

# Patrick Creek Community Services District Municipal Services Review and Sphere of Influence Update



Adopted

November 18, 2020



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### **Acknowledgements:**

LAFCo would like to thank the Board Members at Patrick Creek CSD including Board President Jerry Fowler and Treasurer Jerry Aldoroty, for their assistance during the preparation of this MSR and SOI update.

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## 1.0 MSR/SOI BACKGROUND

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### 1.1 Role and Responsibility of LAFCo

Local Agency Formation Commissions (LAFCos) are independent regulatory commissions that were established by the State legislature in 1963 to encourage the orderly growth and development of local governmental agencies including cities and special districts. Today, there is a LAFCo in each of California's 58 counties. Humboldt LAFCo is a seven-member commission comprised of two members of the Humboldt County Board of Supervisors, two City Council members, two Special District representatives, and one Public Member-At-Large. The Commission also includes one alternate member for each represented category.

LAFCo is responsible for implementing the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 ("CKH Act") (California Government Code Section 56000 et seq.) for purposes of facilitating changes in local governmental structure and boundaries that fosters orderly growth and development, promotes the efficient delivery of services, and encourages the preservation of open space and agricultural lands. Some of LAFCo's duties include regulating jurisdictional boundary changes and the extension of municipal services. This includes city and special district annexations, incorporations/formations, consolidations, and other changes of organization. LAFCo seeks to be proactive in raising awareness and building partnerships to accomplish this through its special studies, programs, and actions.

The CKH Act outlines requirements for preparing Municipal Service Reviews (MSRs) for periodic Sphere of Influence (SOI) updates. MSRs and SOIs are tools created to empower LAFCo to satisfy its legislative charge of "discouraging urban sprawl, preserving open space and prime agricultural lands, efficiently providing government services, and encouraging the orderly formation and development of local agencies based upon local conditions and circumstances" (§56301). CKH Act Section 56301 further establishes that "one of the objects of the commission is to make studies and to obtain and furnish information which will contribute to the logical and reasonable development of local agencies in each county and to shape the development of local agencies so as to advantageously provide for the present and future needs of each county and its communities." SOIs therefore guide both the near-term and long-term physical and economic growth and development of local agencies, and MSRs provide the relevant data to inform LAFCo's SOI determinations.

### 1.2 Purpose of Municipal Service Reviews

As described above, MSRs are designed to equip LAFCo with relevant information and data necessary for the Commission to make informed decisions on SOIs. The CKH Act, however, gives LAFCo broad discretion in deciding how to conduct MSRs, including geographic focus, scope of study, and the identification of alternatives for improving the efficiency, cost-effectiveness, accountability, and reliability of public services. The purpose of a MSR in general is to provide a comprehensive inventory and analysis of the

services provided by local municipalities, service areas, and special districts. A MSR evaluates the structure and operation of the local municipalities, service areas, and special districts and discusses possible areas for improvement and coordination. While LAFCOs have no direct regulatory authority over cities and special districts, MSR's provide information concerning the governance structures and efficiencies of service providers – and may also serve as the basis for subsequent LAFCo decisions. The MSR is intended to provide information and analysis to support a sphere of influence update. A written statement of the study's determinations must be made in the following areas:

- (1) Growth and population projections for the affected area
- (2) Location and characteristics of any disadvantaged unincorporated communities within or continuous to the sphere of influence
- (3) Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies
- (4) Financial ability of the agency to provide services
- (5) Status of and opportunities for shared facilities
- (6) Accountability for community service needs, including governmental structure and operational efficiencies
- (7) Any other matter related to effective or efficient service delivery, as required by Commission policy

This MSR is organized according to these determinations listed above. Information regarding each of the above issue areas is provided in this document.

### **1.3 Purpose of Spheres of Influence**

In 1972, LAFCOs were given the power to establish SOIs for all local agencies under their jurisdiction. As defined by the CKH Act, “‘sphere of influence’ means a plan for the probable physical boundaries and service area of a local agency, as determined by the commission” (§56076). All boundary changes, such as annexations, must be consistent with an agency's sphere of influence with limited exceptions.

Pursuant to Humboldt LAFCo policy, a MSR is conducted prior to or in conjunction with its mandate to review and update each local agency's sphere of influence every five years or as necessary. The municipal service review process is intended to inform the Commission as to the availability, capacity, and efficiency of local governmental services prior to making sphere of influence determinations.

LAFCo is required to make five written determinations when establishing, amending, or updating an SOI for any local agency that address the following (§56425(c)):

- (1) The present and planned land uses in the area, including agricultural and open space lands.
- (2) The present and probable need for public facilities and services in the area.

