

Riverside Community Services District

Municipal Service Review



November 2007

Prepared by:



For the District Sphere of Influence Report

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LOCAL AGENCY FORMATION COMMISSION AUTHORITY

Latent Powers, Enabling Legislation and Empowered Services

The fundamental role of the Local Agency Formation Commission (LAFCo) is to implement the Cortese-Knox-Hertzberg Act (The Act) consistent with local conditions and circumstances. The Act guides LAFCo's decisions. The major goals of LAFCo as established by The Act are to:

- Encourage orderly growth and development;
- Promote orderly development;
- Discourage urban sprawl;
- Preserve open-space and prime agricultural lands by guiding minimizing resource loss;
- Exercise its authority to ensure that affected populations receive efficient services;
- Promote logical formation and boundary modifications that direct the burdens and benefits of additional growth to those local agencies that are best suited to provide services;
- Make studies and obtain and furnish information which will contribute to the logical and reasonable development of local agencies to provide for present and future needs;
- Establish priorities by assessing and balancing community service needs with financial resources available to secure and provide community services and to encourage government structures that reflect local circumstances, conditions and financial resources;
- Determine whether new or existing agencies can feasibly provide needed services in a more efficient or accountable manner and, where deemed necessary,

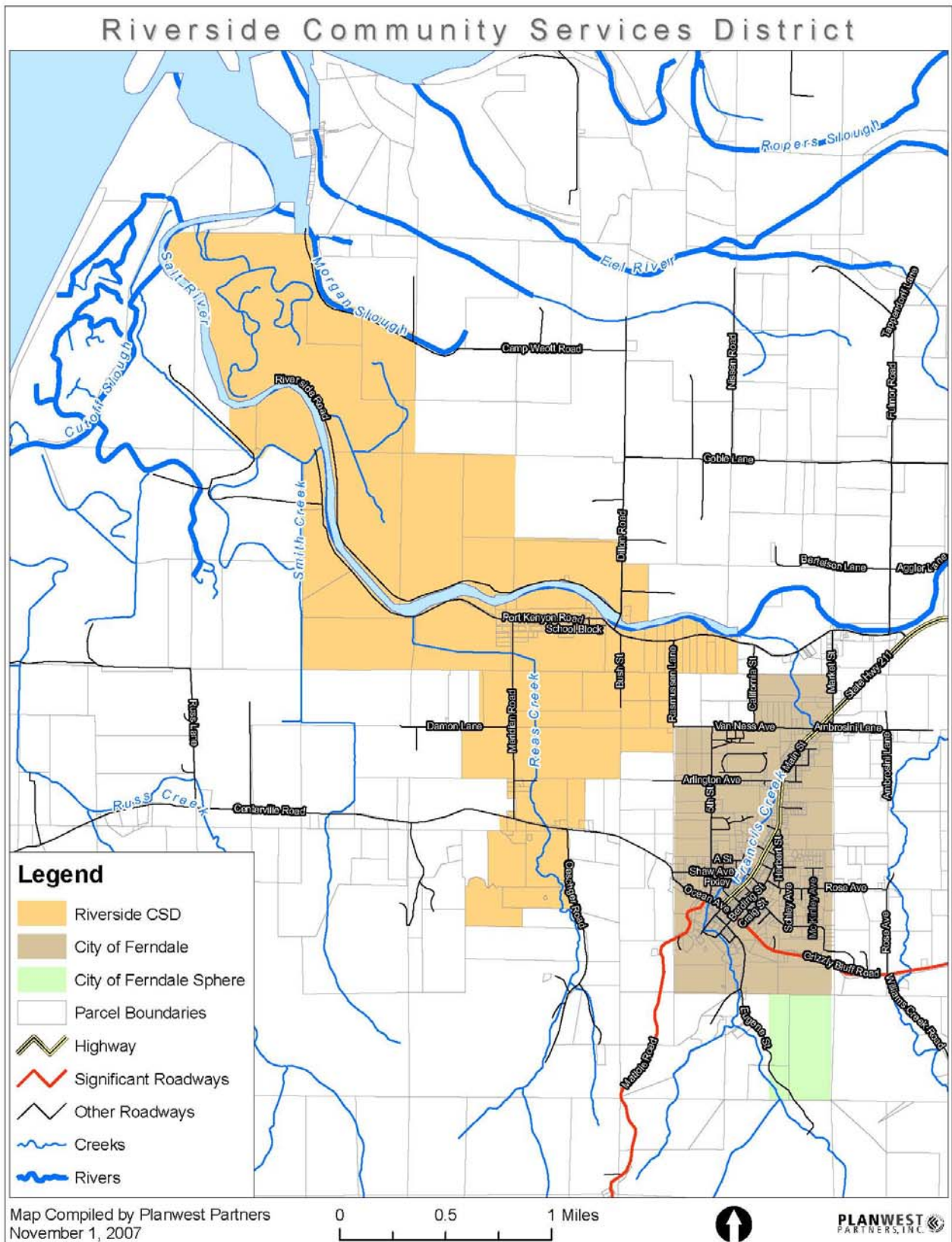
As set fourth in § 56425 (g) of The Act, on or before January 1, 2008, and every five years thereafter, Humboldt LAFCo shall review and update each Sphere of Influence (SOI).

