4. Ralph M. Brown Act for meetings, agendas and minutes; and
5. Public Records Act.

Table 4 (below) is the “California Website Compliance Checklist” from the Golden State Risk Management Authority that outlines the various State and Federal transparency requirements.ⁱⁱⁱ Complying with the minimum open meeting and information requirements is not sufficient to allow an adequate amount of visibility and accountability. Outreach efforts, including convenient meeting times, additional notice of meetings and dissemination of district information, are desirable.

Table 4 – Website Compliance Checklist

PUBLIC RECORDS ACT

YES NO

SB 929 – THE SPECIAL DISTRICT HAS CREATED AND MAINTAINS A WEBSITE

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

YES NO

SB 272 – THE SPECIAL DISTRICT’S ENTERPRISE SYSTEM CATALOG IS POSTED ON THEIR WEBSITE

- All local agencies must publish a catalog listing all software that meets specific requirements – free tool at <https://www.getstreamline.com/sb272>

YES NO

AB 2853 (OPTIONAL) - THE SPECIAL DISTRICT POSTS PUBLIC RECORDS TO THE WEBSITE.

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

THE BROWN ACT

YES NO

AB 392: AGENDAS ARE POSTED TO OUR WEBSITE AT LEAST 72 HOURS IN ADVANCE OF REGULAR MEETINGS, 24 HOURS IN ADVANCE OF SPECIAL MEETINGS.

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

YES NO

AB 2257: A LINK TO THE MOST RECENT AGENDA IS ON OUR HOME PAGE, AND AGENDAS ARE SEARCHABLE, MACHINEREADABLE AND PLATFORM INDEPENDENT.

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

STATE CONTROLLER REPORTS

YES NO

FINANCIAL TRANSACTION REPORT: A LINK TO THE CONTROLLER’S “BY THE NUMBERS” WEBSITE IS POSTED ON OUR WEBSITE.

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

YES NO

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

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

HEALTHCARE DISTRICT WEBSITES

YES NO N/A

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

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

OPEN DATA

YES NO N/A

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

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

SECTION 508 ADA COMPLIANCE

YES NO TBD

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

- Requirements were updated in 2018.

Evaluation of Management Efficiencies

Purpose: To evaluate the quality of public services in comparison to cost.

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

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

The CSD is managed by an elected Board of Directors. The district is in the process of increasing rates based on a rate study adopted February 2023. The district proposes to complete a public hearing and vote on the increased rates per Proposition 218 this year. The CSD develops long-range goals and objectives as part of a 5-year Capital Budget plan.

Government Structure Options

Purpose: To consider the advantages and disadvantages of various government structures to provide service.

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

For local agency consolidations to occur there has to be significant (and popularly desired) cost savings or an increase in service. A number of local agencies provide services to the Long Valley communities, including:

- Hilton Creek Community Services District – Sewer services within Crowley Lake. Limited road maintenance and snow removal and mosquito abatement.
- Birchim Community Services District – Water services within Sunny Slopes.
- Crowley Mutual Water Company and Mountain Meadows Water System – Water services within a portion of Crowley Lake.
- Long Valley Fire Protection District – Fire protection and emergency medical services for the Long Valley communities.
- County Service Area #1 – Television services for the Long Valley communities.
- Mono County – Regional services including Assessor, Clerk Recorder, Community Development, Courts, District Attorney, Law Enforcement, Parks and Recreation, Public Health, Probation, Public Works, Social Services, Treasurer/Tax Collector.
- Southern Mono Healthcare District – Medical services and acute care hospital services.

Several of the districts and private service providers in the area are small with limited physical and financial resources. LAFCO policy generally promotes the consolidation of districts where they overlap; however, districts in Long Valley overlap primarily in the community of Crowley Lake. The Birchim Community Service District, which provides a similar type of service to that provided by the HCCSD, one that is often provided by the same entity, does not overlap with the HCCSD at all. The two community water providers in Crowley Lake, whose boundaries overlap with those of the HCCSD, are not special districts but private mutual water companies.

As more development occurs within the area, a regional water and sewer provider might best provide services to the area. In the future, a regional Community Service District with separate service areas throughout the Long Valley communities might best provide sewer and water services for the area.

