

TRINITY LOCAL AGENCY FORMATION COMMISSION

October 15, 2024 at 4:00 p.m.

Trinity County Library Meeting Room

351 Main Street, Weaverville

AGENDA

The Commission will hold a hybrid meeting which will allow public participation in person and online via Zoom video conference. Commissioners will attend in person in accordance with the Brown Act unless otherwise noticed or approved in accordance with AB 2449. Instructions for remote public participation are included below.

Join Zoom Meeting:

<https://us02web.zoom.us/j/84393317666?pwd=eWR2TWg4bFc1MFhWVUNQazNSbUQxUT09>

Meeting ID: 843 9331 7666

Passcode: 740955

Call in: 1 (669) 900-6833

1. **CALL TO ORDER/ROLL CALL**

A. Roll Call

2. **PRESENTATIONS/ANNOUNCEMENTS**

3. **CONSENT CALENDAR (Potential Action)**

A. Approval of Minutes from the June 18, 2024 Regular Commission Meeting

4. **PUBLIC COMMENT OPPORTUNITY**

This portion of the meeting provides an opportunity for members of the public to address the Commission on matters not on the agenda, provided that the subject matter is within the jurisdiction of the Commission. No action may be taken on off-agenda items unless authorized by law. All statements that require a response will be referred to staff for reply in writing.

5. **PUBLIC HEARINGS (Potential Action)**

A. Resolution of Intent to Initiate Dissolution of the Post Mountain Public Utility District
The Commission will consider adopting a Resolution of Intent to Dissolve the PMPUD in accordance with Government Code Section 56375.1, providing a remediation period of not less than 12-months. At the end of that 12-month period, the Commission may either approve the dissolution or rescind the Resolution of Intent to Initiate Dissolution and no further action will be taken.

6. **BUSINESS (Potential Action)**

A. FY2023-24 Year End Financial Summary and Amendment

B. Expiring Commissioner Terms Update

7. **EXECUTIVE OFFICER'S REPORT/CORRESPONDENCE (Information Only)**

A. CALAFCO Legislative Update (October 2024)

8. **COMMISSIONER'S COMMENTS**

9. **ADJOURNMENT**

The next LAFCo meeting is scheduled for December 17, 2024, at 4:00 p.m. at the Trinity County Library Meeting Room in Weaverville.

The Commission may take action upon any item listed on the agenda. Unless otherwise noted, items may be taken up at any time during the meeting.

All persons are invited to provide public testimony and submit written comments to the Commission. All written materials received by staff before 12:00 p.m. on the day of the meeting will be distributed to the Commission. If you wish to submit written material at the meeting, please supply 10 copies.

Accessibility

The location of this meeting is wheelchair accessible. If other accommodations are required to assist a person with a disability to participate in the meeting, please contact the Executive Officer or Commission Clerk at least 24 hours before the meeting.

Disclosure & Disqualification Requirements

Any person or group of persons acting in concert who directly or indirectly contribute \$1,000 or more in support of or in opposition to a change of organization or reorganization that has been submitted to Trinity LAFCo must comply with the disclosure requirements of the Political Reform Act of 1974 applicable to local initiative measures to be submitted to the electorate. These requirements contain provisions for making disclosures of contributions and expenditures at specified intervals; they may be reviewed at Government Code §§56700.1 and 81000 *et seq.* Additional information about the requirements pertaining to local initiative measures to be presented to the electorate can be obtained by calling the Fair Political Practices Commission at (916) 322-5660.

A LAFCo Commissioner must disqualify herself or himself from voting on an application involving an “entitlement for use” (such as an annexation or sphere amendment) if, within the last twelve months, the Commissioner has received \$250 or more in campaign contributions from the applicant, any financially interested person who actively supports or opposes the application, or an agent (such as an attorney, engineer, or planning consultant) representing the applicant or an interested party. The law (Government Code Section 84308) also requires any applicant or other participant in a LAFCo proceeding to disclose the contribution amount and name of the recipient Commissioner on the official record of the proceeding.

Late-Distributed Materials. Any material submitted to the Commission after this agenda is posted will be made available for public inspection as soon as possible on the LAFCo website trinitylafco.org.

Contact LAFCo Staff. For additional information please contact krystle@trinitylafco.org.