Additionally, an MSR shall be conducted with, or in conjunction with the action to establish or to update a SOI pursuant to The Act. Together, the SOI and MSR documents analyze the District's ability to serve existing and future residents.

In order to prepare and to update Spheres of Influence in accordance with § 56425, Humboldt LAFCo shall conduct a service review of the municipal services provided in the Riverside Community Services District (CSD). The commission shall include in the designated for service review area any other geographic area as is appropriate for an analysis of the services to be reviewed, and shall prepare a written statement of determinations with respect to the following:

- (1) Infrastructure needs or deficiencies;
- (2) Growth and population projections for the affected area;
- (3) Financing constraints and opportunities;
- (4) Cost avoidance opportunities;
- (5) Opportunities for rate restructuring;
- (6) Opportunities for shared facilities;
- (7) Government structure options;
- (8) Evaluation of management efficiencies; and
- (9) Local accountability and governance.

Figure 1. Riverside CSD Map District Boundary and Sphere of Influence



AGENCY PROFILE

Riverside Community Services District (CSD) is comprised of mostly farmlands and the community of Port Kenyon, located on the Salt River just northwest of the City of Ferndale, as well as a cluster of residences along Centerville and Meridian Roads. The District is approximately three square miles in size, encompassing the area from the confluence of the Salt River and the Eel River Delta southeast towards the City of Ferndale. The majority of the District is located in the coastal zone within the Eel River Area Plan of the Humboldt County General Plan. The southern tip of the District is located outside the coastal zone within the County Framework Plan.¹ Figure 1 (above) shows the district boundary, service boundary, and sphere of influence, as well as infrastructure and other service providers that are near the Riverside CSD.

Formation

Riverside CSD was originally formed on June 25, 1991 with the adoption of Resolution 91-64 by the Humboldt County Board of Supervisors adopted under Community Service District Law, pursuant to California Government Code, Title 6, Division 2. Port Kenyon area property owners formed the District for the purpose of securing State grant funding to bring an existing water system into compliance with California State Department of Water Resources system requirements. The five member Board of Directors are elected to supervise the business of the District. Riverside CSD was formed for the purpose of providing water services for both domestic and agricultural use.

GROWTH AND POPULATION

County Population

According to the 2000 Census, the total population in Humboldt County was 126,518. California Department of Finance projections indicate an anticipated total compounded growth of 13.1 percent through the year 2025, which is lower than the 16.6 percent growth experienced in the past 20.² The Building Communities Report for the Humboldt County General Plan Update includes a complete discussion of County Population Trends.