Determinations

- ✓ The CSD complies with the minimum requirements for open meetings and public records. The CSD also complies with all the mandatory requirements in the “Website Compliance Checklist” from the Golden State Risk Management Authority. Compliance with CA Gov Code 7405 (requiring compliance with the accessibility requirements of section 508 of the Federal rehabilitation act of 1973) requires a separate evaluation.
- ✓ The district seeks to inform its customers of district activities and services.
- ✓ The CSD is managed by an elected Board of Directors.

- ✓ The district is in the process of increasing rates based on a rate study adopted February 2023. The district proposes to complete a public hearing and vote on the increased rates per Proposition 218 this year.
- ✓ The district should develop additional long-range planning documents, including financial plans, in order to maintain its service levels while providing for the needs of future development.
- ✓ Several special districts, along with the County and private service providers, provide public services within the Long Valley communities.
- ✓ To alleviate government overlap and fragmentation, LAFCO law and local LAFCO policies promote the consolidation of services under the authority of one multi-purpose agency. District boundaries overlap in Long Valley.
- ✓ As a Community Service District, the HCCSD is authorized to provide a variety of services including sewage collection and disposal, snow removal/road maintenance, mosquito abatement, water treatment and distribution, fire protection, parks and recreational services, street lighting, police protection, and library services.
- ✓ Ultimately, in compliance with LAFCO policies, a regional CSD might be the best provider of a variety of services in the Long Valley area.

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IV. Sphere of Influence Recommendation

In determining the sphere of influence for each local agency, Government Code §56425 requires the Local Agency Formation Commission to consider and prepare a written statement of its determination with respect to four required findings. Each of the required findings is discussed below as it pertains to the Hilton Creek Community Services District.

1. Present and Planned Land Uses

Discussion

Present land uses in the area served by the HCCSD include residential, commercial, and public uses. There are 538 parcels in the district, and 396 developed parcels.

Population data from the 2020 U.S. Census and California Department of Finance population estimates show the population in the HCCSD service area was approximately 980 in 2020. In 2020, there were 399 households in the HCCSD service area. Table 1 (above) shows the buildout figures for Long Valley.

In addition to the projected growth, Long Valley's population experiences significant seasonal increases due to tourism, and to a lesser degree to second homeowners. Long Valley and surrounding areas accommodate large numbers of recreational users and are a vacation destination for outdoor and wilderness activities such as fishing and hiking.

Finding

Present land uses in the area served by the HCCSD include residential, commercial, and public uses. The planned land uses for community areas throughout Long Valley are similar with future development concentrated primarily within and adjacent to existing development.

The Mono County Housing Element identifies six parcels in Long Valley communities (totaling approximately 180.7-acres) as key housing sites with the potential to provide more than 94 additional units of future housing stock (housing unit estimate does not include three key sites).

Recent changes to State law create a potential for increased density on residential parcels in Long Valley communities (up to three units: a main residence, an ADU and JADU). These changes have the potential to increase the demand for HCCSD's services.

2. Present and Probable Need for Public Facilities and Services

Discussion

Increased development throughout the district's service area will create an increased need for sewer services now. The build-out allowed by the General Plan will create a greater demand for those services in the future, as well as for additional community-based services, such as a community water system.

Finding

The CSD has an existing and continuing need for public facilities and services to serve the current and planned development in the area.

3. Present Capacity of Public Facilities and Adequacy of Public Services

Discussion

As discussed in the "District Services" section of this report, the CSD currently provides sewer services to approximately 460 acres of developed land within its boundaries. The district also provides road

maintenance and snow removal services to a Zone of Benefit within its boundaries. The district formerly but no longer provides limited mosquito abatement activities. The district has identified a need for a community water system. The district is in the process of increasing rates based on a rate study adopted February 2023. The district proposes to complete a public hearing and vote on the increased rates per Proposition 218 this year.

As a Community Service District, the district is authorized to provide a wide array of services, including water treatment and distribution, fire protection, parks and recreational services, street lighting, police protection, and library services.

Finding

The district currently provides an adequate level of service. As a Community Service District, the district is authorized to provide a wide array of services, including water treatment and distribution, fire protection, parks and recreational services, street lighting, police protection, and library services. Mono County LAFCO recommends the district review the analysis and recommendations in the final CIP.

