

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

BIRCHIM COMMUNITY SERVICES DISTRICT

DRAFT

DRAFT #2 REPORT | SEPTEMBER 2023

PREPARED FOR:

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

PREPARED BY:

Mono County LAFCO Staff:
Brent Calloway, LAFCO Executive Officer
Kelly Karl, Planning Analyst

Contract Staff:
Resource Concepts Inc.
Bauer Planning and Environmental Services, Inc.

TABLE OF CONTENTS

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

LIST OF ACRONYMS

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

LIST OF FIGURES & TABLES

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

I. EXECUTIVE SUMMARY

MUNICIPAL SERVICE REVIEW RECOMMENDED DETERMINATIONS

1. GROWTH AND POPULATION PROJECTIONS FOR THE AFFECTED AREA

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

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

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

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

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

4. FINANCIAL ABILITY OF AGENCIES TO PROVIDE SERVICES.

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

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

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

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

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

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

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

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

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

SPHERE OF INFLUENCE RECOMMENDED DETERMINATIONS

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

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

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

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

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

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

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

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

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

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

SPHERE OF INFLUENCE RECOMMENDATION

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

REORGANIZATION RECOMMENDATION

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

II. INTRODUCTION

MUNICIPAL SERVICE REVIEWS AND LAFCO

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

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

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

RELATIONSHIP BETWEEN MUNICIPAL SERVICE REVIEWS AND SPHERES OF INFLUENCE

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

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

“... to ensure the provision of efficient services while discouraging urban sprawl and the premature conversion of agricultural and open space lands by preventing overlapping jurisdictions and duplication of services. Commissions cannot tell agencies what their planning goals should be. Rather, on a regional level, LAFCOs coordinate the orderly development of a community through reconciling differences between agency plans so that the most efficient urban service arrangements are created for the benefit of area residents and property owners.”¹

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

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

REVISED MSR REQUIREMENTS

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

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

2023 MSR/SOI UPDATE PROCESS AND APPROACH

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

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

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

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

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

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

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

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

AFFECTED AGENCIES

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

The affected local agencies for this MSR/SOI are:

County/Cities:

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

K-12 School Districts:

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

Special Districts:

