

**Cameron Estates
Community Services District
Municipal Service Review and
Sphere of Influence Update**

FINAL

February 2018

EL DORADO LAFCO
LOCAL AGENCY FORMATION COMMISSION

CAMERON ESTATES
COMMUNITY SERVICES DISTRICT
MUNICIPAL SERVICE REVIEW
FEBRUARY 2018

Commissioners

Shiva Frentzen, Chair

Mark Acuna

Diana Anderly

Ken Humphreys

Brooke Laine

Tim Palmer

Brian Veerkamp

Alternates

John Clerici

Holly Morrison

Michael Powell

Michael Ranalli

Staff

José C. Henríquez

Erica Sanchez

Denise Tebaldi

Kara Ueda

EL DORADO LAFCO
LOCAL AGENCY FORMATION COMMISSION

NOTICE OF EXEMPTION

TO: OFFICE OF PLANNING AND RESEARCH
P.O. Box 3044
Sacramento, CA 95812-3044

COUNTY CLERK

County of El Dorado
330 Fair Lane
Placerville, CA 95667

FROM:
EL DORADO COUNTY LAFCO
550 Main Street, Suite E
Placerville, CA 95667
José Henriquez
(530) 295-2707

FILED

MAR 07 2018

WILLIAM SCHULTZ, Recorder-Clerk
By *Shelby*

Project Title: Cameron Estates Community Services District Sphere of Influence Study; LAFCO Project No. 2017-07

Project Location – Specific: The District is located in the Cameron Park area, south of U.S. Highway 50 and Durock Road, approximately one-quarter mile from Cameron Park Drive.

Project Location – City: N/A Project Location – County: El Dorado County

Description of Nature, Purpose and Beneficiaries of Project: Update the sphere of influence for the Cameron Estates Community Services District to establish a new sphere of influence, which was last updated in December 2007.

Name of Public Agency Approving Project: El Dorado LAFCO

Name of Person or Agency Carrying Out Project: El Dorado LAFCO

Exempt Status: (check one)

- Ministerial (Sec. 21080(b)(1); 15268);
- Declared Emergency (Sec. 21080(b)(3); 15269(a));
- Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
- Categorical Exemption. State type and section number: _____
- Statutory Exemptions. State code number: 15061(b)(3)

Reasons why project is exempt: The activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. This sphere of influence update has no possibility for causing a significant effect on the environment.

Lead Agency

Contact Person: José C. Henriquez

Area Code/Telephone/Extension: (530) 295-2707

If filed by applicant:

1. Attach certified document of exemption finding.
2. Has a Notice of Exemption been filed by the public agency approving the project? Yes No

Signature *José C. Henriquez*
José C. Henriquez

Date: March 6, 2018

Title: Executive Officer

Signed by Lead Agency

Signed by Applicant

Date Received for filing at OPR _____

RESOLUTION NUMBER L-2018-04-B

**Update to the Cameron Estates Community Services District
Sphere of Influence
LAFCO Project No. 2017-07**

WHEREAS, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 governs the organization and reorganization of cities and special districts by local agency formation commissions established in each county, as defined and specified in Government Code §56000 et seq. (unless otherwise indicated all statutory references are to the Government Code); and

WHEREAS, §56425 et seq. provides that the local agency formation commission in each county shall develop and determine the sphere of influence of each local governmental agency within the county, and enact policies designed to promote the logical and orderly development of areas within the spheres of influence, as more fully specified in §56425 et seq.; and

WHEREAS, §56430 requires that local agency formation commissions conduct a municipal service review (MSR) prior to, or in conjunction with, consideration of actions to establish or update a sphere of influence (SOI) in accordance with §56076 and §56425; and

WHEREAS, pursuant to §56430, in order to prepare and update the sphere of influence, the Commission conducted a municipal service review of the Cameron Estates Community Services District and adopted a written statement of determinations in conjunction with this sphere of influence update on February 28, 2018; and

WHEREAS, the Executive Officer reviewed the sphere of influence update pursuant to the California Environmental Quality Act (CEQA), and recommended that the project is exempt from CEQA under §15061(b)(3) because it is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA, and, based thereon, the Executive Officer prepared a Notice of Exemption; and

WHEREAS, the Executive Officer set a public hearing for February 28, 2018 for consideration of the environmental review and the sphere of influence update for the Cameron Estates Community Services District and caused notice thereof to be posted, published and mailed at the times and in the manner required by law at least twenty-one (21) days in advance of the date; and

WHEREAS, on February 28, 2018 the sphere of influence update came on regularly for hearing before LAFCO, at the time and place specified in the Notice; and

WHEREAS, at said hearing, LAFCO reviewed and considered the sphere of influence, and the Executive Officer's Report and Recommendations; each of the policies, priorities and factors set forth in Government Code §56425 et seq.; LAFCO's Policies and Guidelines related to spheres of influence, starting with Policy 4.0; and all other matters presented as prescribed by law; and

WHEREAS, at that time, an opportunity was given to all interested persons, organizations, and agencies to present oral or written testimony and other information concerning the proposal and all related matters; and

WHEREAS, the Commission received, heard, discussed, and considered all oral and written testimony related to the sphere update, including but not limited to protests and objections, the Executive Officer's report and recommendation, the environmental document and determinations and the service review; and

WHEREAS, on February 27, 2008, at the time of its last review, the Commission established the functions and classes of services provided by the Cameron Estates Community Services District as follows: road and road maintenance services and parks and recreation services; and

WHEREAS, the Commission does hereby make the following determinations regarding the proposal pursuant to Government Code §56425(e):

1. *The present and planned land uses in the area, including agricultural and open space lands.*

Present land uses within the District are low density residential; there are no designated agricultural lands within the District. Planned land uses are anticipated to remain the same as current land uses for the majority of the District. The undeveloped territory proposed for annexation into the District is expected to eventually be developed for low density residential use, consistent with the already-developed pattern of the remainder of CECSD.

2. *The present and probable need for public facilities and services in the area.*

Present needs for public roadway facilities and services are currently being met. The present need for recreation facilities and services (trails) are not being adequately met, due to lack of funding. Probable needs for public facilities and services are not anticipated to vary significantly from present needs, as future demands are expected to remain the same.

3. *The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.*

The present capacity and condition of roadway facilities provided appears to be sufficient for the level of service expected by District residents. Present capacity of trails is considered by the District to be less than adequate; maintenance and improvements are dependent on funding and resources available.

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.

Nearby communities include the Cameron Park and Shingle Springs areas. CECSD borders the Cameron Park Community Region on the north, though the majority of the District is outside of the Community Region.

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.

While Cameron Estates CSD does not provide any municipal services as defined in Government Code 56425(e)(5), LAFCO has not identified any disadvantaged communities within the District's boundaries or on its sphere of influence.

NOW, THEREFORE, BE IT HEREBY RESOLVED, DETERMINED, ORDERED AND FOUND:

Section 1. Each of the foregoing recitals is true and correct.

Section 2. The Notice of Exemption prepared by the Executive Officer is approved as the appropriate environmental document for this project.

Section 3. Pursuant to Government Code §56425(i)(2), the Commission does hereby establish the functions and classes of services provided by the Cameron Estates Community Services District as follows: road and road maintenance services and parks and recreation services.

Section 4. The update to the Cameron Estates Community Services District sphere of influence to add territory to the current sphere is orderly, logical and justifiable.

The parcel recommended to be added to the sphere is:

109-010-03

Section 5. The Executive Officer is directed to file a Notice of Exemption under §15061(b)(3) in compliance with the California Environmental Quality Act and local ordinances implementing the same.

Section 6. The Cameron Estates Community Services District sphere of influence is updated to add territory as shown on the attached map, marked Exhibit A, attached hereto and incorporated herein by this reference.

PASSED AND ADOPTED by the El Dorado Local Agency Formation Commission at a regular meeting of said Commission, held February 28, 2018 by the following vote of said Commission.

	AYE	NO	ABSTAIN	ABSENT	NOT VOTING
Commissioner Acuna	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Anderly	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Frentzen	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Humphreys	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Laine	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Commissioner Palmer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Veerkamp	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Clerici	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Morrison	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Alt. Commissioner Powell	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Ranalli	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

ATTEST:



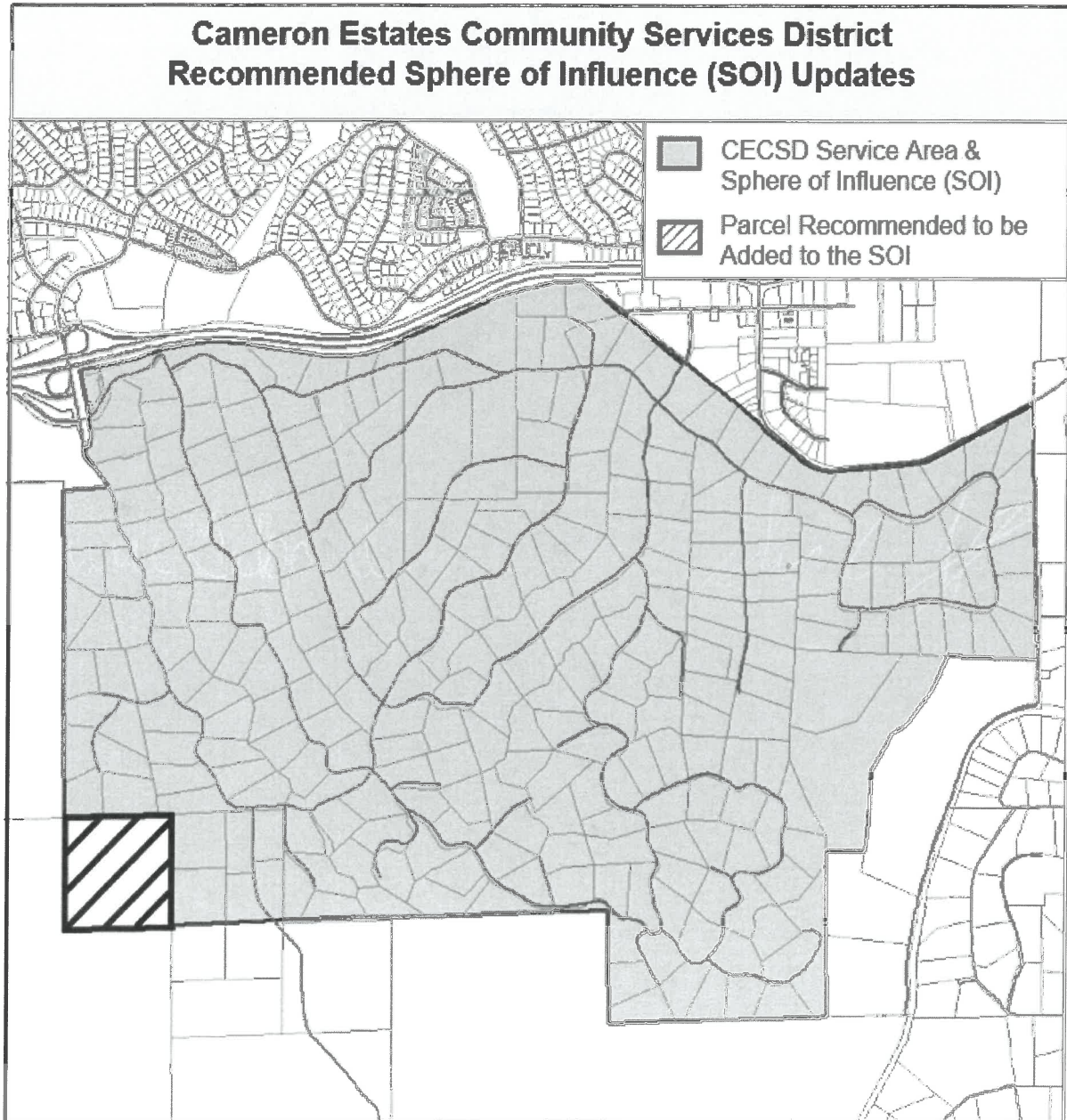
 Interim Clerk to the Commission



 Chairperson

APPROVED

**Cameron Estates CSD Sphere of Influence Update
LAFCO Project No. 2017-07
Resolution L-2018-04-B
EXHIBIT A**



**Parcel to be Added to the SOI:
109-010-03**

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I EXECUTIVE SUMMARY

Background

The Cameron Estates Community Services District (CECSD or District) was formed in 1969 as a multi-purpose special district to provide roadway and trail maintenance services to the Cameron Estates subdivision. Prior to 1968, Cameron Estates was within the Cameron Park Community Services District; however, Cameron Estates residents wanted road maintenance services, which Cameron Park CSD does not provide. Cameron Estates residents successfully petitioned to detach from Cameron Park CSD and form the Cameron Estates CSD.