District Population and Housing

The US Census identified a 2% increase for the Ferndale Census County District (CCD) between 1980 and 2000. However, because the CCD encompasses a much larger area than the Riverside CSD and the Eel River Area Plan supports agriculture and maintaining existing densities in this area, no significant growth within the District is projected.

Riverside CSD provides water service to the Riverside Water Study Area (WSA).³ The County estimates there were 116 housing units within the Riverside WSA in 2005. Based on the County's housing growth projections of between 0.5% and 2.5%, the Riverside WSA could have between 128 and 190 total housing units by 2025 if sufficient residential land is designated. Taking into consideration physical and zoning constraints, the build-out potential within the WSA is only 121 housing units.⁴ The high build-out estimate for total development potential of 121 housing units represents only 5 new housing units within the Riverside WSA.

Facility/ Services Plans or Similar Documents

A Draft Master Service Element for the Riverside CSD was prepared in March 2003 for the development of the District Sphere of Influence Report. In October 2007, a Draft Community Infrastructure and Services Technical Report was prepared for the Humboldt County General Plan Update. These two documents have provided the basis for the analysis of the water service provided by the Riverside CSD.

SERVICES

Presently, the Riverside CSD maintains and operates a water system that provides water services to households in the District for domestic and agricultural use. The District provides water service for approximately 100 service connections consisting of 75 residential and 25 agricultural operations.⁵

Infrastructure, Facilities and Services

Water Source. The District's water supply comes from two gravity fed artesian wells and one deep well. The three combined have a maximum production capacity of approximately 74,000 gallons of water per day. The artesian wells are capable of producing approximately 22 gallons per minute (gpm), and the deep well produces about 30 gpm.⁶

Water Storage. The artesian wells are the primary water source and flow by gravity to a booster pump clear well which pumps water to the main 60,000 gallon reinforced concrete storage tank and then to distribution via gravity flow. The deep well is only used to supplement the artesian wells, mostly in summer. This well pumps to a 6,200 gallon storage tank that then flows to the booster pump clear well.⁷

Water Demand. Existing maximum day demands are estimated at 46,000 gallons, which means the system is operating at approximately 62% of source capacity.⁸ Based on present and projected water use levels, Riverside CSD has the ability to meet the water demands of development under the maximum build-out estimate without the need to supplement supplies or storage and delivery systems.

Distribution System. The District's water distribution system consists of approximately 5 miles of mainly PVC pipe (2-inch to 4-inch) with very little AC pipe and some galvanized steel pipe used to cross the Salt Creek Bridge at Dillon Creek.⁹

Infrastructure Deficiencies

The District's deep well can only be used as an auxiliary well due to high manganese content. Also, the District does not currently have any fire hydrants and due to small main size and low pressure, and lack of storage, the system is not capable of providing flows of sufficient volume or pressure for fire suppression uses.

Planned Improvements

The District has no planned system upgrades at this time.

OTHER SERVICE PROVIDERS

The County of Humboldt provides general governmental services and law enforcement services throughout the District. Riverside CSD is within the Ferndale Fire Protection District.

FINANCING CONSTRAINTS AND OPPORTUNITIES

According to Riverside CSD records, they operate their water system on an annual budget of approximately \$52,000. The majority of this income is from service charges, but funding also comes from interest revenue, connection fees, and other smaller sources. The District does not currently have a Capital Improvement Plan and currently have \$53,000 in reserves.¹⁰

Table 1.A and 1.B show the Riverside CSD Budget for Fiscal Year 2000/2001. The budget has changed very little since then due to the small size of the District and very limited growth. According to the 2000/2001 budget, the District had a total long-term debt of \$3960. Salaries and wages accounted for \$12,000 of the 2000/2001 budget, or approximately 23% of total expenditures.

SERVICE RATES

Riverside CSD charges the following rates on a monthly basis:

\$19.00 meter service fee,
\$6.00 state loan assessment fee and,
\$0.0045 per gallon of water used.¹¹

The service rates are evaluated annually; customers are notified prior to rate changes and all adjustments must be approved by the Board.