- (3) The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.
- (4) The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.
- (5) For an update of an SOI of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

Service reviews may also contain recommendations for sphere of influence or government structure changes needed to implement positive service changes. Where more detailed analysis of service options is necessary, service reviews may contain recommendations for special studies where there is the potential to reduce service gaps and improve service levels.

## **1.4 Disadvantaged Unincorporated Communities**

SB 244 (Chapter 513, Statutes of 2011) made changes to the CKH Act related to "disadvantaged unincorporated communities," including the addition of SOI determination number five listed above. Disadvantaged unincorporated communities, or "DUCs," are inhabited territories (containing 12 or more registered voters) where the annual median household income is less than 80 percent of the statewide annual median household income.

Humboldt LAFCo has adopted DUC policy, which identifies 31 inhabited unincorporated "legacy" communities for purposes of implementing SB 244. These legacy communities were defined as part of the Humboldt County 2014 Housing Element for areas not located within the sphere of influence of a city. Therefore, additional review is needed to determine "disadvantaged unincorporated communities" within and adjacent to city spheres of influence.

CKH Act Section 56375(a)(8)(A) prohibits LAFCo from approving a city annexation of more than 10 acres if a DUC is contiguous to the annexation territory but not included in the proposal, unless an application to annex the DUC has been filed with LAFCo. The legislative intent is to prohibit selective annexations by cities of tax-generating land uses while leaving out under-served, inhabited areas with infrastructure deficiencies and lack of access to reliable potable water and wastewater services. DUCs are recognized as social and economic communities of interest for purposes of recommending SOI determinations pursuant to Section 56425(c).



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## 2.0 PATRICK CREEK COMMUNITY SERVICES DISTRICT

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### 2.1 Agency Overview

The Patrick Creek Community Services District (PCCSD) provides road maintenance service to the small community of Patrick Creek located along the coastline east of Highway 101 and north of Central Avenue at the north end of McKinleyville. The majority of the District is surrounded by the McKinleyville Community Services District who provides water services to the Patrick Creek community that consists of 18 single-family homes.

<b>Primary Contact</b>	Jerry Fowler, Board President
<b>E-mail</b>	None
<b>Address</b>	No Office
<b>Phone</b>	707-839-0123
<b>Website</b>	None

### 2.2 Formation and Development

PCCSD is an independent special district that was formed in August 1969 under Community Service District law pursuant to sections 61000-61934 of California Government Code. The District was declared formed by the Board of Supervisors after a successful special election was held within the area proposed for district formation. Since there were less than thirty registered voters residing within the proposed district, the election was held by absentee ballot.

The resolution which declared the formation of the District included the powers the district could exercise which are: (a) supplying water for domestic use, irrigation, industrial use, fire protection, and recreation; (b) collection, treatment, and disposal of sewage, waste and storm water; (c) street lighting; (d) streets and road maintenance; and (e) construction and improvement of bridges, culverts, curbs, gutters, and drains (County Board Resolution No. 69-56)<sup>1</sup>. Although the District's resolution of formation contains all the powers stated above, only water supply/distribution and road maintenance were exercised. In 1973, PCCSD residents sold their north and south water distribution systems

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<sup>1</sup> County of Humboldt, Board of Supervisors Resolution 69-56. Adopted August 5, 1969.

to McKinleyville Community Services District (MCSD) and established a Joint Powers Agreement for provision of water service<sup>2</sup>. Currently, MCSD is responsible for operating and maintaining the water distribution system and holds individual accounts for residences within the Patrick Creek CSD area. As such, water service is now a latent power for PCCSD.

## **2.3 Boundary and Sphere of Influence**

The PCCSD boundary consists of 21 parcels, 18 of which are developed with residential uses and the remaining three parcels undeveloped. The current PCCSD boundary is bounded by Highway 101 to the west with forested areas and fields for agriculture surrounding the remainder of the boundary. The PCCSD is approximately 18 acres in size with the southern half of the district bounded by the MCSD boundaries.

It is important to note the northernmost parcel in the District was dropped from recorded maps sometime in the 1980's. However, this northern parcel is still assessed taxes for the PCCSD and is included in the PCCSD Tax Rate Area. Since there is no record of detachment, the official District map will be updated to include this parcel and reflect the original formation boundary.