CECSD is located in the Cameron Park area, on the south side of U.S. Highway 50 and Durock Road, approximately one-quarter mile from Cameron Park Drive. The District's service area encompass 291 assessed parcels, covering approximately 1,500 acres.

The Mission of Cameron Estates CSD is to construct and maintain District roadways and easements, define riding trails, provide control over use and authorize restriction of access to roads, and to represent the residents in District matters as may arise before various regulatory bodies.

Services

Special districts are limited-purpose governments which have only the powers that the Legislature has delegated to them. CECSD is empowered to provide road maintenance and parks and recreation services by Community Services District Law (Government Code §61100). CECSD maintains a total of twenty-three paved roads totaling 16.5 miles of roadway, three security entrance gates, and 16 miles of horse riding trails within the District. Trail maintenance is considered a parks and recreation service.

CECSD also has latent powers potentially authorizing the District to provide water, fire and police protection, subject to LAFCO approval; however, the District has not expressed interest in activating its latent powers.

CECSD does not provide additional services outside of its enabling legislation nor does it provide service beyond designated service boundaries. The District is not contracted to provide service to other service providers.

II **AGENCY DESCRIPTION**

Cameron Estates Community Services District

Contact Information

Address: P.O. Box 171
Shingle Springs, CA 95682

Phone: (530) 677-5889

Website: cameronestates.net

Email: cecsd@att.net

Management Information

Board of Directors:

Doris Miller, President	12/2014 – 12/2018
Eva Robertson, Vice President	12/2014 – 12/2018
Joshua Clark, Director	12/2016 – 12/2020
James Sholl, Director	12/2014 – 12/2018
James Bergsten, Director	12/2016 – 12/2020

Board Meetings: Third Thursday of every other month, 7:00 pm
Light of the Hills Lutheran Church, 3100 Rodeo Drive,
Cameron Park

Staff: Karen Moonitz, General Manager/Secretary
One part-time employee; District contracts for services

Service Information

Principal Act: Community Services District Act
Government Code §61100 et seq.

Empowered Services: Road and road maintenance, parks and recreation,
(at the time of formation) CC&R administration, fire suppression, law
enforcement, water

Services Currently Provided: Road and road maintenance, parks and recreation

Latent Powers: CC&R administration, fire suppression, law
enforcement, water
(LAFCO approval required)

Area Served: 291 assessed parcels, 1,500 acres

Population Served: Registered voters: 584

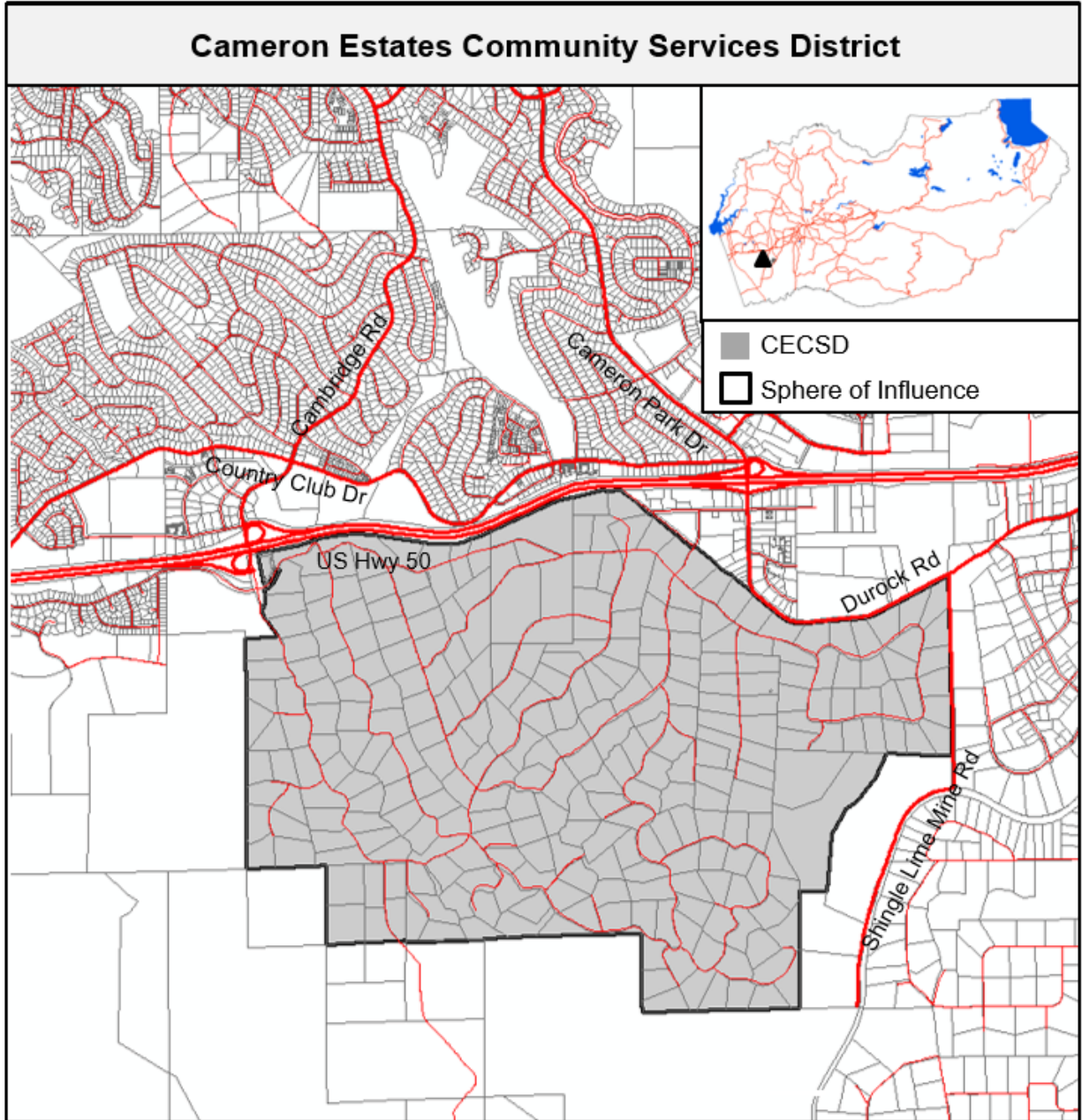
Major Infrastructure: 16.5 miles of road, three security gates, 16 miles of
horse riding trails

Fiscal Information

2016-2017 Budget: \$307,007

Sources of Funding: Property taxes, Special Taxes

Special Taxes: District-wide: \$250



Boundaries

The Cameron Estates CSD sphere of influence (SOI) is coterminous with the District's service boundaries.

CECSD is bounded by Highway 50 and Durock Road on the north, the proposed Village of Marble Valley Specific Plan to the west, the proposed Lime Rock Valley Specific Plan to the south, and Shingle Lime Mine Road and the Barnett Business Park to the east.

CECSD is located directly south of Cameron Park CSD and the Cameron Park Community Region, both of which border the entire northern boundary of the District. CECSD also lies west of the Shingle Springs Community Region, which partially

borders the District's eastern boundary. Several commercial properties located in the northernmost corner of the District are included in the Cameron Park Community Region.

Parcels within CECSD are also within County Service Areas 7 (ambulance services), 9 (road maintenance services) and 10 (library services), the El Dorado County Fire Protection District, the El Dorado Resource Conservation District, and mostly within the El Dorado Irrigation District.

Areas of Interest

El Dorado LAFCO has a pending landowner petition to annex a 40-acre parcel (APN 109-010-03, "*Deubel Property*") into the CECSD. The Deubel Property is located adjacent to the southern boundary of the CECSD and is currently is vacant and undeveloped. The parcel does not currently have access to any improved roads; the nearest paved roadway is CECSD-maintained Native Lane, located approximately 500 feet north of the District's southern boundary and the Deubel Property. A dirt access road extends southward from Native Lane to the Deubel Property. The landowner is requesting annexation into the CECSD in order to access the property through gated District roads. The CECSD Board supports the annexation and has entered into an Annexation Agreement with the landowner stipulating the terms of the annexation. *Staff recommends the Deubel Property be added to the CECSD sphere of influence.*

Ten parcels within CECSD are located outside of the CECSD gates, accessed from non-District roads, or both. Eight of these parcels are accessed exclusively from County-maintained roads outside the District. These properties include:

- Five commercial parcels within the Cambridge Square retail center ("*Cambridge Square Parcels*"), which are located outside of the northern entrance gate on Flying C Road ("*Mini Storage Gate*"). The Cambridge Square Parcels are only accessible through a County-maintained portion of Flying C Road. *Staff recommends the Cambridge Square Parcels be removed from the CECSD sphere of influence.*
- A commercial parcel directly east of the Cambridge Square retail center which contains a self-storage facility and U-Haul rental facility. Although this parcel is located outside of the District gates, the entrances for both facilities are accessed from CECSD-maintained portions of Flying C Road. *Staff doesn't recommend any changes to the CECSD SOI in relation to this parcel.*
- The Light of the Hills Lutheran Church and ball field, which comprise two parcels ("*LOTH Church Parcels*") located on the eastern side of the District. These two parcels face outward from the District and are not accessed through CECSD-maintained roads, but rather are accessed from Rodeo Road, which is a County-maintained road. *Staff recommends the LOTH Church Parcels be removed from the CECSD sphere of influence.*
- Two residential parcels on the northwestern side of of the District that are just outside of the entrance gates on Flying C Road ("*Flying C Gate*" and the Mini Storage Gate). One of the parcels is accessed from a CECSD-maintained

portion of Flying C Road; the other is accessed from a County-maintained portion of Flying C Road. However, according to CECSD, the parcel which is not accessed through District-maintained roads does have an electronic remote control for the gates, which is used for occasional access into the gated road system to visit other residents and for quicker access to the Safeway shopping center. *Staff doesn't recommend any changes to the CECSD SOI in relation to these parcels.*

More information regarding staff recommendations for the District's sphere of influence and the above areas of interest are located in Section IV SOI Determinations.