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

COMMUNITY SERVICES DISTRICTS

OVERVIEW

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

FINANCING TOOLS

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

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

MONO COUNTY CSD'S

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

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

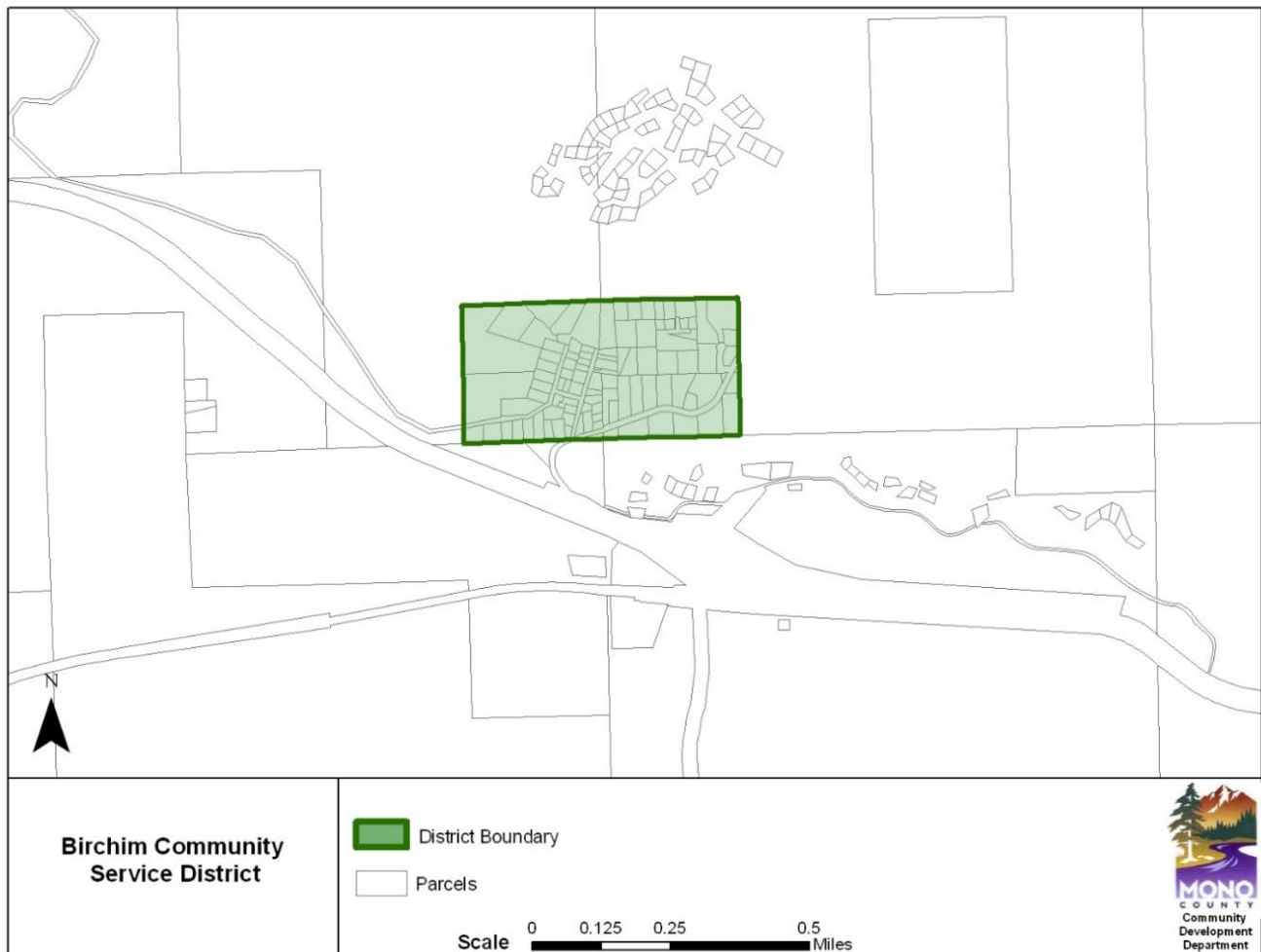
III. DISTRICT OVERVIEW

TABLE 1: BCSD OVERVIEW

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

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

FIGURE 1: BCSD'S CURRENT DISTRICT BOUNDARIES



IV. SERVICE REVIEW ANALYSIS AND DETERMINATIONS

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

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

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

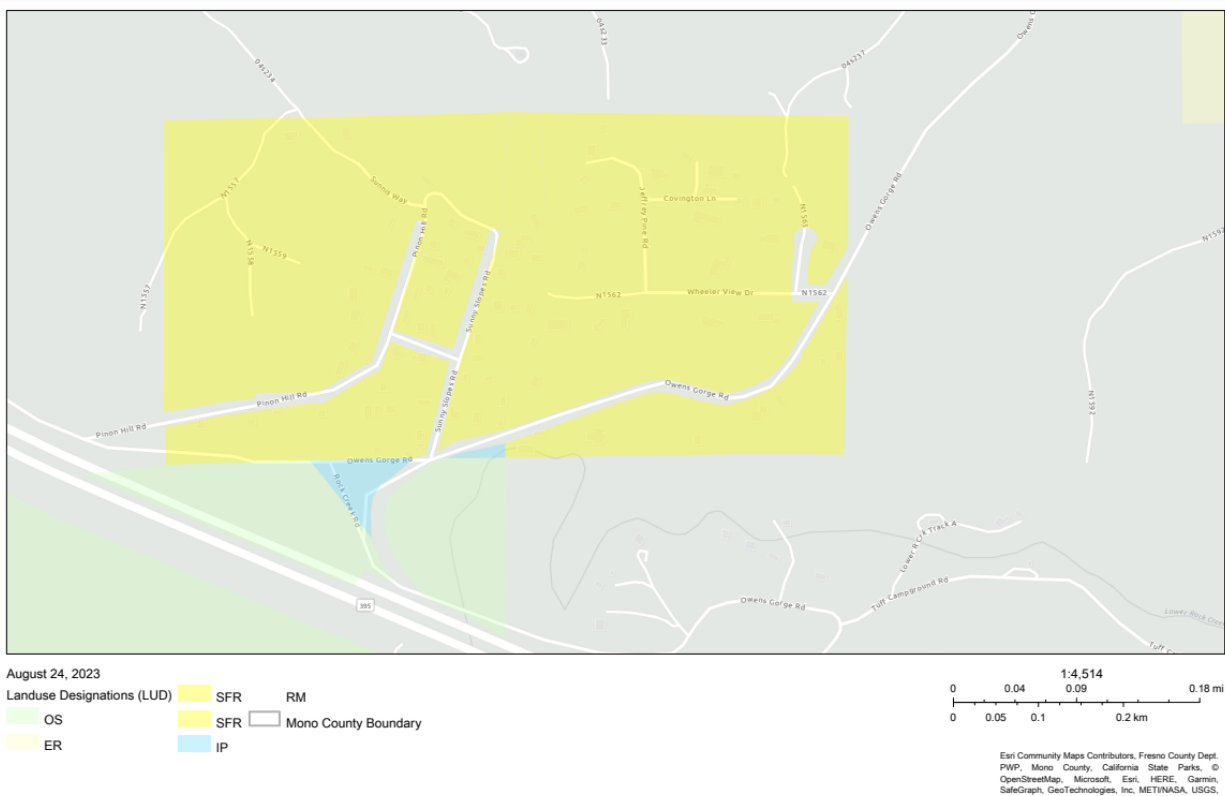
1. GROWTH AND POPULATION PROJECTIONS FOR THE AFFECTED AREA.