4. Social or Economic Communities of Interest

Discussion

The Long Valley communities of Long Valley, McGee Creek, Crowley Lake, Aspen Springs, Tom's Place, and Sunny Slopes, along with US Forest Service lease areas adjacent to these communities, exhibit substantial social and economic communities of interest. They are predominantly small residential areas that act as bedroom communities for Mammoth Lakes and Bishop. Surrounding recreational lands attract tourists who support the local economy. Residents of these communities rely on Mammoth Lakes or Bishop for major shopping, employment, and a number of services.

Within the Long Valley communities, public services are provided by the county, several special districts, and private mutual water companies:

- Hilton Creek Community Services District – Sewer services within Crowley Lake. Limited road maintenance and snow removal and mosquito abatement.
- Birchim Community Service District – Water services within Sunny Slopes.
- Crowley Mutual Water Company and Mountain Meadows Water System – Water services within a portion of Crowley Lake.
- Long Valley Fire Protection District – Fire protection and emergency medical services for the Long Valley communities.
- County Service Area #1 – Television services for the Long Valley communities.
- Mono County – Regional services including Assessor, Clerk Recorder, Community Development, Courts, District Attorney, Law Enforcement, Parks and Recreation, Public Health, Probation, Public Works, Social Services, Treasurer/Tax Collector.
- Southern Mono Healthcare District – Medical services and acute care hospital services.

Several of the districts and private service providers in the area are small with limited physical and financial resources. LAFCO policy generally promotes the consolidation of districts where they overlap; however, districts in Long Valley overlap primarily in the community of Crowley Lake. The Birchim Community Service District, which provides a similar type of service to that provided by the HCCSD, one that is often provided by the same entity, does not overlap with the HCCSD at all. The two community water providers in Crowley Lake, whose boundaries overlap with those of the HCCSD, are not special districts but private mutual water companies.

In the future, a regional Community Service District with separate service areas throughout the Long Valley communities might best provide sewer and water services for the area.

Finding

The Long Valley communities share social and economic interests with each other. These shared interests promote a coordinated approach to service provision in the Long Valley area.

5. Present and Probable Need for Public Facilities and Services of Any DUCs

Discussion

For an update of a sphere of influence of a special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to subdivision (g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

Finding

The District provides sewage collection/disposal in Crowley Lake and administers a Zone of Benefit for snow removal and road maintenance that includes the properties accessed by Juniper Drive, a private road located within the boundaries of the district. There are no DUCs, as defined by CaLAFCO DUC Map, within or adjacent to the existing SOI.

V. Sphere of Influence Recommendation

The Sphere of Influence for the Hilton Creek Community Services District should remain as it is, including privately owned land within the community of Long Valley and U.S. Forest Service permittees at Whiskey Tract (see Figure 4).