III **MSR DETERMINATIONS**

In preparing a municipal service review, Government Code §56430 requires the Commission to prepare a written statement of its determinations. Appendix A contains a summary of the determinations.

In addition, the Commission's Policies and Guidelines Section 4.4 require that additional determinations be made in an MSR prior to establishing a sphere of influence. The determinations are included among the Government Code §56430 determinations below and in Appendix A.

To the extent that is feasible, both sets of determinations will be addressed in this section. In addition, the following sections will detail the meaning of each factor and explain how it applies to the services provided by this agency.

Determination #7 below is not in Government Code. Government Code §56430(a)(7) allows for the Commission to review "any other matter related to effective or efficient service delivery as required by commission policy." El Dorado LAFCO chose to study the potential effects of service delivery and/or extension on agricultural land as its seventh determination.

1. Growth and population projections for the affected area.

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

Information in this section addresses the following factors in LAFCO Policy 4.4:

- Topographic factors and areas of social and economic interdependencies.
- Existing and planned land uses, land use plans and policies, consistency with county and city general plans, and projected growth in the affected area.

Growth and Population

CECSD provides roadway services to approximately 1,500 acres within the District's boundaries. There are currently 291 assessed parcels and 584 registered voters within the District. All but a few of the parcels within CECSD are designated Low Density Residential (LDR) and zoned Residential Estate 5-acre Minimum (RE-5). No significant future growth, population increases, or changes in land uses are anticipated; approximately 270 of the 291 parcels have been developed according to the land uses specified by the respective zoning in the County's General Plan.

Although there is no development proposed for the Deubel Property at this time, any growth associated with the Deubel Property will be limited, per the terms of an annexation agreement between the landowner and CECSD. The annexation agreement maintains the existing RE-5 zoning of the annexation area and limits development to a maximum of four parcels with two units each for a maximum development potential of eight units.

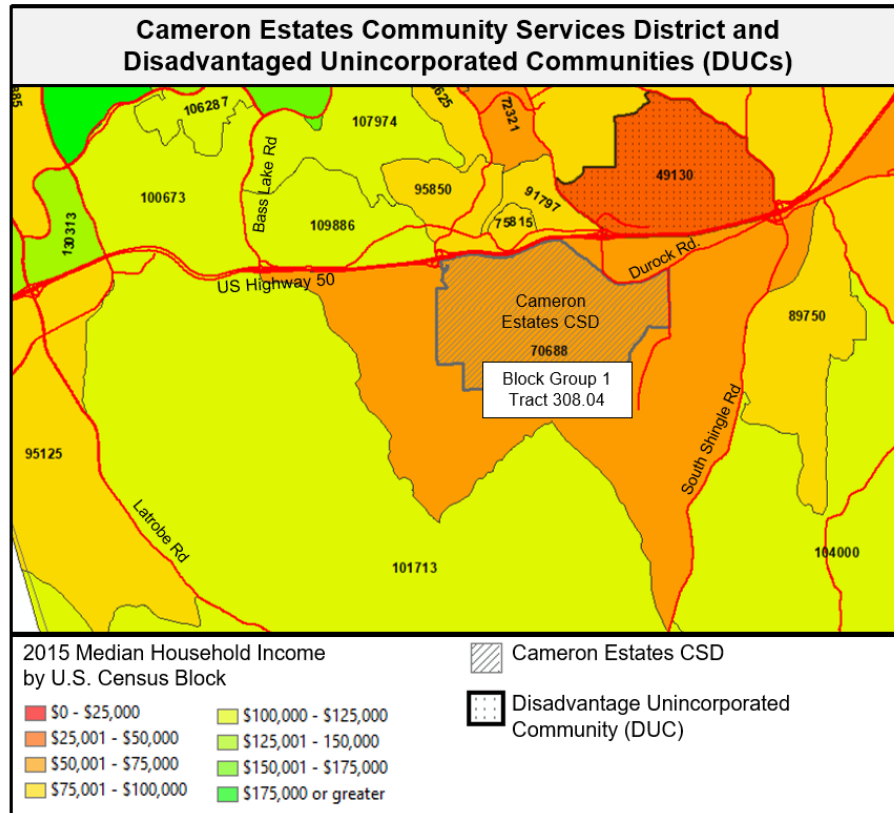
2. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.

Purpose: To identify the communities within the agency’s service area or sphere of influence that have been traditionally unserved or underserved.

According to 2015 income data from the U.S. Census Bureau, the Cameron Estates CSD service area is not part of an identified disadvantaged community, nor are there any disadvantaged communities in the general area surrounding the CECS D service area and sphere of influence.

Disadvantaged unincorporated communities (DUCs) are defined as inhabited territory (12 or more registered voters) that constitutes all or a portion of a community with an annual median household income that is less than 80 percent of the statewide annual median household income. The 2015 statewide median household income was \$61,818 (United States Census Bureau 2015)), making the median household income for a disadvantaged community as defined by the Water Code \$49,454.

CECS D falls into Census Block Group 1 of Census Tract 308.04, which includes an area south of U.S. Highway 50, from approximately Bass Lake Road to South Shingle Road. According to U.S. Census data, the estimated 2015 medium household income in Census Block Group 2 of Census Tract 307.04 was \$70,688. U.S. Census income data does not indicate the presence of a DUC in Census Block Group 1 of Census Tract 308.04. The nearest identified DUC is in the Cameron Park area, north of U.S. Highway 50 (see **Map 2** in Section VIII Maps).



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.

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, especially those in areas that have been traditionally unserved or underserved.

Information in this section addresses the following factors in LAFCO Policy 4.4:

- Service capacity, level and types of services currently provided by the agency, and areas where these services are provided.
- A description of the services that will be provided to any areas which may be added to the sphere and the timing and method for funding expansion of facilities or services.

This section addresses the adequacy of roads and road maintenance programs within the District. There are no Countywide standards for roadway repair and maintenance applicable to special districts; thus, it is left to each agency to determine the extent of maintenance programs. CECSD has adopted by-laws which include policies and procedures for standards for roadway repair and maintenance, and easement maintenance policies. The adequacy of CECSD's roadways is generally based on the District's self-assessment and resident expectations. Road services are necessary to ensure that roadways remain usable and safe for residents and visitors to the area.

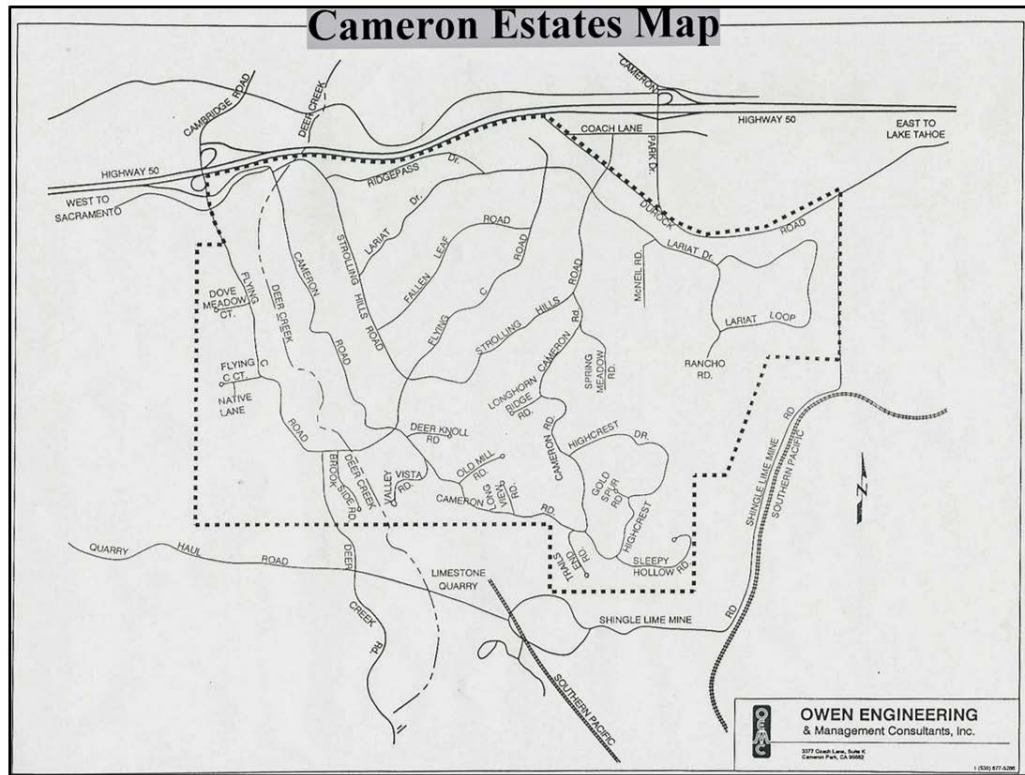
This section also identifies the District's trails infrastructure, and the adequacy of the trails to meet current demands. CECSD does not have policies and procedures for trail maintenance.

Infrastructure

CECSD's infrastructure consists of 16.5 miles of roadway, three security entrance gates equipped with computerized access systems, 16 miles of horse riding trails, two small bridges crossing over Deer Creek, and a number of culverts and drainages.

Roads

District maintained roads include three primary (arterial) roads which provide access in and out of the District, six secondary (collector) roads, and sixteen tertiary (cul-de-sac) roads. The three primary roads with gated entrances are Cameron Road, Flying C Road, and Strolling Hills Road. Two of these roadways, Flying C Road and Cameron Road, also include small bridges to cross over Deer Creek.



Primary Roads	Secondary Roads	Tertiary Roads
<ul style="list-style-type: none"> ▪ Cameron Rd. ▪ Flying C Rd. (entrance section outside Flying C Gate to Strolling Hills Rd.; Entrance section outside Mini Storage Gate) ▪ Strolling Hills Rd. (Rodeo Rd. to end) 	<ul style="list-style-type: none"> ▪ Fallen Leaf Rd. ▪ Flying C Rd. (Strolling Hills Rd. to Lariat Dr.) ▪ Highcrest Dr. ▪ Lariat Dr. ▪ McNeil Rd. ▪ Ridge Pass Dr. 	<ul style="list-style-type: none"> ▪ Brookside Rd. ▪ Deer Creek Rd. (beginning only, Flying C Rd. to District boundaries) ▪ Deer Knoll Rd. ▪ Dove Meadow Ct. ▪ Flying C Ct. ▪ Flying C Rd. (end, past Lariat Dr.) ▪ Gold Spur Rd. ▪ Longhorn Ridge Rd. ▪ Longview Rd. ▪ Native Ln. ▪ Old Mill Rd. ▪ Rancho Rd. ▪ Sleepy Hollow Rd. ▪ Spring Meadow Rd. ▪ Trails End Rd. ▪ Valley Vista Rd.

Overall, roadways appear in good condition and adequate for the current demand, as determined by local preferences and expectations for roadway quality, repair frequency, and overall roadway operations. However, there are areas of District-maintained roadways which are in need of maintenance and repair; these areas are prioritized based on need, usage, and availability of funds.

