



1. ***The service capacity, level and types of services currently provided by the agency, and areas where these services are provided:*** See page 28, "Infrastructure, Facilities, Services;" page 85, "Table 5: Park Area by Agency;" page 88, "Underserved Areas;" and page 91, "Holiday Lake CSD."
2. ***Financial capabilities and costs of service:*** See pages 29-30, "Funding, Budget;" page 111, "Holiday Lake CSD;" page 116, "Higher Than Necessary Administration/Operation Cost Ratios;" and page 135, "Table 9: Agency Expenditures Per Capita."
3. ***Topographic factors and areas of social and economic interdependencies:*** See page 88, "Underserved Areas;" page 102, "Holiday Lake CSD;" page 124, "Holiday Lake CSD;" and page 131, "Holiday Lake CSD."
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:*** See pages 98-103, "Growth and Population Projections for the Affected Area."
5. ***Potential effects on agricultural and open space lands:*** The district's existing boundary and the surrounding area do not contain any agricultural lands. Open space lands within the district's boundary include the lake, common areas, and right-of-ways for lake access. All open space lands are privately owned and staff do not anticipate any effects on these lands as a result of the sphere determination.
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:*** See page 28, "Infrastructure, Facilities, Services;" page 91, "Holiday Lake CSD;" and page 111, "Holiday Lake CSD."
7. ***An analysis of the effects of a proposed sphere of influence on other agencies and their service capabilities:*** See page 124, "Holiday Lake CSD;" and page 131, "Holiday Lake CSD."

## **SUMMARY**

### Level of Service

Holiday Lake CSD is responsible for providing park and recreation services to two residential subdivisions in Shingle Springs. This low growth, less populated area generates a low demand for services. Service is currently limited to maintenance of a lake and trail owned by the community. The capacity of these facilities exceeds the need for passive parkland and open space within the district. Board policy restricts access to HLCSD residents only, making the lake and trail unavailable for public use.

HLCSD does not provide any active parks or facilities and does not offer any recreational programs. Although demand for additional services is low, residents who desire a higher level of service must use the facilities and programs of other agencies. HLCSD has no plans to expand its services in the future.

### Ability to Serve

HLCSD's existing financial structure is adequate for funding regular maintenance of the lake and trail including upkeep, minor repairs, and dam inspection fees. However, the district does not carry insurance for public liability and property damage and is exposed to significant financial risk. HLCSD's relatively modest budget may not be sufficient to absorb a large scale financial hardship or adequately respond to litigation.

A major liability or financial failure may require the county to assume financial responsibility. The relationship between HLCSD and the county is currently undefined. There is no record of any joint powers agreement or memorandum of understanding.

### Effect on Other Agencies

HLCSD is the only local park and recreation service provider in the Shingle Springs area. The district is geographically isolated from other providers, the nearest being Cameron Park CSD. Although HLCSD is a public agency, its principal function is to maintain a privately-owned facility. Non-resident use is prohibited by the board, making the lake unavailable to other Shingle Springs residents. The county is the default park and recreation service provider to these residents.

The Commission addressed these issues in the service review and adopted Determination 6-11: "Holiday Lake could be used as a community-wide park to serve the park and recreation needs of the population in the Shingle Springs area. Holiday Lake CSD's current policy restricting the use of public facilities to homeowners only is a significant impediment to maximizing the public benefit of these recreation facilities."

Another option was considered in Determination 7-10: "Restructuring the services of Holiday Lake CSD to a private association might more accurately reflect the community's needs and its desire to operate the lake as a private facility. District and county residents would be better protected from financial risk if services were provided by an entity with appropriate insurance. Feasibility of this option should be further explored."

Establishing a zero sphere of influence for HLCSD in anticipation of services being provided by another public or private entity is the first step toward resolving these issues.

## **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. Staff recommends the following determinations:

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

Present and planned land uses in the area consist of medium density residential with some open space in the form of a lake, trail, and common areas. The area is substantially built out and does not contain any agricultural lands.

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

The demographic profile of residents, including average household size and age, contributes to a low demand for park and recreation facilities and services in the area. Minimal growth is anticipated in the area and will not affect the need for services.

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

The capacity of Holiday Lake CSD facilities exceeds the need for passive parkland and open space in the area but is restricted to district residents only. The district does not provide any active parks or facilities and does not offer any recreational programs; however, the demand for these services is low.

**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.**

Holiday Lake CSD serves two similar residential subdivisions whose identity is defined by the centrally located Holiday Lake. This pocket area lies within the larger community of Shingle Springs which lacks another local park and recreation service provider. Non-resident use of HLCSD facilities is prohibited by the board, making the lake unavailable to other Shingle Springs residents.

**RECOMMENDATIONS**

Staff recommends that the Commission take the following actions:

1. Find that the project is exempt from the provisions of the California Environmental Quality Act under §15320 of the CEQA Guidelines and direct staff to file the Notice of Exemption in compliance with CEQA and local ordinances implementing same.
2. Adopt Resolution L-04-12 making determinations and establishing a sphere of influence for Holiday Lake CSD that includes no territory in anticipation of those services being provided by another entity.
3. Direct staff to complete the necessary filings and transmittals as required by law.

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