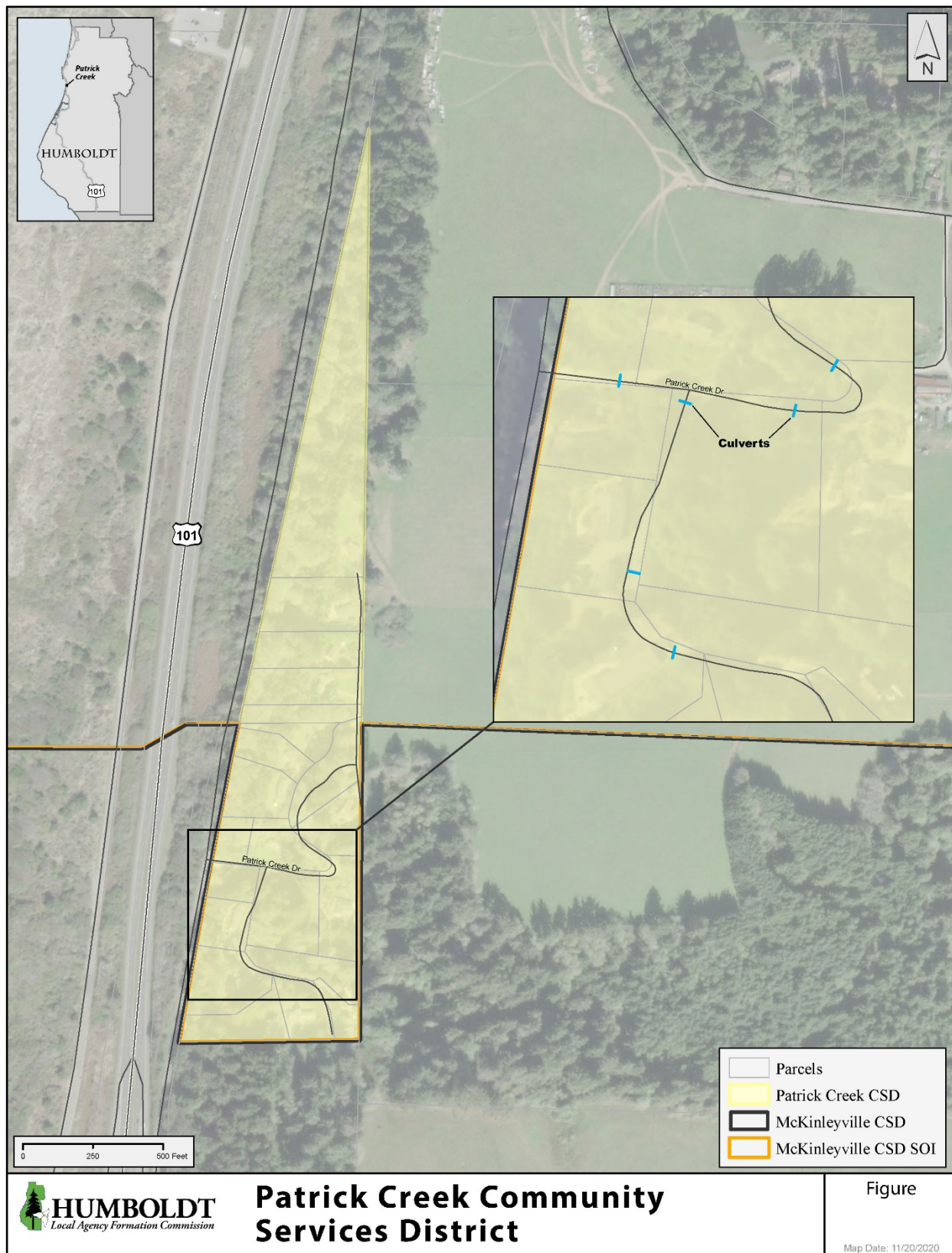
The sphere of influence for PCCSD has remained coterminous since formation of the District. The majority of PCCSD is surrounded by MCSD. While MCSD provides water services to residences within PCCSD, they do not provide road maintenance services. Therefore, while the boundaries of the two districts touch, there is not an overlap in services. As discussed later in this report, there is potential in the future for consolidation should the PCCSD Board wish to dissolve the District and the MCCSD activates its latent road maintenance power. At this time, there are no proposed changes to the District's SOI.