Gates

Residents and visitors access the District through three main, gated entrances. The gates are generally closed and can be opened by resident remote control devices, access code entry, or via a telephone entry system. The three security gates were constructed in 2006. The entrance gate at Strolling Hills Road and the Mini Storage Gate were financed by donations collected by a local grassroots resident organization (ACCORD); the gate at Flying C Road was paid for by the El Dorado Irrigation District (EID).

Typically, roadways financed by taxpayer funds and maintained by a public entity such as a special district are considered public roadways and cannot be gated to obstruct public access. However, CECSO's roadways are considered private, per Government Code §61105(g), despite being maintained by the District and financed by taxpayer funds.

Cameron Estate CSD's roadways have never been formally dedicated to the public. Government Code §61105(g) specifically authorizes CECSO, along with six other community services districts containing roads not formally dedicated to or kept open for public use, to limit access to and use of roads within the District to landowners and residents of the District. CECSO has exercised this right by installing gates at each of the District's entrances, which require an access code, resident remote control device, or resident approval through an electronic telephone entry system to allow entry.

Horse Riding Trails

CECSO's trail infrastructure consists of approximately 16 miles of riding trails within the District's boundaries. The trails are privately owned by District residents and generally follow along the District's road system. The trails are usable; however, improvements are needed. Ongoing maintenance includes weed abatement along the trails, which is mostly performed by volunteers. Planned improvements include the replacement of dirt on the trails; however that is dependent upon the District acquiring additional funding for the trail improvements. At this time, the District does not actively maintain riding trails due to lack of funding. The present need for recreation facilities and services (trails) are not being adequately met, due to lack of funding.

Operations

CECSO provides road maintenance services by contracting out for road construction, repairs, and maintenance services. Typical roadway maintenance services include paving, resurfacing, chip sealing, patching, pothole repair, sign

maintenance, crack sealing, drainage and culvert maintenance, and annual weed spraying.

Maintenance and repairs are prioritized based on need, number of affected residents, and available funding. Each year, the District repairs and patches the worst potholes, roadway drainage, and roadway shoulders. The need for services varies from year to year based primarily on roadway usage and weather conditions. Roadway conditions and maintenance are affected by the amount of rainfall that occurs; above-average rainfall conditions, contribute to the breakdown of roadways, and cause roadways to require maintenance that is more frequent. Fluctuations in demand are to be expected with this type of service, and maintenance activities must be adaptable and responsive to local conditions in order to be effective and efficient. The District is restricted by the current funding available for needed upgrades to and maintenance of existing roadways.

CECSD also relies on its District Easement Maintenance Policy to call attention to areas within the District's 10-foot road easement which property owners are required to maintain. CECSD Directors periodically tag trees and brush along roadways for trimming or removal by property owners, under the District's Tree/Brush Trimming Policy.

The District last conducted a *Roadway Condition Assessment* in 2013, which evaluated roadway conditions within the District and noted roadway needs or areas of concern. The report also identified necessary roadway, shoulder, and drainage improvements to meet guidelines recommended within the report.

The roadways in the District have different sub-base, traffic type and volume, and drainage issues, resulting in varying road conditions throughout the District. The District is aware that the roadway maintenance practices of seasonal pothole repair, chip seal, and selected asphalt overlays result in a poor-to-fair roadway seal. The District indicated that a one-time capital improvement program is necessary to obtain the necessary funding to upgrade roadways and implement a yearly preventative maintenance program. In May 2006, it was estimated that meeting the guidelines contained in the roadway assessment report would cost in excess of \$3 million. In the November 2006 elections, voters within the District voted against an increase in assessments to facilitate these recommended roadway repairs.

According to the CECSD Road Design and Policy Standards, adopted by the Board March 20, 2014, the majority of the roads within the District were originally constructed between approximately 1959 to 1969 as unpaved gravel roads. Over the years, the District has upgraded the roadways as necessary with chip seal and/or asphalt overlays, and constructed and improved various roadway drainage ditches and culverts. Each road within the District has been improved at various times; all of the gravel roads have been chip sealed, and when financially feasible a course of hot mix asphalt is placed over the chip sealed road. As maintenance funds have allowed, the surface treatment program has been maintained at a level solely intended to serve the limited, light duty traffic volume generated by the parcels within the boundaries of the District.

The District's goal is to plan for and provide a road system that is cost-effective to maintain, and ensures the safe, orderly, and efficient movement of people and goods

within the Cameron Estates community. CECSO's long-term objective is to improve existing roads to a standard based upon a flexible (asphalt) pavement structural section designed to handle a range of light and heavy duty vehicles, and that has a longer design life than the current roads. Achieving this objective will likely reduce the life-cycle cost of future investments in roadway maintenance; however achieving this objective will be determined by the funding available for road maintenance and improvement purposes.

4. Financial ability of agencies to provide services.
Purpose: To evaluate factors that affect the financing of needed improvements.

Information in this section addresses the following factors in LAFCO Policy 4.4:

- Financial capabilities and costs of service.

Funding and Budget

This section analyzes the financial operations of the District, including financial statements, audits, and other budgetary documents, to assess the long-term financial viability of the District. Audited financial statements from fiscal years (FY) 2012-13 through 2015-16 and annual financial statements from FY 2016-17 were reviewed to determine the fiscal status of the District.

Some of the information was obtained from the County Auditor-Controller's website, some was obtained from the CECSO website. All financial documents were reviewed to determine the fiscal status of the District. For consistency, actual budget numbers included in the table below were taken directly from the CECSO financial audits and the Auditor-Controller's special district budget reports, unless otherwise noted.

The County handles the District's fiscal administration. All of the District's funds are deposited into the County Treasury. The County Auditor's office manages the District's receivables and payables. The District submits payment requests or reimbursements to the County, which in turn sends payments to contractors.

District Revenues, Expenditures and Beginning / Ending Fund Balances					
Fiscal Years 2013-14 to 2016-17					
	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual *
REVENUES					
Beginning Fund Balance – July 1	\$197,685	\$140,306	\$187,640	\$192,196	\$211,496
Property Taxes	\$86,151	\$81,892	\$84,908	\$87,426	\$91,816
Direct Assessment (Special Tax)	\$76,163	\$75,538	\$72,663	\$72,211	\$73,961
Road Permit and Privileges	\$3,000	\$3,000	\$3,000	\$2,333	\$2,000

EL DORADO LOCAL AGENCY FORMATION COMMISSION

Penalties and Cost Delinquent Taxes	\$168	\$103	\$166	\$167	\$1,735
Interest	\$666	\$341	\$489	\$832	\$717
State Homeowner's Property Tax Relief	\$900	\$893	\$877	\$873	\$879
Misc. Revenue	\$5,067	\$1,830	\$12,052	\$2,809	\$28,750
Total Revenues	\$172,115	\$163,596	\$174,155	\$166,651	\$199,858
EXPENSES					
Employee Expenditures	\$25,442	\$24,411	\$22,955	\$23,248	\$23,769
Operating Expenditures	\$16,484	\$19,221	\$14,581	\$15,690	\$16,468
Professional Services Expense	\$15,254	\$15,824	\$17,436	\$14,533	\$24,689
Road Maintenance Expenditures	\$173,268	\$53,494	\$114,627	\$92,981	\$227,081
Appropriation for Contingencies	\$0	\$0	\$15,000	\$0	\$15,000
Total Expenditures	\$230,447	\$112,950	\$169,599	\$146,451	\$307,007
Net Revenue (Deficit)	\$(58,332)	\$50,647	\$4,556	\$20,201	\$(107,149)
End Fund Balance – June 30	\$139,353	\$190,953	\$192,196	\$212,397	\$104,347 (estimated)

* FY 2016-17 figures provided by CECSO, not available from the Auditor-Controller's website

Revenue

Single-purpose community services districts in El Dorado County typically rely upon property taxes, special assessments and/or special taxes, and volunteers to provide roadway maintenance services. CECSO is financed primarily through property taxes and a voter-approved special tax, which are relatively stable sources of income. District-wide, properties are currently assessed \$250 per parcel, annually.

CECSO receives an average property tax increment of 9.6149% from each of the 291 assessed parcels within the District service area, which amounted to \$91,816 in FY 2016-17. The ad-valorem property taxes are calculated and collected by the County and transferred to the District. Property tax revenue increases (or decreases) slightly from year to year as the result of normal changes in property taxes.

Special districts have the option to levy additional assessments or special taxes upon the parcels within their boundaries, subject to voter approval. CECSO collects an annual special tax of \$250 per parcel, for each of the 291 assessed parcels within the District. This district-wide special tax was approved by the voters in 1989 per Measure C, which authorizes CECSO to annually assess each single family residential parcel, and each commercial parcel within the District for the maintenance and improvement of roadways, road right-of-ways, culverts, and other lawful expenses of the District. The special tax amounted to \$73,961 in FY 2016-17.

The District also receives, to a much lesser extent, revenue from interest, State homeowner's property tax relief, miscellaneous one-time revenue, and from road permits and privileges. Per Board resolution 2007-03 and Ordinance 2007-01, CECSO charges a road usage fee for certain commercial and non-residential users. El Dorado Irrigation District (EID) and Crown Castle, a cellular tower company, have each entered into an agreement with CECSO to pay an annual \$1,000 user fee for use of private District roadways to access their facilities (wastewater facilities south of the District, and private utility towers within the District). The District also has established fees for non-residents who wish to purchase a pass to use the roads or facilities of the District, on a daily, weekly, monthly, or annual basis.

Expenditures

District expenses are overwhelmingly service-related; road maintenance expenditures typically comprise 50%-75% of overall annual expenditures. Road maintenance expenditures are also the least fixed of all District expenses. While employee costs, operational costs, and professional costs are all relatively stable from year to year, annual expenditures can vary significantly due to changes in the amounts spent on road maintenance.

Variations in annual road maintenance also causes the District's end of year fund balance to fluctuate. Such fluctuations are common for smaller, single-purpose special districts, due to the fact that some years the District has higher expenses for roadway maintenance. Typically, the District accumulates funds annually and expends accumulated funds for roadway maintenance in varying amounts every few years, as needed.

Expenditures for trails maintenance are not delineated in the District's budgets; financing for trails maintenance is minimal and included as a component of roadway maintenance financing.

The District appears to be financially stable and is able to recover from periodic large roadway maintenance expenditures. CECSO does not have outstanding debts. The District's budget is balanced and audited financial statements generally concur with the budget.

Cost Avoidance Opportunities

Cameron Estates CSD appears to be utilizing a sufficient range of cost avoidance opportunities, including bidding of and utilizing contract services, use of volunteers, use of donations, and charging fees for access by non-residents onto District roadways to reduce or defray costs. Maintenance activities are completed by both volunteers and licensed contractors to reduce costs.

The District utilizes a competitive bid process for the maintenance and upgrades of the existing roadways. If additional funding for trail improvements becomes available, the District may use a similar competitive bid process for trail maintenance and upgrades. Requests for proposals are published, depending on the need and the availability of funds. The competitive bid process allows the District to select the lowest cost qualified contractor to provide services, however, the potential savings

are often directly related to the number of responses; a shortage of responses reduces the pool of qualified contractors to choose from.

No additional significant cost avoidance opportunities have been identified that would result in a significant reduction in costs associated with service provision.

Financing Constraints and Opportunities

The District has been able to achieve a balanced budget by limiting the roadway maintenance and repair work to high priority areas. Property taxes and the District-wide special tax appear to be currently adequate for high priority maintenance and repairs; however additional funding is necessary for lower priority deferred roadway maintenance and repairs on all roadways, as well as needed trails improvements.