Table 1.A Riverside CSD Budget for Fiscal Year 2000/2001

BUDGET FOR FISCAL YEAR 2000/2001

FUND NO. _____	DISTRICT NAME <u>Riverside Community Services District</u>		
<u>FUND BALANCE AVAILABLE</u>			\$ _____
<u>PROPERTY TAX REVENUE</u>			\$ _____
<u>ASSESSMENTS</u>			\$ _____
<u>NON-TAX REVENUES</u>			\$ _____
REVENUE FROM USE OF MONEY & PROPERTY			
800190 Interest		\$ 2,600	
800200 Rents		_____	
TOTAL REVENUE FROM USE OF MONEY & PROPERTY			\$ 2,600
AID FROM OTHER GOVERNMENTAL AGENCIES			
800460 Other State Aid		\$ _____	
800580 Federal Aid		_____	
800600 Other Governmental Agencies		_____	
TOTAL AID FROM OTHER GOVERNMENTAL AGENCIES			\$ _____
CHARGES FOR CURRENT SERVICES			
800870 Other Services	meter & loan fee		\$ 22,560
OTHER REVENUE			
800900 Aid from Private Parties		\$ _____	
800920 Sale of Fixed Assets		_____	
800930 Other Sales connection fee		_____	
800940 Other Revenue water		27,000	
TOTAL OTHER REVENUE			\$ 27,000
TOTAL REVENUE			\$ 52,160
TOTAL AVAILABLE FINANCING (1)			\$ 52,160
<u>RESERVES</u>	Total Reserves 6/30/2000	Budgeted (+/-)	Total Reserves 6/30/2001
3100 General Reserve	\$ 10,000	\$ _____	\$ 10,000
3110 Fixed Assets Reserve	_____	_____	_____
3120 Investment Acct	61,000	7,200	68,200
TOTAL RESERVES			\$ 78,200
TOTAL EXPENDITURES (2)			\$ 52,160
TOTAL DISTRICT BUDGET (3)		Reserves + Revenue	\$ 130,360
		Reserves + Expenditures	\$ 130,360
(1)Fund Balance + Total Revenue			
(2)From Page One Total Expenditures			
(3)Total Reserves + Total Expenditures (Should equal Total Available Financing)			

Table 1.B Riverside CSD Total Expenditures 2000/2001

BUDGET FOR FISCAL YEAR 2000/2001

FUND NO. _____ DISTRICT NAME Riverside Community Services District

OPERATING EXPENSES

Salaries and Wages	\$ 12,000	
Director's Fees	_____	
Employee Benefits	1,911	
Election Expense	_____	
Depreciation	_____	
Fuel and Oil	175	
Insurance	1,544	
Memberships (Dept of Health)	492	
Operating Supplies	750	
Office Expense	730	
Contractual Service	3,600	
Professional Services	6,000	
Publication and Legal Notices	_____	
Rents and Leases	_____	
Repairs and Maintenance	1,000	
Research and Monitoring	1,000	
Bad Debt Expense	48	
Utilities	2,000	
TOTAL OPERATING EXPENSES		\$ 31,250

NON-OPERATING EXPENSES

Interest - State Loan	\$ 1,950	
Other Non-Operating Expenses;	_____	
TOTAL NON-OPERATING EXPENSES		\$ 1,950

FIXED ASSETS

Land	\$ _____	
Structures & improvements	15,000	
Equipment	_____	
TOTAL FIXED ASSETS		\$ 15,000

LONG-TERM DEBT

Bond Principal	\$ _____	
Loan Principal - State Loan	3,960	
TOTAL LONG-TERM DEBT		\$ 3,960

TOTAL EXPENDITURES **\$ 52,160**

We, the directors of Riverside Community Services District

adopt the above budget on June 14, 2000 for Fiscal Year 2000/2001.