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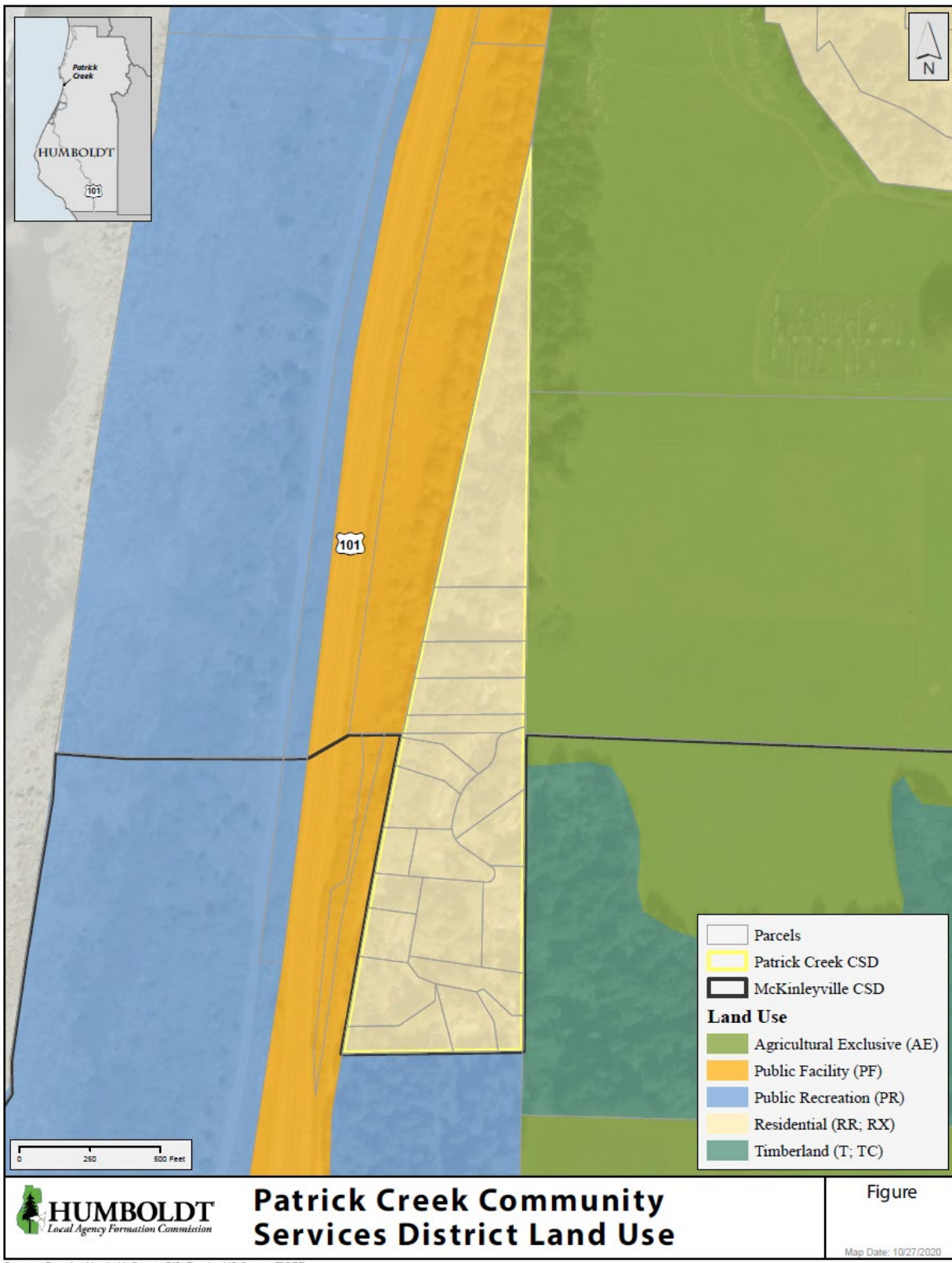
<sup>2</sup> Patrick Creek CSD, Notes on Financial Statements for FYs 1976-79, Note 3.



**Figure 1: Patrick Creek CSD Boundary and SOI**



**Figure 2: Patrick Creek CSD Land Use Designations**



## 2.4 Land Use and Zoning

Land use within the District is subject to the McKinleyville Area Local Coastal Plan. The land use designation for the entirety of the District is Residential/Exurban (RX). Areas surrounding the District include Public Facility (PF), Public Recreation (PR), RX, Agriculture Exclusive/Prime Lands (AEP), and Coastal Commercial Timberland (TC)<sup>3</sup>. According to the McKinleyville Area Local Coastal Plan, no further subdivisions are allowed in the area defined as Patrick Creek Drive, which is the road that serves the District. Development of existing parcels must be consistent with sewage disposal and coastal scenic requirements<sup>4</sup>. Given these requirements, limited growth is anticipated.

Zoning within the District is Rural Residential Agriculture (RA) with combining zones X – No further subdivision allowed, D – Design Review, and N – Noise Impact. Zoning surrounding the District includes Unclassified (U), PR with combining zone D, Timber Production Zone (TPZ) with combining zones N and R – Streams and Riparian Corridor Protection, Agriculture Exclusive Sixty Acre Minimum (AE-60) with combining zone N, and RA with combining zones X,D, and N<sup>5</sup>.