Additional financing opportunities include increasing the property assessments under Proposition 218, which requires a two-thirds voter approval in order to increase assessments. CECSD has attempted several times to increase the special tax amount from the current \$250, but previous attempts to increase the assessments were not approved by voters. No additional financing opportunities have been identified.

5. Status of, and opportunities for, shared facilities.

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

This section addresses the sharing of facilities by the District, and the potential for the District to utilize additional facilities sharing options in order to reduce costs or increase efficiency within its operations.

The District contracts out road construction, repairs, and maintenance services; horse riding trails are owned and utilized by District residents. CECSD does not own any facilities and does not share any facilities with other service providers.

CECSD is partially bordered by Cameron Park Community Services District to the north and El Dorado Hills Community Services District to the west; however, neither provide road and road maintenance services, which is CECSD's main function. These CSDs do provide parks and recreation services, but neither provide horse riding trails.

CECSD is also, though to a lesser extent, in somewhat close proximity to several smaller, single-purpose CSDs (Lakeview and Hillwood CSDs) which do provide road maintenance services. While there is a remote possibility that there is an opportunity for shared facilities with CECSD, the likelihood is very slim, due to many factors such as Cameron Estates' gated road status, differing roadway and maintenance standards, lack of connectivity between the road systems, disparate funding, and lack of feasibility in bidding out for shared contracted services.

Since the District does not own any facilities, and is not within close proximity to any other local entity that provides similar services, no significant opportunities for shared facilities have been identified.

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

Purpose: To consider Government structure options, including advantages and disadvantages of consolidation or reorganization of service providers; an evaluation of management efficiencies; and local accountability and governance.

Information in this section addresses the following factors in LAFCO Policy 4.4:

- An analysis of the effects of a proposed sphere of influence on other agencies and their service capabilities.

Administration and Management

Board of Directors

CECSD is an independent special district, governed by a Board of Directors that acts as the authoritative and legislative body of the entity. The Board of Directors is composed of five members, required to live within District boundaries, elected by the registered voters within the District to four-year staggered terms. Board elections are held during odd year elections, with two or three terms expiring at the same time. Board members are paid \$80 per regular meeting and \$60 per additional meeting per month.

The board creates policy by adopting resolutions or ordinances through duly noticed public hearings. District board meetings are regularly held on the third Thursday of every other month at 7:00 p.m. at Light of the Hills Lutheran Church, located at 3100 Rodeo Drive in Cameron Park. Meeting notices and agendas are posted at the green monuments by the three entrance gates and on the District website at least 72 hours prior to board meetings. Notices are also published in the monthly newsletter sent to residents. Board meetings and notices appear to be consistent with Brown Act requirements, which govern open meetings for local government bodies, allowing adequate opportunities for public involvement and input at meetings.

Personnel and Staffing

CECSD currently employs one part-time staff member, a General Manager/Secretary. The position is a 20-hour per week, home-based position. The District does not maintain an office, so the General Manager is expected to work from home and maintain the District files, records, and equipment in their home office. The General Manager is responsible for planning short medium, and long-term work programs for the District, preparing annual budgets, translating the goals and objectives of the Board to the community, and carrying into effect the expressed policies of the Board of Directors.

The District hires contractors for roadway maintenance services directly through the Board of Directors.

The District also utilizes community volunteers to perform some minor road maintenance and trails maintenance, as needed. Volunteers from the community occasionally replace and repair road signs, paint stop sign stripes, identify needed

repairs, and perform various other minor maintenance tasks, as well as perform maintenance to the District's trails. Volunteers also assisted in the construction of the District's gates and additional improvements at the District entrances. A local community volunteer group (ACCORD), raised funds and organized volunteers to assist in the construction of two of the main entrance gates and additional improvements at the District entrances.

District Outreach

The monthly newsletter sent to District residents contains information pertaining to District operations and actions taken by the board and encourages public comments. The District occasionally sends out surveys regarding various topics, including road work surveys, and always has a comment area where residents can and do voice their opinions. A volunteer within the District maintains the CECSO website, which can be accessed at www.cameronstates.net.

Governmental Structure

CECSO appears to operate appropriately under its existing structure; the current governmental structure is appropriate to provide adequate services. The overall management structure of the District is sufficient to perform necessary services and maintain operation in an efficient and effective manner.

Should financial or operational limitations lead to the District ceasing operations or pursuing options for alternative government structures, a full analysis of the financial and operational impacts of any such transition should be made prior to formal action to change the government structure of the District.

Government Code 61105 (f) specifically permits the District additional powers, allowing the District to limit access to roads owned by the District for the sole use by the landowners and residents of the District. Altering the current government structure may affect the District's additional powers to limit roadway access, a power not normally available to other government structures. A different governmental structure may result in the roadways being public, a loss of the special powers permitted under Government Code 61105 (f).

7. The potential effect of agency services on agricultural and open space lands.

Purpose: To determine the extent in which the provision of services by the agency, or its potential expansion of services, impact agriculture and open space, both on lands within the agency or surrounding it.

Information in this section addresses the following factors in LAFCO Policy 4.4:

- Potential effects on agricultural and open space lands.

Cameron Estates CSD is surrounded by existing residential development or areas designated for residential development. Additionally, the District is located adjacent to, but mostly outside of, the Cameron Park Community Region, with exception of five small commercial parcels in the northwestern corner part of the District which

are within the Cameron Park Community Region.

It is unlikely that CECSD's services would induce urban growth or the premature conversion of agricultural land to urban uses. The CSD has no plans to expand into agricultural areas, so there should be no additional impacts to the economic viability of surrounding agricultural operations.

IV SOI DETERMINATIONS

In determining the sphere of influence for each local agency, Government Code §56425(e) requires the Commission to consider and prepare a written statement of determinations with respect to four factors, which are listed in Appendix A. Staff recommends the following determinations for amending the sphere for the **Cameron Estates Community Services District**:

1. The present and planned land uses in the area, including agricultural and open space lands.

Present land uses within the District are low density residential; there are no designated agricultural lands within the District. Planned land uses are anticipated to remain the same as current land uses for the majority of the District. The undeveloped territory proposed for annexation into the District is expected to eventually be developed for low density residential use, consistent with the already-developed pattern of the remainder of CECSO.

2. The present and probable need for public facilities and services in the area.

Present needs for public roadway facilities and services are currently being met. The present need for recreation facilities and services (trails) are not being adequately met, due to lack of funding. Probable needs for public facilities and services are not anticipated to vary significantly from present needs, as future demands are expected to remain the same.

3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

The present capacity and condition of roadway facilities provided appears to be sufficient for the level of service expected by District residents. Present capacity of trails is considered by the District to be less than adequate; maintenance and improvements are dependent on funding and resources available.

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.

Nearby communities include the Cameron Park and Shingle Springs areas. CECSO borders the Cameron Park Community Region on the north, though the majority of the District is outside of the Community Region.

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.

While Cameron Estates CSD does not provide any municipal services as defined in Government Code 56425(e)(5), LAFCO has not identified any disadvantaged

communities within the District’s boundaries or on its sphere of influence.

Sphere of Influence (SOI) Recommendations

This sphere of influence recommendation analyzes the suitability of the CECSD SOI boundaries, relative to services currently provided, capabilities of the service provider, and expected future growth. CECSD’s sphere of influence is currently coterminous with its current service area. The District’s SOI was last considered in February 2008, in conjunction with the *2007 Streets and Highways MSR* and *General Government Services I MSR*. At that time, no changes were considered for the District’s sphere of influence, which was updated to affirm the coterminous sphere. Neither MSR included a discussion of the parcels outside of the CECSD gates.

As noted in the *Agency Description* portion of this report, there are several areas of interest in relation to the District’s sphere of influence: 1) a pending application to annex the Deubel Property into the CECSD in order to access the property through gated District roads, and 2) seven parcels located outside of the CECSD gates and are accessed exclusively from County-maintained portions of Flying C Road and Rodeo Road, outside of the District.

The following amendments are recommended for the Cameron Estates CSD sphere of influence: 1) add the Deubel Property to the SOI, and 2) remove the Cambridge Square and Light of the Hills Lutheran Church parcels from the SOI.

<i>Add to the Sphere of Influence:</i>		
109-010-03	Deubel Parcel	Residential, Undeveloped
<i>Remove from the Sphere of Influence:</i>		
109-111-15	4062 Flying C Rd.	Commercial, Cambridge Square
109-111-16	4060 Flying C Rd.	Commercial, Cambridge Square
109-111-17	4058 Flying C Rd.	Commercial, Cambridge Square
109-111-18	4064 Flying C Rd.	Commercial, Cambridge Square
109-111-19	Parking Lot (inactive)	Commercial, Cambridge Square
109-161-01	3100 Rodeo Rd.	LOTH Lutheran Church
109-161-31	3100 Rodeo Rd.	LOTH Lutheran Church (ball field)

Recommended for Inclusion

LAFCO is currently processing an application to annex the Deubel Property into the CECSD; adding the Deubel Property to the District’s SOI is necessary prior to annexation. The CECSD Board has entered into an annexation agreement with the landowner stipulating the terms of the annexation, and is in support of the annexation. If annexed, the District will receive a portion of the property taxes collected from the Deubel Property (9.6149%) and the \$250 annual special tax for road maintenance will be levied on the parcel. When and if the Deubel Property is eventually split into the agreed upon four parcels, the \$250 special tax will be assigned to any newly created parcels as well.