EXISTING AND ANTICIPATED RESIDENTIAL GROWTH PATTERNS IN SUNNY SLOPES

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

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

FIGURE 2: MAP OF LAND USE DESIGNATIONS



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

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

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

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

RECOMMENDED DETERMINATIONS

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

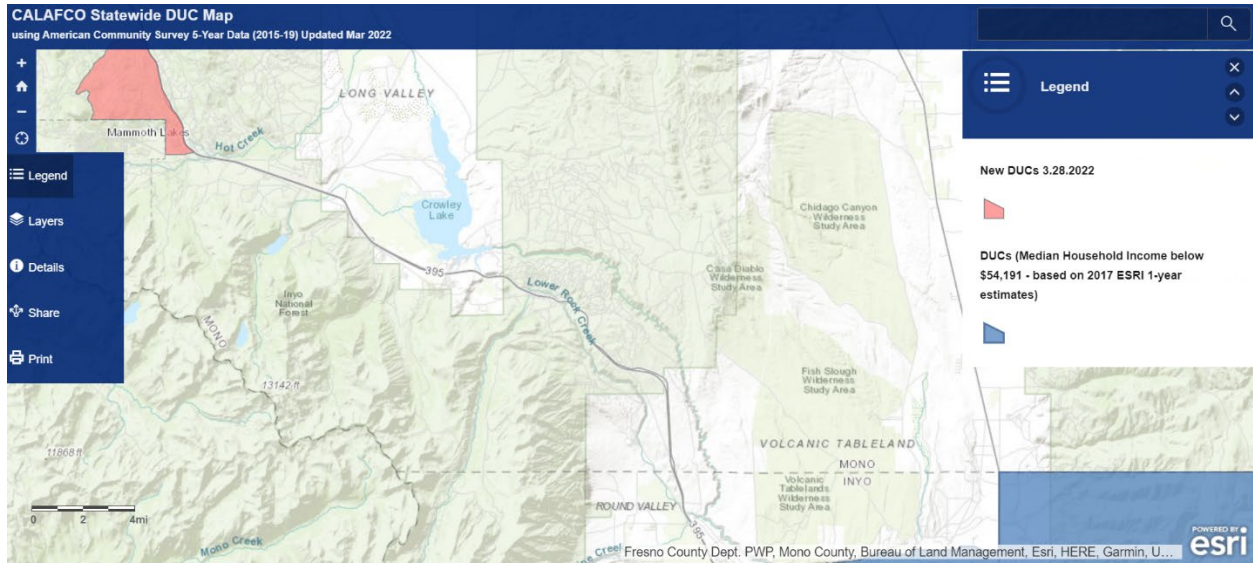
2. THE LOCATION AND CHARACTERISTICS OF ANY DISADVANTAGED UNINCORPORATED COMMUNITIES WITHIN OR CONTIGUOUS TO THE SPHERE OF INFLUENCE.