While no further subdivisions are allowed in the area, Accessory Dwelling Units (ADUs) are a principally permitted use and could increase residences within the District. Since the area requires Design Review, construction of an ADU on any property in the Patrick Creek area would require a special permit from the County. It would also require a Coastal Development Permit from the California Coastal Commission. During the permitting process, proof of adequate wastewater and water facilities would be required before approval<sup>6</sup>.

## 2.5 Growth and Population

The PCCSD boundary includes 21 parcels, 18 of which are developed with single family residential uses. There are three census blocks covering the majority of the District boundary, with an average household size of 2.59<sup>7,8</sup>. Using this average household size, the estimated population of the PCCSD is approximately 46 residents. Due to restrictions on further subdivisions, the population is not expected to grow significantly over the next five to ten years.

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<sup>3</sup> Humboldt County Web GIS, Jurisdiction Boundaries & Land Use, Planning Layers, Current General Plan Land Use. Accessed October 8, 2020.

<sup>4</sup> McKinleyville Local Coastal Program, Chapter 3, Section 31 - Rural Development, December 2014.

<sup>5</sup> Humboldt County Web GIS, Jurisdiction Boundaries & Land Use, Planning Layers, Zoning. Accessed October 8, 2020.

<sup>6</sup> Humboldt County Ordinance 2650, Section 69.05.3.6 – Sewer and Water Service.

<sup>7</sup> US Census, Decennial Census 2010: DEC Summary File 1, Block 1013, 2014, 2015, 2023, 2045, Block Group 2, Census Tract 104, Table H10, Accessed October 16, 2020.

<sup>8</sup> US Census, American Community Survey 2018 5-year Estimates, Block 1013, 2014, 2015, 2023, 2045, Block Group 2, Census Tract 104, Table S1101 Average Household Size (2.59). Accessed October 21, 2020.



## 2.6 Disadvantaged Unincorporated Communities

Disadvantaged unincorporated communities, or “DUCs,” are inhabited territories (containing 12 or more registered voters) where the annual median household income (MHI) is less than 80 percent of the statewide annual median household income. Within a DUC, three basic services are evaluated: water, wastewater, and fire protection.

PCCSD is primarily within Humboldt County Census Tract 104, Block Group 2 which in 2018 had an estimated MHI of \$57,926. This is 81 percent of the estimated California MHI of \$71,228<sup>9</sup> which means the District does not qualify as a DUC. Nearby communities include the community of Westhaven to the north, which has a MHI that is 89% of the California MHI, the City of Trinidad to the northwest, which has a MHI that is 109% of the California MHI, and the unincorporated community of McKinleyville to the south, which has a MHI that is 73% of California MHI<sup>10</sup>. While McKinleyville is considered a DUC, the community is served water and wastewater by the MCSD and fire protection services by the Arcata Fire Protection District.

## 2.7 Municipal Services

PCCSD is authorized to provide road maintenance and drainage services to the community of Patrick Creek. The District does not have any employees. Instead, the District Board hires a landscape company to do maintenance work and then submits claims to the County Auditor-Controller's Office for payment with CSD funds<sup>11</sup>.

### Road and Drainage Services

District infrastructure consists of the Patrick Creek Drive right of way, six culverts, and retaining walls<sup>12</sup>. Road maintenance includes opening, widening, extending, and surfacing of Patrick Creek Drive road system. The road system needs constant repair due to its location on the bluffs overlooking Clam Beach. Culverts are cleaned out three times a year by a landscape company; previously, the Board members conducted maintenance work themselves. The District installed traffic berms for speed control, but they were removed.

The PCCSD does not have any facility or service plans at this time given its small size with maintenance being conducted on an as needed basis. Most recently, the District has been in contact with an engineer regarding a culvert replace and road slippage repair<sup>13</sup>.

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<sup>9</sup> US Census, American Community Survey 2018 5-year Estimates, State of California and Humboldt County Census Tract 104, Block Group 2, Table S1903 and B19013. Accessed October 13, 2020.

<sup>10</sup> US Census, ACS 2018 5-years Estimates, Table S1903 for City of Trinidad (MHI \$76,250) and McKinleyville CDP (MHI \$51,656). Accessed October 13, 2020.

<sup>11</sup> PCCSD, Personal Communication. October 7, 2020.

<sup>12</sup> PCCSD Municipal Service Review, Humboldt LAFCo. January 2008.