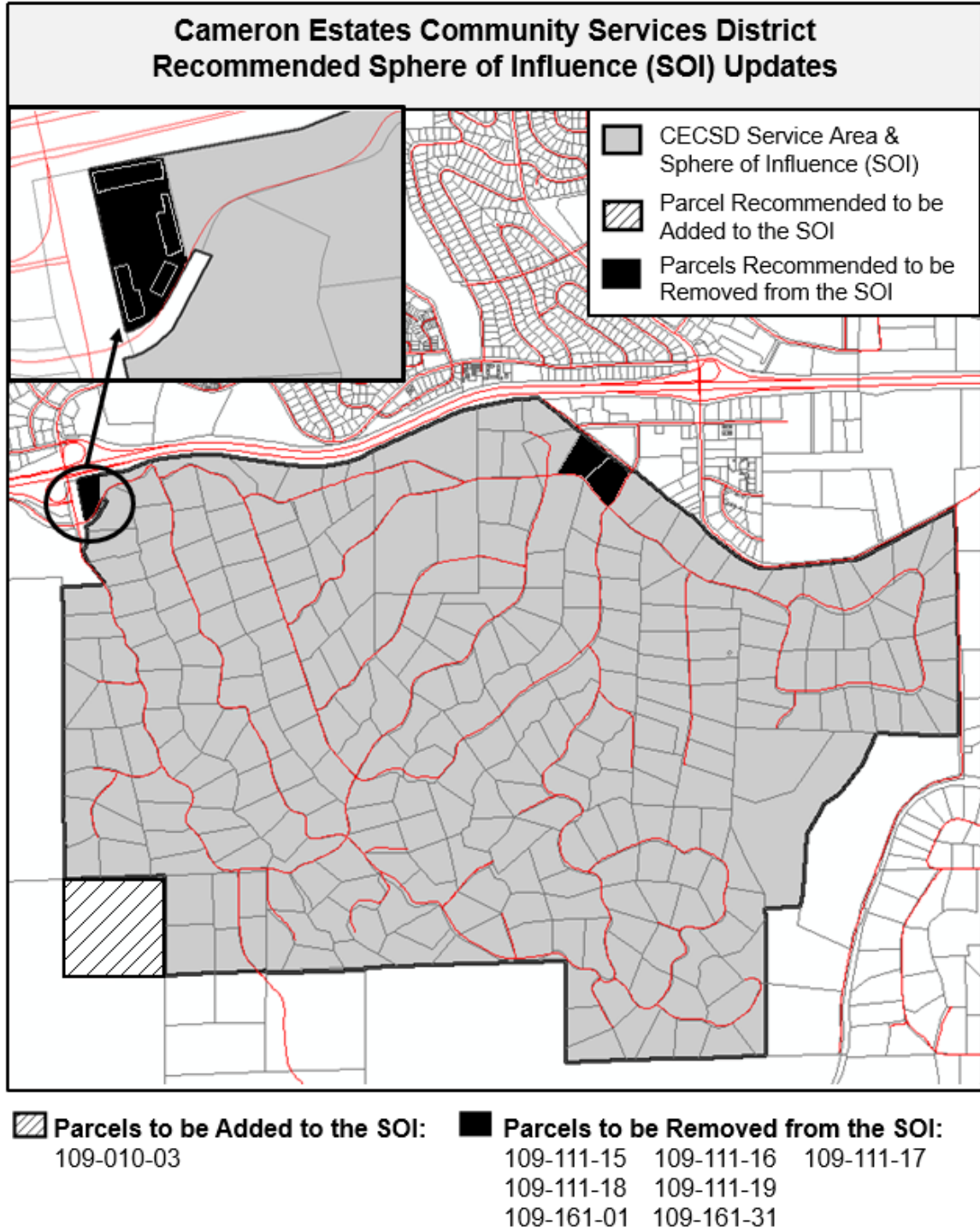
Recommended for Exclusion

Staff recommends the Cambridge Square parcels and the Light of the Hills Lutheran Church parcels be removed from the Cameron Estates CSD SOI. The parcels do not have access through CECSD-maintained roads, but are instead accessed through County-maintained portions of Flying C Road and Rodeo Road.

A portion of the property taxes and/or special taxes from six of these seven parcels is allocated to the Cameron Estates CSD, which is primarily used to fund District road improvements. The two LOTH Lutheran Church parcels are exempt from property taxes, but are still assessed the \$250 special tax. One parcel within the Cambridge Square Retail Center is a parking lot and considered inactive; no property taxes or special taxes are collected from this parcel.

Staff's recommendation to remove these parcels is based upon its inability to identify the manner in which services are extended to these parcels by the District. This recommendation is consistent with other SOIs where staff came to similar conclusions. To-date, no information has been provided that contradicts LAFCO staff's observations and conclusion. It is important to note that removing these parcels from CECSD's SOI will not remove them from the District, nor will it have any effect on the property taxes or special taxes currently collected from these parcels.

While removal from the SOI does set the stage for possible detachment from the District in the future, this action would have to be externally instigated and detachment is neither automatic nor guaranteed. LAFCO cannot initiate a detachment. The parcels will continue to remain in the District's service area unless and until a landowner, a number of registered voters or the District itself petitions LAFCO for detachment. Even if such a proposal is received, detachment is not a foregone conclusion. The request would be subject to the LAFCO change of organization process, which requires a full analysis and LAFCO discretionary approval. The District will also have the ability to provide comment and information regarding the proposal at that time.



V ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA, Public Resources Code §21000 et seq.) requires public agencies to evaluate the potential environmental effects of their actions. OPR's Service Review Guidelines Chapter 7, *Integrating Municipal Service Reviews with the California Environmental Quality Act*, advises that "no two municipal service reviews will be exactly alike and each needs to be evaluated on its specific merits and characteristics." The environmental review for El Dorado LAFCO's service review of Cameron Estates Community Services District is specific to this study and may differ from the environmental review of other service reviews and other LAFCOs.

Service reviews are intended to support sphere of influence updates, including the creation and amendment of SOI boundaries, as well as other government reorganization proposals. Such activities could influence future growth patterns, and as such are considered discretionary projects under CEQA. LAFCO has the principal responsibility for carrying out and approving this service review and therefore the principal responsibility for preparing CEQA documents as lead agency.

Exemption

This service review and accompanying sphere of influence determinations qualify for a statutory exemption as outlined in Public Resources Code §15061(b)(3). These activities are covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. The MSR and sphere of influence update have no possibility for causing a significant effect on the environment. Any future projects that make use of this service review and the information contained herein will be subject to separate environmental review under CEQA.

VI REFERENCES AND SOURCES

General Background Information:

2004 El Dorado County General Plan: A Plan for Managed Growth and Open Roads; a Plan for Quality Neighborhoods and Traffic Relief, adopted July 2004

Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, prepared by Assembly Committee on Local Government, last updated November 2008

Local Agency Formation Commission Municipal Service Review Guidelines, Governor's Office of Planning and Research, August 2003

LAFCO Procedures Guide, 2006 Edition, San Diego County LAFCO

Governing and Defining Legislation:

Government Code, Division 3 (Community Services District Act)

Cameron Estates Community Services District:

2007 General Government Services I Municipal Services Review, prepared by Pacific Municipal Consultants (PMC) for the El Dorado Local Agency Formation Commission, adopted February 2008

2007 Streets and Highways Municipal Services Review, prepared by Pacific Municipal Consultants (PMC) for the El Dorado Local Agency Formation Commission, adopted December 2007

Cameron Estates Community Services District Internal Budget Actuals, Fiscal Years 2013-14, 2014-15, 2015-16, 2016-17, and Estimated 2017-18

County of El Dorado, Independent Special Districts Fiscal Budgets, Cameron Estates Community Services District Budget Actuals, Fiscal Years 2013-14, 2014-15, 2015-16, and Estimated 2016-17.

Vaughn Johnson, Independent Auditor's Report – Fiscal Years 2012-13 and 2013-14, January 5, 2015

Vaughn Johnson, Independent Auditor's Report – Fiscal Years 2014-15 and 2015-16, March 5, 2017

Cameron Estates Community Services District, CECSO Newsletters, 2013-2017

Correspondence and personal communication with Karen Moonitz, CECSO General Manager/Secretary; Angela Johnson, former CECSO General Manager/Secretary; and Doris Miller, CECSO President, December 2017

Cameron Estates CSD Road Design Policies and Standards, March 20, 2014, Resolution No. 2014-01 of the CECSO Adopting Road Standards

Ordinance No. 2016-01 Amending Ordinance No. 2003-06 of the CECSD, Pursuant to Government Code Section 61105 Establishing Regulations for the Use and Access to the Roads within the District

CECSD Bylaws and Policies and Procedures Handbook, Last Amended May 21, 2015

VII **APPENDICES**

A. **Appendix I: Background on MSR/SOI**

State mandates enacted in 2000 establish requirements for a Local Agency Formation Commission to conduct comprehensive reviews of all municipal services (MSRs) in its county. This service review includes a summary and analysis of the Cameron Estates Community Services District, along with a subsequent update to its sphere of influence. The MSR serves as a basis for the accompanying sphere of influence determinations and considerations for future government reorganizations. The information contained in this document does not explicitly plan for future services, nor will any action or change in services result directly as a result of LAFCO's adoption of the document. This service review provides a description of existing services provided by the District and is inherently retrospective, taking a "snapshot" of existing conditions. However, this document will be used as a guide for future decisions by LAFCO in determining the agency's ability to provide services. The report complies with all guidelines adopted by the Governor's Office of Planning and Research and will be available to other agencies and to the public.

As part of the inaugural cycle of municipal service reviews (2001-2008), the Cameron Estates Community Services District was reviewed twice, once for road and road maintenance services and again for and parks and recreation services. The *2007 Streets and Highways Municipal Services Review* was adopted by the Commission in December 2007; the *General Government Services / Municipal Services Review*, was adopted by the Commission in February 2008. El Dorado LAFCO contracted with Pacific Municipal Consultants (PMC) to prepare both reports. For the second and third cycles, LAFCO is utilizing a different approach. Each public agency under LAFCO jurisdiction which provides public services will be reviewed in an individual MSR, instead of a single comprehensive report. For more detailed information on the other agencies which provide similar services, please refer to the *General Government Services / Municipal Services Review* and the *2007 Streets and Highways Municipal Services Review*.

Background

Legislative Framework

In 1997, the State Legislature established the Commission on Local Governance for the 21st Century (CLG). The CLG was tasked with assessing governance issues and making recommendations, directing special attention to the Cortese-Knox Local Government Reorganization Act of 1985, the then-57 Local Agency Formation Commissions governed by the Act and citizen participation in local government. CLG members included a broad spectrum of constituent groups and perspectives including counties, cities, special districts, educators, industry and elected officials.

The CLG determined that LAFCOs needed more specific information in order to make informed decisions on projects that came before them. It was recommended that LAFCOs be required to collect and review the information

necessary to guide decisions before specific proposals were made. The CLG concluded that this information was necessary for LAFCOs to encourage orderly growth and to provide planned, well-ordered, efficient urban development patterns and to advantageously provide for the present and future needs of each county and its communities. Specifically, the CLG recommended that information on public service capacity and issues be gathered through periodic service reviews. These service reviews would ultimately constitute a statewide body of knowledge that could be used to resolve California's growth-related public service issues. Based on these recommendations, the State Legislature enacted Government Code §56430 as part of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH), which became effective on January 1, 2001.

Section 56430 of the CKH Act, in part, and as amended effective January 1, 2012, states as follows:

- (a) In order to prepare and to update spheres of influence in accordance with Section 56425, the commission shall conduct a service review of the municipal services provided in the county or other appropriate area designated by the commission. The commission shall include in the area designated for service review the county, the region, the sub-region, 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) The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.
 - (3) Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies, including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.
 - (4) Financial ability of agencies to provide services.
 - (5) Status of, and opportunities for, shared facilities.
 - (6) Accountability for community service needs, including governmental structure and operational efficiencies.
 - (7) The potential effect of agency services on agricultural and open space lands.
- (b) In conducting a service review, the commission shall comprehensively review all of the agencies that provide the identified service or services within the designated geographic area. The commission may assess various alternatives for improving efficiency and affordability of infrastructure and service delivery within and contiguous to the sphere of influence, including, but not limited to, the consolidation of governmental

agencies.

- (c) In conducting a service review, the commission may include a review of whether the agencies under review, including any public water system as defined in Section 116275, are in compliance with the California Safe Drinking Water Act (Chapter 4 (commencing with Section 116270) of Part 12 of Division 104 of the Health and Safety Code). A public water system may satisfy any request for information as to compliance with that act by submission of the consumer confidence of water quality report prepared by the public water system as provided by Section 116470 of the Health and Safety Code.
- (d) The commission may request information, as part of a service review under this section, from identified public or private entities that provide wholesale or retail supply of drinking water, including mutual water companies formed pursuant to Part 7 (commencing with Section 14300) of Division 3 of Title 1 of the Corporations Code, and private utilities, as defined in Section 1502 of the Public Utilities Code.
- (e) The commission shall conduct a service review before, or in conjunction with, but no later than the time it is considering an action to establish a sphere of influence in accordance with Section 56425 or Section 56426.5 or to update a sphere of influence pursuant to Section 56425.