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

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

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

FIGURE 3: CALAFCO STATEWIDE DUC MAP^{xiv}



RECOMMENDED DETERMINATIONS

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

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

FACILITIES & INFRASTRUCTURE

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

SERVICE ADEQUACY & FACILITIES/INFRASTRUCTURE NEEDS

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

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

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

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

RECOMMENDED DETERMINATIONS

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

4. FINANCIAL ABILITY OF AGENCIES TO PROVIDE SERVICES

FINANCING CONSTRAINTS AND OPPORTUNITIES

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

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

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

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

BUDGET & INDEPENDENT AUDIT INFORMATION

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

TABLE 2. BCSD 2022-2023 BUDGET

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

TABLE 3. STATEMENT OF NET POSITION^{xxii}

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

TABLE 4. STATEMENT OF ACTIVITIES^{xxiii}

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

COST AVOIDANCE OPPORTUNITIES

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

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

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

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

RECOMMENDED DETERMINATIONS

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

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

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

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

RECOMMENDED DETERMINATIONS

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

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

LOCAL ACCOUNTABILITY AND GOVERNANCE

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

TABLE 5. BCSD BOARD ROSTER

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

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

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

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

TABLE 6. WEBSITE COMPLIANCE CHECKLIST

PUBLIC RECORDS ACT

<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	SB 929 – THE SPECIAL DISTRICT HAS CREATED AND MAINTAINS A WEBSITE <ul style="list-style-type: none"> Passed in 2018, all independent special districts must have a website that includes contact information (and all other requirements) by Jan. 2020. Hardship exemptions are allowed but they are limited.^{xxvii}
<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	SB 272 – THE SPECIAL DISTRICT’S ENTERPRISE SYSTEM CATALOG IS POSTED ON THEIR WEBSITE <ul style="list-style-type: none"> All local agencies must publish a catalog listing all software that meets specific requirements—free tool at getstreamline.com/sb272www
<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	AB 2853 (OPTIONAL) - THE SPECIAL DISTRICT POSTS PUBLIC RECORDS TO THE WEBSITE. <ul style="list-style-type: none"> 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

<input type="checkbox"/> YES <input checked="" type="checkbox"/> 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. <ul style="list-style-type: none"> This 2011 update to the Act, originally created in 1953, added the online posting requirement .
<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	AB 2257: A LINK TO THE MOST RECENT AGENDA IS ON OUR HOME PAGE, AND AGENDAS ARE SEARCHABLE, MACHINEREADABLE AND PLATFORM INDEPENDENT. <ul style="list-style-type: none"> Required by Jan. 2019— text-based PDFs meet this requirement, Microsoft Word docs do not.

STATE CONTROLLER REPORTS

<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	FINANCIAL TRANSACTION REPORT: A LINK TO THE CONTROLLER’S “BY THE NUMBERS” WEBSITE IS POSTED ON OUR WEBSITE.
---	--