<sup>13</sup> PCCSD Meeting Minutes from October 15, 2020.

### Road System Maintenance

The regular maintenance needs of the road system are:

- Maintenance to support slide areas
- Repair road at the slide area
- Repair of erosion and reconstruction of the roadway
- Maintenance of unstable areas identified
- Paving of entire roadway
- Normal repair and maintenance of culverts

LAFCo staff observations during a site visit of the District indicate the road system is in good condition overall with limited irregularities. Drainage features in the District could use further assessment and potential repair. As shown in the figures below, drainage features are aging, may be undersized, and have abundant vegetation growth in some areas which may lead to clogging of culverts and overflow onto roadways. The District would benefit from a Road Assessment conducted by a registered professional engineer. Such a document could identify needed road and drainage issues along with estimated costs for repair. This could be conducted as part of a Capital Improvement Plan for the District.



**Figure 3: Patrick Creek CSD Drainage Infrastructure**



The grate covering this culvert was not attached and is rusted creating a potential hazard.



Debris just before a culvert with no grate. Heavy runoff could push debris into the pipe. The outfall side has abundant vegetation that could trap debris.



Culvert and cleanout pipe along hairpin turn on Patrick Creek Drive. Six fire hydrants exist in the District and are maintained by MCSD.





Vegetation leading up to drop inlet and culvert near the entrance of Patrick Creek Drive. Abundant vegetation along the drainage ditch may interrupt the flow of water.

### Other Service Providers

The District previously supplied water to residents with three wells. These wells are no longer in use and are considered to be abandoned. In 1973, PCCSD transferred interest in the water distribution system to MCSD. All residents within the district individually purchase water from MCSD through a Joint Powers Agreement established in 1973<sup>14</sup>. The community of Patrick Creek is provided fire services by Arcata Fire Protection District. All of the houses within PCCSD are hooked up to on-site septic systems which are operated and maintained by individual homeowners. As noted previously, there is a moratorium

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<sup>14</sup> PCCSD Municipal Service Review, Humboldt LAFCo. January 2008.

on additional subdivisions in the area. This is due, in part, to the aging septic systems and their potential for failure which leads to watershed pollution<sup>15</sup>.

Clam Beach, just east of the District, has been listed in *Heal the Bay's* Annual Beach Report Card as one of the most heavily polluted beaches in California for several years. From approximately 2013 to 2015 there was a noticeable drop in pollution, but it has been increasing since. While the Patrick Creek watershed may be a contributing factor, other nearby areas, including the Strawberry Creek watershed to the south, may also be contributing to pollution.

## 2.8 Organizational Structure

The PCCSD is an independent special district served by a five-member Board of Directors that are elected to four-year staggered terms. The Board meets four times per year or as needed to adopt annual budget and to plan for maintenance projects. Board meetings are held at the Board President's house. The District does not have any employees.

**Table 1: Patrick Creek CSD Board of Directors**

Board Member	Title	Term Expiration
<b>Jerry Fowler</b>	President	December 2020
<b>Edward Webb</b>	Member	December 2020
<b>Autumn Indrebo</b>	Member	December 2022
<b>Jerry Aldoroty</b>	Treasurer	December 2022
<b>Robert Medina</b>	Member	December 2022

The PCCSD Board has acknowledged that residents of the District and its Board Members are aging. When the District was formed, they encouraged volunteerism and conducted much of the District work themselves<sup>16</sup>. As mentioned previously, work is now hired out to landscape companies as needed. Succession planning will be important for the current Board to plan for future leadership changes and to ensure that adequate service continues to be provided. This includes new Board member recruitment and training. By recruiting members before retirement, institutional knowledge and information on the District can be passed on and transition in leadership can be smoother.

## 2.9 Accountability and Transparency

PCCSD Board meeting notices are posted on a community sign in the District and delivered to each household. Meetings of the Board of Directors are subject to the Ralph M. Brown Act which requires agendas must be posted at least 72 hours in advance of scheduled Board meetings in a location that is freely accessible to members of the public. The District currently does not have a website. Recently passed legislation requires special districts to maintain a website or adopt a resolution of hardship if they are unable

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<sup>15</sup> (Heal the Bay, 2019-2020 Beach Report Card. [https://healthebay.org/wp-content/uploads/2020/06/Report-2020\\_web.pdf](https://healthebay.org/wp-content/uploads/2020/06/Report-2020_web.pdf))

<sup>16</sup> PCCSD, Letter from PCCSD Board to LAFCO. March 19, 1981.



to provide one (\$B 929). The District has passed a hardship resolution stating lack of employees as the main factor for not maintaining a website<sup>17</sup>.