In addition, several sections of CKH empower LAFCOs to obtain information for service reviews:

- Section 56378 authorizes LAFCOs to initiate and make studies of existing governmental agencies. “In conducting those studies, the commission may ask for land use information, studies, and plans of cities, counties, districts, including school districts, community college districts, and regional agencies and state agencies and departments. (Those agencies) shall comply with the request of the commission for that information...”
- Section 56846 states, “Every officer of any affected county, affected city, or affected district shall make available to a reorganization committee any records, reports, maps, data, or other documents which in any way affect or pertain to the committee’s study, report, and recommendation and shall confer with the committee concerning the problems and affairs of the county, city, or district.”
- Section 56844 authorizes the Commission to undertake a study or report in place of a reorganization committee, thereby transferring those access rights.

Relationship Between Spheres of Influence and Service Reviews

The CKH Act 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 §56076 defines a SOI as “a

plan for the probable physical boundaries and service area of a local agency.”

Service reviews must be completed prior to the establishment or update of SOIs (§56430(a)). Spheres of influence must be reviewed and updated, as necessary, not less than once every five years (§56425). El Dorado LAFCO’s policies already contain the update requirement (Policy 4.2).

The information and determinations contained in a municipal service review are intended to guide and inform SOI decisions. Service reviews 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.”

In addition to the factors in Government Code §§56425 and 56430, the Commission’s Policies and Guidelines Section 4.4 require that it make the following determinations prior to establishing a sphere of influence:

- (1) The service capacity, level and types of services currently provided by the agency and the areas where these services are provided.
- (2) Financial capabilities and costs of service.
- (3) Topographic factors and social and economic interdependencies.
- (4) Existing and planned land uses, land use plans and policies; consistency with county and city general plans and projected growth in the affected area.
- (5) Potential effects on agricultural and open space lands.
- (6) A description of the services that will be provided to any areas which may be added to the sphere and the timing and method for funding expansion of facilities or services.
- (7) An analysis of the effects a proposed sphere of influence on other agencies and their service capabilities.

Service Review Guidelines

The Governor’s Office of Planning and Research (OPR) was directed by statute (§56430) to prepare guidelines to assist LAFCOs in complying with the new service review requirements. In that regard, the final *Local Agency Formation Commission Municipal Service Review Guidelines* was released in August 2003. OPR’s intent in developing these guidelines was “to provide a structure to assist LAFCOs to carry out their statutory responsibility of promoting orderly growth and development, preserving the state’s finite open space and agricultural land resources, and working to ensure that high quality public services are provided to all California residents in the most cost effective and efficient manner.” These guidelines were utilized in the preparation of this service review document.

The guidelines identify several possible goals and objectives for municipal service reviews to be achieved through written determinations in the six required areas. These goals and objectives are as follows:

- Promote orderly growth and development in appropriate areas with consideration of service feasibility, service costs that affect housing affordability and preservation of open space, important agricultural land and finite natural resources.
- Encourage infill development and direct growth to areas planned for growth in general plans.
- Learn about service issues and needs.
- Plan for provision of high quality infrastructure needed to support healthy growth.
- Provide tools to support regional perspectives or planning that address regional, cross-county or statewide issues and processes.
- Develop a structure for dialogue among agencies that provide services.
- Develop a support network for smaller or ill-funded districts that provide valuable services.
- Provide backbone information for service provider directories or inventory reference documents for counties that do not have them.
- Develop strategies to avoid unnecessary costs, eliminate waste and improve public service provision.
- Provide ideas about opportunities to streamline service provision through use of shared facilities, approval of different or modified government structures, joint service agreements, or integrated land use planning and service delivery programs.
- Promote shared resource acquisition, insurance policies, joint funding requests or strategies.

The guidelines emphasize that “LAFCOs may need to modify these recommendations to reflect local conditions, circumstances and types of services that are being reviewed.” To that end, El Dorado LAFCO also utilized its own set of policies for service reviews (Policy 5 et seq.), which incorporate the goals and objectives listed above.

Determinations for Amending the Sphere for an Agency

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.

B. Appendix II: Background on Disadvantaged Unincorporated Communities

Senate Bill 244, which became effective on July 1, 2012, is the State Legislature's attempt to address the issue of poor fringe communities lacking in basic municipal services, despite their proximity to cities and other local agencies providing those services. Among other things, SB 244 was written to assist disadvantaged communities that have been traditionally unserved or underserved. The statute now requires an MSR to 1) identify said communities, and 2) document deficiencies in service related to basic public services, such as domestic water, sanitary sewers, paved streets, storm drains, and street lights. Beyond the MSR process, the bill also encourages local agencies to bring services to the disadvantaged communities up to the same standard as surrounding communities.

SB 244 focuses on "disadvantaged *unincorporated* communities" (DUCs) and its overall intent is to bring services up to the same standards as other communities by incorporating them (annexing them into a city). That approach is faulty as it applies to El Dorado County for two reasons. First, there are only two cities in El Dorado County and neither is in a financial or geographical position to extend services to all DUCs in the county. Second, in this county it is special districts that provide a significant amount of municipal services, not cities. For these reasons, this MSR will focus on "disadvantaged communities" (DACs), regardless of their location inside or outside a city.

"Disadvantaged communities" are defined as inhabited territory with 12 or more registered voters that constitutes all or a portion of a "disadvantaged community," which is defined in the Water Code to be "a community with an annual median household income that is less than 80 percent of the statewide annual median household income."

A census tract is a geographic area defined by the United States Census Bureau and used for the census. The geographic size of census tracts varies widely depending on the density of population; a census tract typically has around 4,000 residents, but can range from 1,200 to 8,000. Census tracts are further divided into census block groups, generally defined to contain between 600 and 3,000 people, and then finally census blocks for understanding locations in at a community level. Data for this report was collected from the 2012-2016 American Community Survey 5-Year Estimates, at the census block group level.

C. Appendix III: Environmental Justice

State law defines environmental justice as “the fair treatment of people of all races, cultures, and incomes with respect to the development, adoption, implementation, and enforcement of environmental laws, regulations, and policies” (Government Code §65040.12(e)). OPR explains that “as the primary agency with responsibility for approving changes in boundaries, LAFCOs play an important role in coordinating growth and ensuring that proposed changes are consistent with environmental justice obligations.” Changes of organization must be consistent with spheres of influence, and the information contained in this service review will guide future updates to agency spheres of influence.

OPR identifies several uses for data obtained in the service review process:

1. Improving the community participation process.
2. Identifying low-income/minority neighborhoods under-served by public facilities and services that enhance the quality of life.
3. Considering the equitable distribution of public facilities and services.
4. Considering infrastructure and housing needs.
5. Identifying low-income/minority neighborhoods where facilities and uses that pose a significant hazard to human health and safety may be over-concentrated.
6. Screening of issues for potential environmental justice implications.

Consideration of the issues listed above will assist LAFCO and other public agencies in identifying, preventing, and reversing historical problems of procedural and geographic inequity. In undertaking this service review and making the six determinations, LAFCO used an open public participation process to screen for and identify environmental justice issues.

Demographic data for the study area is limited and generally does not clearly distinguish between population groups of different races, cultures, and incomes. U.S. Census area boundaries do not correspond directly to the Cameron Estates CSD boundaries, but the data provides a demographic framework for the evaluation of environmental justice issues. The most recent data available, from the 2012-2016 American Community Survey 5-Year Estimates shows the following racial populations in the census communities:

Census Block Group 1 of Tract 308.04 Population by Race

Area	Total	RACE							Hispanic or Latino (Of Any Race)
		White	Black or African American	American Indian and Alaska Native	Asian	Native Hawaiian and Other Pacific Islander	Some Other Race	Two or More Races	
Census Block Group 1 of Tract 308.04, El Dorado County	2,729	2,330 (85.4%)	35 (1.3%)	0 (0.0%)	88 (3.2%)	0 (0.0%)	0 (0.0%)	73 (2.7%)	203 (7.4%)

Source: 2012-2016 American Community Survey 5-Year Estimates

Percentages may not add due to rounding

The demographic data from the census suggests that the unincorporated county is relatively homogenous with low numbers of racial or ethnic minorities counted. Income data available from the census does not suggest that there are low income population concentrations in the countywide study area. While service levels vary greatly within the county, no specific ethnic or economic neighborhoods could be identified by LAFCO staff that are underserved by public facilities. Infrastructure and housing distribution is relatively even throughout the developed areas of the county with much lower levels of infrastructure and housing in the more outlying communities. No low income/minority neighborhoods were identified where facilities and uses pose a significant hazard to human health and safety.

Data is also available from the California Department of Education regarding ethnicity of student populations within school districts and individual schools. These statistics are based on school attendance areas and school districts. The community of Cameron Estates is within the Blue Oak Elementary School attendance zone of the Buckeye Union School District. For the Blue Oak Elementary School in the (2016-17) academic year, whites comprise the largest racial group with approximately 81% of the student population; the largest ethnic minority populations are Hispanic/Latino with just above 13% of the student population, followed by Two or More Races with just over 4% of the student population. This demographic data somewhat matches the data from the Census, which suggests that this unincorporated portion of county is relatively homogenous with low numbers of racial or ethnic minorities counted.