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

☐ YES ☒ NO

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

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

HEALTHCARE DISTRICT WEBSITES

☐ YES ☐ NO ☒ N/A

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

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

OPEN DATA

☐ YES ☒ NO

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

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

SECTION 508 ADA COMPLIANCE

☐ YES ☒ NO

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

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

EVALUATION OF MANAGEMENT EFFICIENCIES

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

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

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

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

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

GOVERNMENT STRUCTURE OPTIONS

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

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

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

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

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

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

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

RECOMMENDED DETERMINATIONS

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

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

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

RECOMMENDED DETERMINATIONS

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

V. SPHERE OF INFLUENCE DETERMINATIONS

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

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

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

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

RECOMMENDED DETERMINATIONS

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

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

RECOMMENDED DETERMINATIONS

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

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

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

RECOMMENDED DETERMINATIONS

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

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

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

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

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

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

RECOMMENDED DETERMINATIONS

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

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

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

RECOMMENDED DETERMINATIONS

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

VI. SPHERE OF INFLUENCE RECOMMENDATION

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

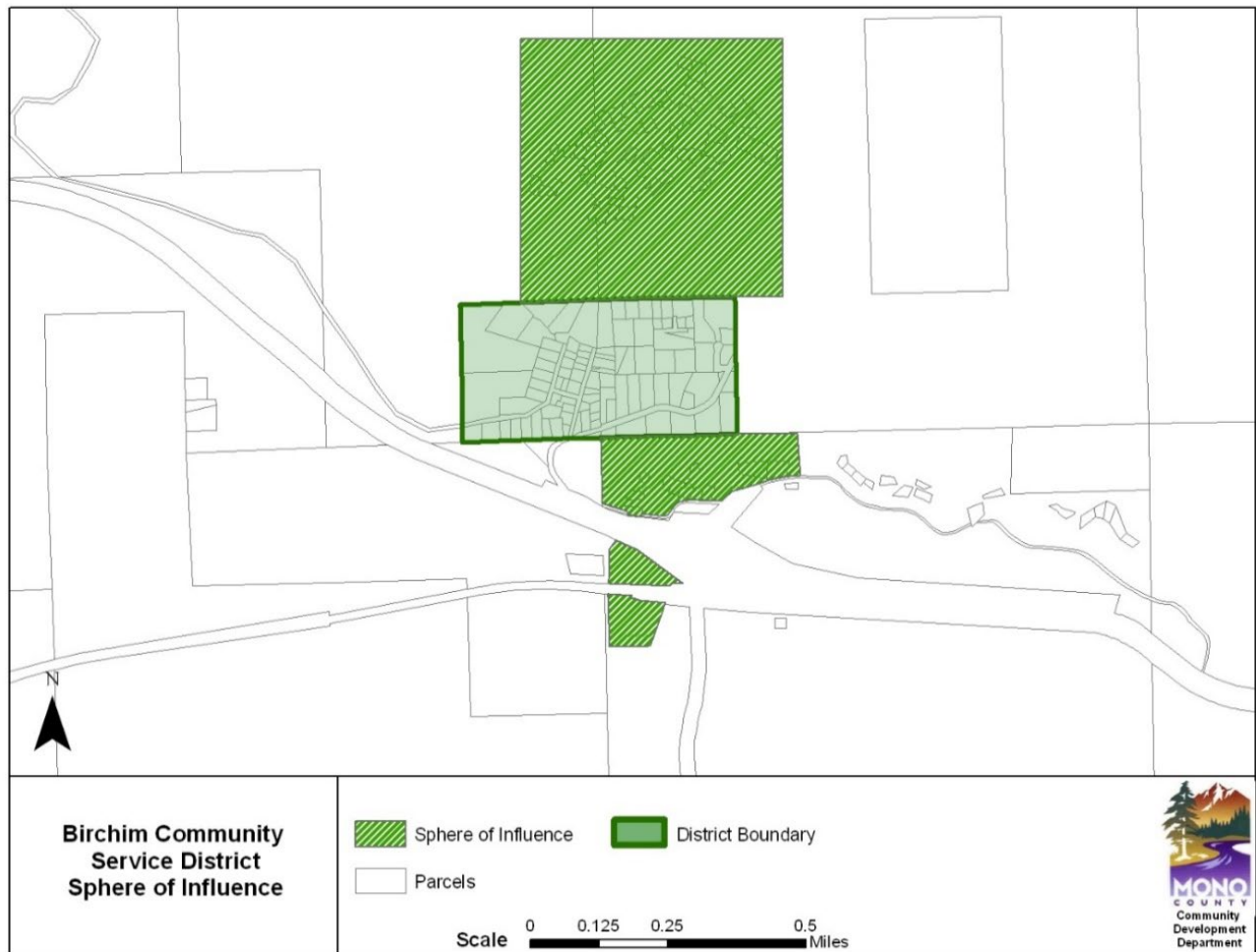
VII. REORGANIZATION RECOMMENDATION

Section 56001 of the California Government Code states that:

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

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

FIGURE 4: BCSD'S SOI



VIII. REFERENCES

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

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

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

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

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

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

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

DRAFT