## 2.10 Financial Overview

### Revenue and Expenditures

PCCSD is funded through two voter-approved special taxes that generate approximately \$4,500 per year. The "Patrick Creek Road Tax" (tax code 53200) passed in 1981 is apportioned at a rate of \$100 per developed parcel<sup>18</sup> and "Measure T Special Tax" (tax code 56400) is apportioned at a rate of \$150 per developed parcel.<sup>19</sup> Other revenue comes from property tax apportionments and interest income. Expenditures include County Administration fees, liability insurance, and road repair/maintenance.

According to CSD law (California Government Code §61118), the Board of Directors shall provide for regular audits of the District's accounts and records and shall provide for annual financial reports to the State Controller. PCCSD does not have any audits on file and has reported attempts to get audits done through the County Auditor's office<sup>20</sup>. The District is encouraged to continue coordination with the County Auditor to bring audits up to date.

Table 2 provides a summary of the last five years of budgeted revenues and expenditures. The Profit/Loss Summary in Table 3 shows the District experiencing a loss in FY 12-13 and FY 13-14 compared to gains experienced in FY 15-16 through FY 19-20. This shows that the District is able to cover major maintenance and repairs every few years without exhausting reserves.

**Table 2: Patrick Creek CSD Annual Budget Summary**

Category	FY 16-17	FY 17-18	FY 18-19	FY 19-20	FY 20-21
<b>Revenues</b>	\$7,150	\$7,350	\$7,350	\$7,150	\$7,350
<b>Expenditures</b>	\$4,275	\$13,475	\$13,475	\$4,275	\$4,475
<b>Gain/ (Loss)</b>	<b>\$2,875</b>	<b>(\$6,125)</b>	<b>(\$6,125)</b>	<b>\$2,875</b>	<b>\$2,875</b>

**Table 3: Patrick Creek CSD Profit and Loss Summary**

Category	FY 12-13	FY 13-14	FY 15-16	FY 16-17	FY 17-18	FY 19-20
<b>Revenues</b>	\$6,933	\$6,811	\$6,875	\$7,238	\$7,238	\$7,238
<b>Expenditures</b>	\$15,700	\$8,036	\$3,941	\$3,475	\$4,841	\$3,708
<b>Gain/ (Loss)</b>	<b>(\$8,767)</b>	<b>(\$1,225)</b>	<b>\$2,933</b>	<b>\$3,763</b>	<b>\$2,396</b>	<b>\$3,530</b>

According to the District's Cash Report for activity January 1, 2020 through June 30, 2020, total revenues are at \$2,388 and total expenditures are at \$533 with a remaining cash balance of \$58,277<sup>21</sup> as of June 30, 2020. Based on the average expenditures from FY12-

<sup>17</sup> PCCSD Resolution dated November 8, 2018 and renewed January 23, 2020.

<sup>18</sup> PCCSD, Resolution #11, A Resolution Requesting an Election for the Purpose of Increasing Taxes within the Patrick Creek Community Services District. March 21, 1981.

<sup>19</sup> PCCSD, Personal Communication. October 30, 2020.

<sup>20</sup> PCCSD, Letter to LAFCo Staff regarding MSR/SOI Update. November 8, 2020. See Appendix A.

<sup>21</sup> PCCSD Cash Report Activity 1-1-2020 through 6-30-2020.

13 to FY19-20, this could cover approximately eight years' worth of current District expenses. However, this does not include expenses for annual audits, special studies, or major road repairs which could quickly deplete reserves.

## **2.11 Governance Structure Options**

In the future, should the District Board decide they are no longer able to carry on as an independent special district there are several options for designating a successor agency which are outlined briefly below.

- (a) Consolidation with MCSD: Since PCCSD is almost entirely surrounded by MCSD and MCSD currently provides water service to the area, it may be logical to consolidate the two districts. This would involve annexing PCCSD parcels into MCSD while simultaneously activating MCSD's road maintenance powers, dissolving PCCSD, and transferring all remaining assets to MCSD. Existing property taxes and road taxes would stay in place and be transferred to MCSD for use in the area. This option would require MCSD to activate latent powers for road maintenance and repair since they do not currently provide these services.
- (b) Reorganization into a dependent special district: This option would transfer responsibility of the District to Humboldt County and the County Board of Supervisors would become the governing body for the District. Existing property taxes and road taxes would be maintained with work done by the County. Currently, there is not an example of a dependent CSD for road maintenance services within Humboldt County, and it is unlikely the County would support the additional maintenance costs and responsibility for the road system in Patrick Creek.
- (c) Dissolve PCCSD: This option would do away with the District and transfer responsibility for road maintenance and repair to the County as part of the general county road system. Special taxes for the District would be discontinued and property taxes would be transferred to the County Road Fund. It is unlikely the County would support the additional maintenance costs and responsibility for the road system in Patrick Creek.