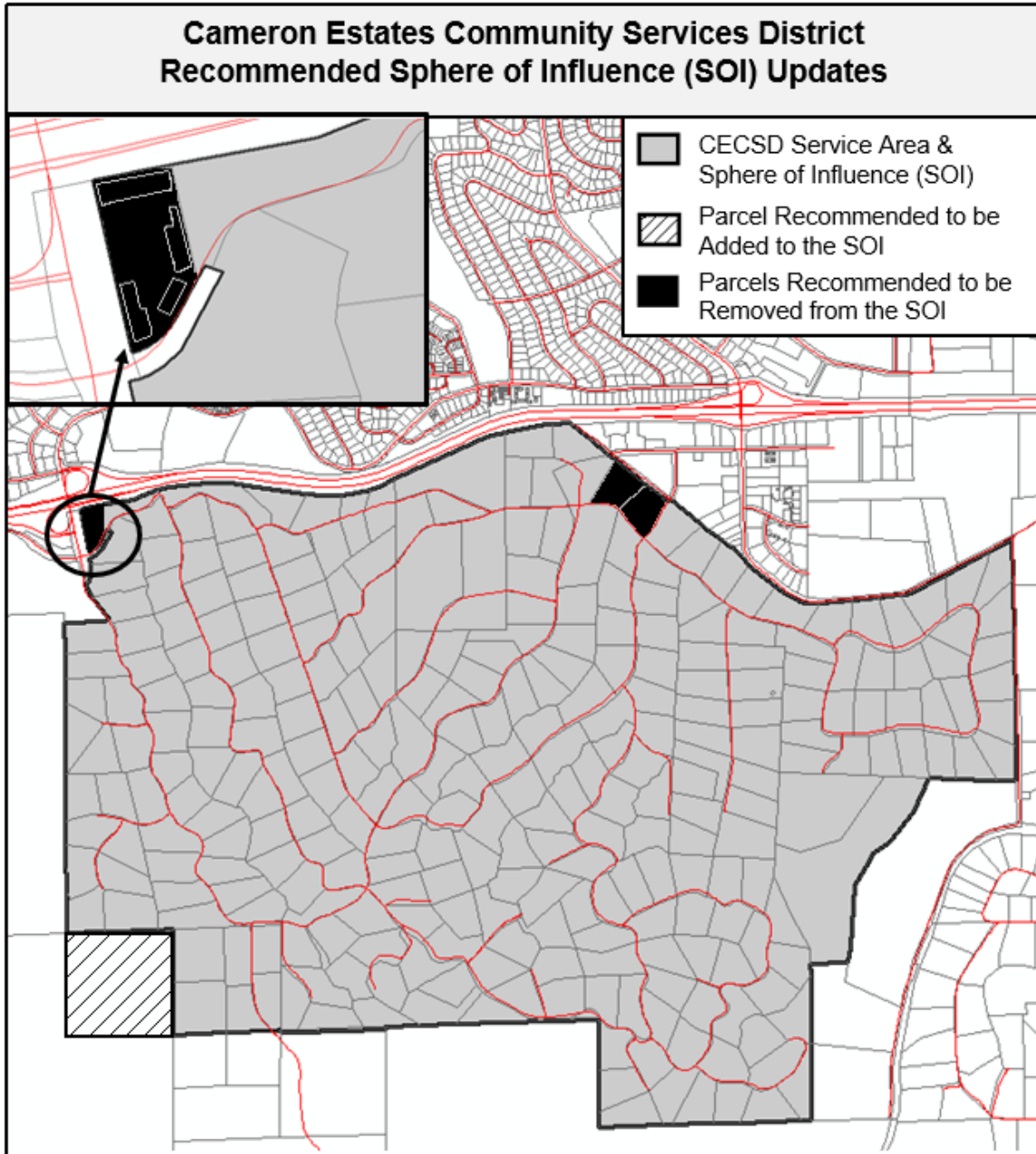
Income data available from the 2012-2016 American Community Survey 5-Year Estimates indicates the median household income in Block Group 1 of Tract 308.04 is \$91,625, which is higher than the statewide median household income of \$63,783. Income data available from the census does not suggest that there are low income population concentrations in the countywide study area. While



service levels vary greatly within the county, no specific ethnic or economic neighborhoods could be identified by LAFCO staff that are underserved by public facilities. Infrastructure and housing distribution is relatively even throughout the developed areas of the county with much lower levels of infrastructure and housing in the more outlying communities. LAFCO has not found any specific ethnic or economic neighborhoods that are underserved by Cameron Estates CSD.

Finally, the 2004 County General Plan does not address environmental justice directly. Although the Environmentally Constrained Alternative did contain related land use and housing policies, the 1996 Alternative and the 2004 General Plan do not contain those sections. The 2004 General Plan Housing Element includes Goal HO: "To provide housing that meets the needs of existing and future residents in all income categories." The housing element also discusses the following special needs groups: people with disabilities, seniors, agricultural employees, female heads of households, homeless persons, and large families and households. Consequently, the extent that the County's planning documents address environmental justice is in its discussion of these special needs groups.

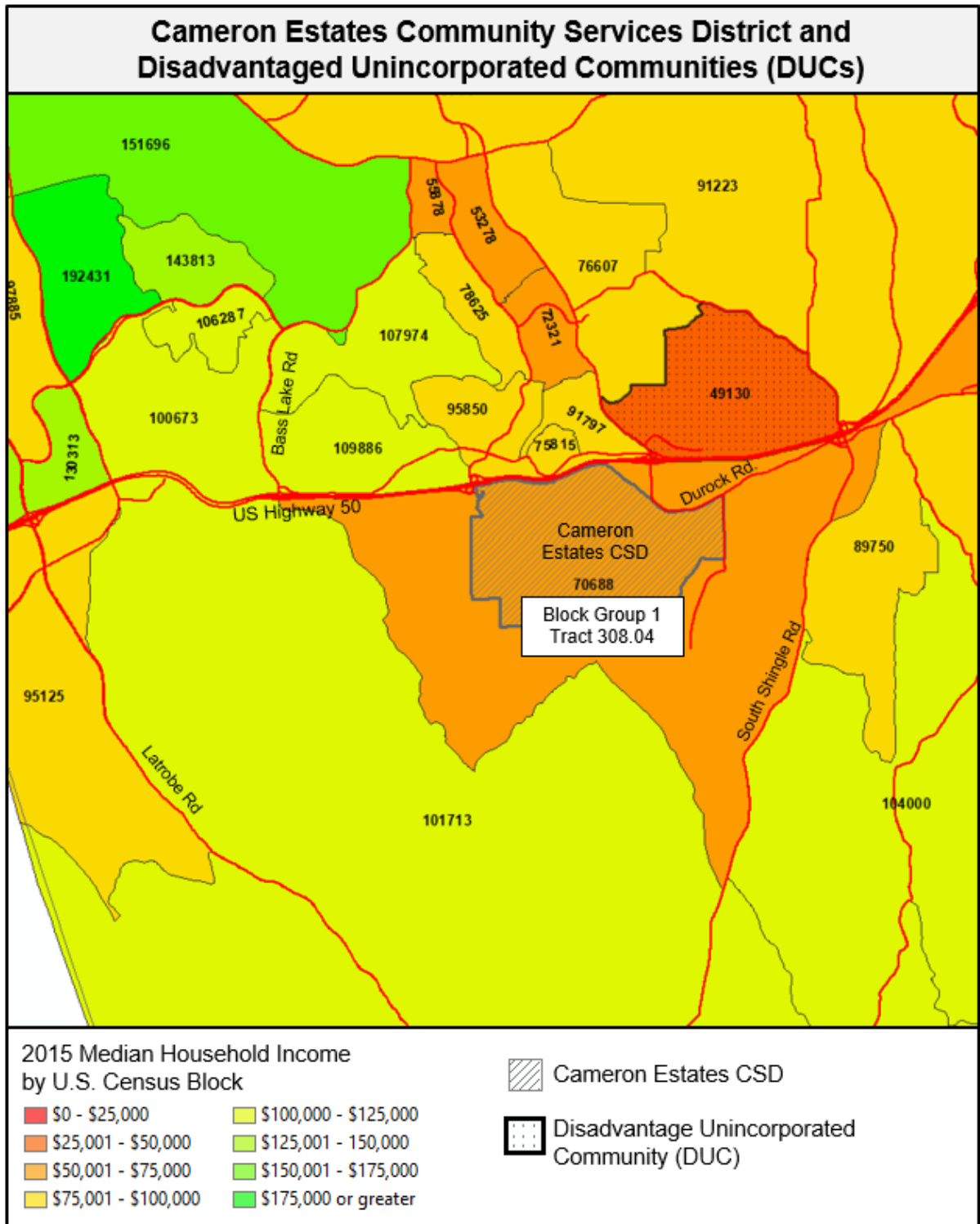
VIII MAPS

Map 1: Cameron Estates Community Services District Recommended Sphere of Influence

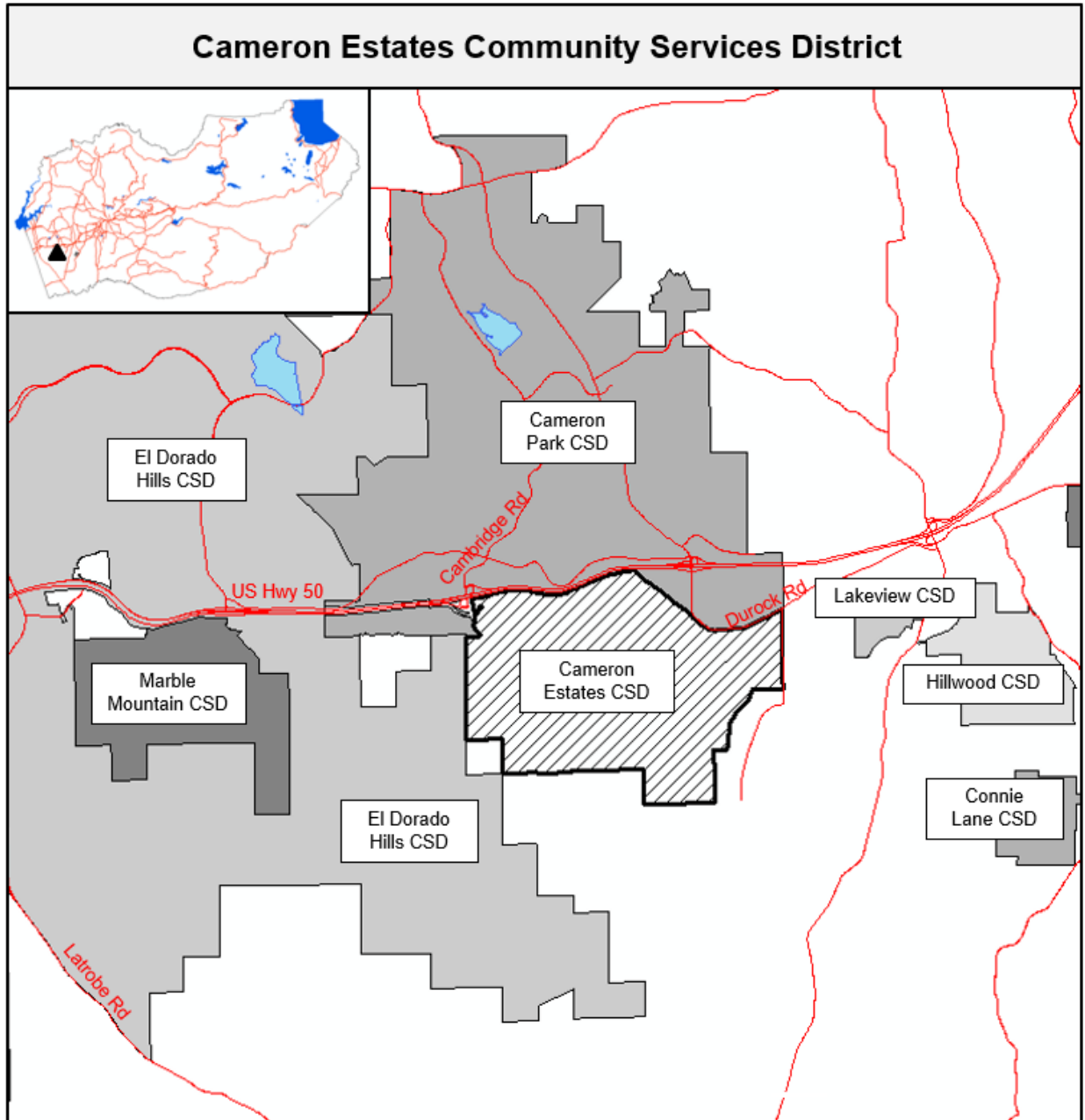


- | | |
|--|--|
|  Parcels to be Added to the SOI: |  Parcels to be Removed from the SOI: |
| 109-010-03 | 109-111-15 109-111-16 109-111-17 |
| | 109-111-18 109-111-19 |
| | 109-161-01 109-161-31 |

Map 2: Cameron Estates Community Services District and Census Tract 308.04



Map 3: Cameron Estates Community Services District and Surrounding CSDs



Map 4: Cameron Estates Community Services District and Buckeye Union School District