James V. Cowan Conrad H. Bustin John Michel
 President Director Director

Alex Peterson Bill E. Archibald
 Director Director

LOCAL ACCOUNTABILITY

Contact Information

Riverside Community Services District	
Contact:	Dave Rodriguez, Manager
Mailing Address:	790 Centerville Rd, Ferndale, CA
Site Address:	Same as above
Phone Number:	(707) 786-9772
Email/ Website:	riversidecsd@yahoo.com
Types of Services:	Water
Population Served (estimate):	170
Size of Service Area (Acres):	1976
Date of Formation:	June 25, 1991

Board meetings are held the second Wednesday of each month at Ferndale City Hall at 7:30 pm.

MUNICIPAL SERVICE REVIEW DETERMINATIONS

Growth and Population

The high build-out estimate for total development potential of 121 residential units represents only 5 new residential units within the Riverside CSD. Because the Eel River Area Plan supports agriculture and maintaining existing residential densities in this area, there is very little potential for growth within the District.

Infrastructure

Based on present and projected water use levels, Riverside CSD has the ability to meet the water demands for the District without the need to supplement supply source. The system is operating at approximately 62% of source capacity. The District will need only minor expansions to its water system infrastructure to accommodate projected growth.

The District does not currently have any fire hydrants and due to small main size, low pressure, and lack of storage, the system is not capable of supporting fire suppression uses. Upgrades to the distribution systems and storage capacity would be needed to provide adequate fire flows.

Financing Constraints and Opportunities

The District currently has \$53,000 in reserves. In-order to fund upgrades to the existing system, the District would need to pursue a low interest loan and/or grant funding.

Rate Restructuring

Considering the relatively low current debt and operating expenses, the opportunities for rate restructuring are limited. The current rates cover operating expenses; increased operating expenses, such as higher energy costs, or reserve depletion would warrant rate restructuring.

Cost Avoidance Opportunities

Because of the small size of the District and relatively remote location away from other local water systems, there are no significant cost avoidance opportunities available to the District.

Opportunities for Shared Facilities

Riverside CSD is close to the City of Ferndale; however, the City does not deliver water services, Del Oro Water Company provides water services to City residents. The City of Ferndale operates a wastewater treatment plant.

Government Structure Options

The District could look into providing wastewater services to District residents and sharing treatment facilities with the City of Ferndale. Incorporating fire protection services into the District could also be an option.

Evaluation of Management Efficiencies

The District has a management program in place and is providing services to the District. Salaries and wages accounted for \$12,000 of the 2000/2001 budget, or approximately 23% of total expenditures.

Local Accountability

The governing board of the District is the five member Board of Directors elected to supervise the business of the District. District staff is available to public via phone and email and board meetings are open to the public.

REFERENCES

¹ Community Infrastructure and Services Technical Report, Preliminary Draft, October 2007. Prepared for the Humboldt County General Plan Update.

<http://co.humboldt.ca.us/planning/gp/gpdemo/GPU-TOC-Demo3.htm#ch7>

² DYET T & BHATIA. 2002. Humboldt 2025 General Plan Update. Building Communities Report.

³ Community Infrastructure and Services Technical Report, Preliminary Draft, October 2007. Prepared for the Humboldt County General Plan Update.

<http://co.humboldt.ca.us/planning/gp/gpdemo/GPU-TOC-Demo3.htm#ch7>

⁴ Ibid

⁵ Personal communication with David Rodriguez, Riverside CSD Manager, November 28, 2007.

⁶ Community Infrastructure and Services Technical Report, Preliminary Draft, October 2007. Prepared for the Humboldt County General Plan Update.

<http://co.humboldt.ca.us/planning/gp/gpdemo/GPU-TOC-Demo3.htm#ch7>

⁷ Ibid

⁸ Ibid

⁹ Ibid

¹⁰ Ibid

¹¹ Personal communication with David Rodriguez, Riverside CSD Manager, November 28, 2007.