Whether the District decides to maintain its autonomy or designate a successor agency, succession planning will be critical. This requires the District to plan for transition of management and leadership to ensure continued service to residents, prevent deterioration of the road network, and the need for costly emergency repairs.

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### 3.0 PATRICK CREEK MSR DETERMINATIONS

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As set forth in Section 56430(a) of the CKH Act- In order to prepare and to update the SOI 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 a 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**

- a) The PCCSD boundary includes 21 parcels, 18 of which are developed with single family residential uses.
- b) The estimated population of the District is 46 residents. Due to restrictions on further subdivisions, it is unlikely the population will grow significantly in the next 5 to 10 years.

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

- a) The community of Patrick Creek has a MHI that is 81 percent of the California MHI and is not considered a DUC. McKinleyville has a MHI that is 73 percent of the California MHI, which qualifies it as a DUC, however the community is currently served by its own community services district and the Arcata Fire Protection District.

**(3) Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies**

- a) The District currently hires a landscape company to complete road maintenance work.
- b) Residents within the PCCSD currently receive water services from MCSD. The District previously supplied water to residents with three wells, however, these wells are no longer in use and are considered to be abandoned.
- c) All of the houses within PCCSD are hooked up to on-site septic systems which are operated and maintained by individual homeowners.

**(4) Financing ability of agencies to provide services**

- a) The District is currently funded by property taxes, two parcel taxes, and interest income.
- b) The District is currently reporting a gain in their budget and profit and loss summary indicating there is adequate revenue to support services at current levels.
- c) The District does not currently conduct audits. The District should begin to conduct audits and come into compliance with CSD law.

**(5) Status of and, opportunities for, shared facilities**

- a) Should MCSD wish to expand this service to include street maintenance, there could be potential for annexation of PCCSD into MCSD in the future.

**(6) Accountability for community service needs, including governmental structure and operational efficiencies**

- a) The District is currently served by a five-member board of directors that are elected at large to staggered four-year terms.
- b) The District currently does not have a website and has adopted a resolution declaring a hardship in compliance with SB 929.
- c) Meeting agendas are currently posted on the Patrick Creek community sign and delivered to individual households.

**(7) Any other matter related to effective or efficient service delivery**

- a) The District is encouraged to plan for future leadership or potential reorganization of the District to ensure that adequate services are provided in the long term.



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## 4.0 PATRICK CREEK SOI DETERMINATIONS

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In order to carry out its purposes and responsibilities for planning and shaping the logical and orderly development of local governmental agencies to advantageously provide for the present and future needs of the county and its communities, the commission shall develop and determine the sphere of influence of each city, as defined by G.C. Section 56036, and enact policies designed to promote the logical and orderly development of areas within the sphere. In determining the sphere of influence of each local agency, the commission shall consider and prepare a written statement of its determinations with respect to the following:

**(1) Present and planned land uses in the area, including agricultural and open-space lands.**

- a) Land uses surrounding the District are primarily agricultural and timber production which limits the potential for future development in the area.

**(2) Present and probable need for public facilities and services in the area.**

- a) There are currently low density residential, agricultural, and timber production zones surrounding the District. Roads in these areas are maintained by the County and it is unlikely services will be requested from the District.

**(3) Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.**

- a) There is currently adequate capacity to service the existing road system. However, any major future road maintenance and/or repair of the entire road system could overwhelm the capacity of the District.
- b) The southern half of PCCSD is adjacent to the MCSD boundary. However, there is no overlap in services. There is potential for future consolidation should the District Board wish to transfer responsibility to a successor agency and MCSD activates latent powers for road maintenance.

**(4) Existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.**

- a) McKinleyville is directly south of the District boundary and continues to be an area of social and economic interest for the District. McKinleyville provides many local services including community gatherings, shopping, dining, a local library, sheriff's office, and more that District residents can utilize.
- b) The City of Trinidad is located north of the District and is another area of potential economic interest. While it does not provide as many services as McKinleyville, it does provide beach access, hiking trails, and minor dining/shopping opportunities.

**(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, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere.**

- a) Unincorporated territory to the south of the District may qualify as disadvantaged. Should future annexations or service extensions be proposed, special consideration will be given to any DUCs affected by the annexation consistent with GC §56375(8)(A) and LAFCo policy.