VI. Reorganization Recommendation

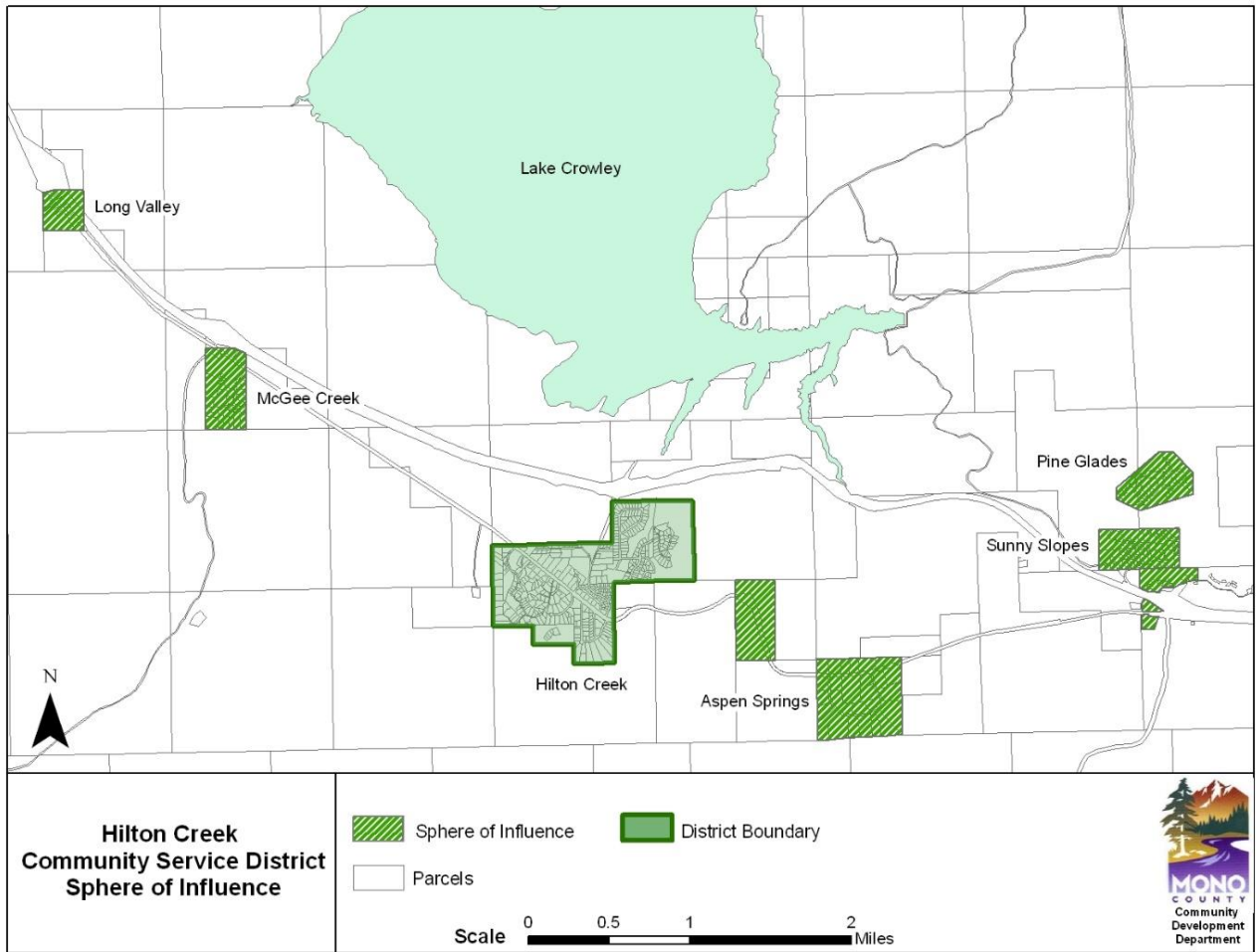
Section 56001 of the California Government Code states that:

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

Currently, the HCCSD provides adequate services within its boundaries. Regional service providers include Mountain Meadows Mutual Water Company, HCCSD, and Crowley Lake Mutual Water Companies. At this time, HCCSD and the mutual water companies are not pursuing consolidation.

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

Figure 4 –District SOI



VII. References

References Consulted

California State Controller

Special Districts Annual Report

California State Department of Finance

Demographic Research Unit, population and housing estimates and projections

California Governor's Office of Planning and Research

Cortese-Knox Act

Guidelines on Municipal Service Reviews

California Local Agency Formation Commission

CaLAFCO Statewide DUC Map using ACS 5-Year Data (2015-19) Updated March 2022.
<https://www.arcgis.com/apps/View/index.html?appid=4319a8066745442cbe7de6af1d13f98a>

CALAFCO. <https://calafco.org/sites/default/files/resources/MSRGuidelines-FINAL.pdf>

Hilton Creek Community Service District Records

HCCSD Financial Planning, Revenue Requirements, Cost of Service, and Rate Setting Analysis

Mono County Local Agency Formation Commission

Hilton Creek Community Services District Sphere of Influence Report. February 2009.

Mono County Planning Department

Mono County General Plan. 2023.

Mono County General Plan, Revised Land Use Element and Land Development Regulations. 2023.

Mono County Housing Element. 2019-2027.

Mono County Master Environmental Assessment. 2009.

Team Engineering and Management, Inc.

Surface Water and Groundwater Availability Assessment Crowley Area, Mono County, California. 2006.

Senate Bill 244, California Legislative Information:

https://leginfo.ca.gov/faces/billTextClient.xhtml?bill_id=201120120SB244

U.S. Census. 2020 Decennial Census. Crowley Lake CSD Profile.

Persons Consulted

Hilton Creek Community Services District

Lorinda Beatty, Secretary to the Board

VIII. Endnotes

ⁱ Mono County Housing Element 2019-2027, “Long Valley Community Profile – Key Sites,” Pages 68-72.

ⁱⁱ Mono County Housing Element 2019-2027, “Long Valley Community Profile – Key Sites,” Pages 68-72.

ⁱⁱⁱ Golden State Risk Management Authority “California Website Compliance Checklist”

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

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

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