TRINITY LOCAL AGENCY FORMATION COMMISSION
June 18, 2024 Regular Meeting
Trinity County Library Meeting Room
351 Main Street, Weaverville
HYBRID In-Person and Virtual Teleconference

MINUTES

These minutes are not intended to be a verbatim transcription of the proceedings and discussion associated with the business on the Commission's agenda; rather, what follows is a summary of the order of business and general nature of testimony, Commission deliberation, and action taken. Votes are shown in abbreviated format when unanimous (Ayes-Noes-Abstain).

1. CALL TO ORDER/ROLL CALL

A. Roll Call

Chair Frasier called the meeting to order at 3:00 pm.

Members present: Commissioners Anna Burke, Heidi Carpenter-Harris, Dan Frasier, Jake Grossman-Crist, Andrew Johnson, and Alternate Commissioner Joseph Kasper.

Members absent: Commissioners Todd Corbett, Liam Gogan, and Alternate Commissioner Jill Cox.

Staff Present: Colette Santsche, Executive Officer (EO), Krystle Heaney, Clerk/Analyst

2. PRESENTATIONS/ANNOUNCEMENTS

No presentations were given.

3. CONSENT CALENDAR

A. Approval of Minutes from the April 30, 2024 Commission Meeting

Motion to approve the consent calendar was presented by Commissioner Burke, seconded by Chair Carpenter-Harris, and passed by 5-0-0 voice vote.

4. PUBLIC COMMENT OPPORTUNITY

No public comment was received.

5. PUBLIC HEARINGS

A. Final Budget and Workplan for FY2024-25

EO Santsche presented the final budget to the Commission. The final budget includes an additional review of the Post Mountain PUD and an MSR/SOI Update for Trinity County Waterworks #1 in accordance with Commission direction regarding the proposed budget presented in April. The Commission is still relying on reserve funds to balance the budget and will continue to do so for the foreseeable future. Based on the limited budget, staff will likely not be able to complete the full workplan but will make progress as time and budget allows. Chair Carpenter-Harris opened the public hearing. No public comment was received.

Motion to adopt Resolution 2024-02 approving the final FY2024-25 budget and workplan was presented by Commissioner Johnson, seconded by Burke, and passed by 5-0-0 roll call vote.

6. BUSINESS

A. Middle Trinity Regional Fire Services Municipal Service Review and Sphere of Influence Update – Lewiston CSD Agency Profile Preview

EO Santsche introduced the staff report and provided an overview of the Lewiston CSD formation and boundary. The District was able to provide good information to staff on water and wastewater services that was included in the report. The District was able to take on two struggling independent water systems and has been able to obtain grant funding. The agency profile also reviews fire services, including call data, and a draft financial review.

Commissioners held minimal discussion. It was noted that the profile was informative and it was good to see how busy the District is. No public comment was received. By order of the chair, the commission

received the draft agency profile for Lewiston CSD. Staff noted the final profile will be brought back as part of the final Middle Trinity Regional Fire Services MSR/SOI update.

B. Expiring Commissioner Terms Update

EO Santsche introduced the staff report and noted that special district member nominations have concluded. As there were only two nominations for the two open seats, Commissioners Johnson and Corbett were seated as regular special district members. However, this does mean that the alternate member seat is now vacant. Staff will begin the call for nomination and election process for the vacant seat in the coming weeks.

Commissioner Corbett joined the meeting at 4:20pm

C. Regular Meeting Dates and Times

EO Santsche introduced the staff report and noted that on occasion the Trinity County Board of Supervisors’ meeting runs long and interferes with the start time for LAFCo. Other options for LAFCo meeting dates and times were provided including the second Tuesday or Wednesday of the month.

Commissioners held discussion regarding LAFCo meeting dates and times. It was asked if the meeting could start later to give the Board of Supervisors more time or if they could potentially take a recess to accommodate the LAFCo meeting. The Commission requested that staff reach out to County staff and ask that a recess be placed on the Board of Supervisors’ agenda to accommodate the LAFCo meeting if necessary.

D. CALAFCO 2024 Board Recruitment and Nomination

EO Santsche introduced the staff report and provided an overview of CALAFCO. She noted that Board members are split into four regions and is very active. There are numerous committees and a lot of member resources. There are currently two open seats for the northern region including a city and public seat. While it would be wonderful to have commissioners participate on the Board, there is also a cost associated with participation which would be difficult for Trinity LAFCo.

Commissioners held discussion on potential participation and asked clarifying questions such as how often the board meets and where meetings are held. EO Santsche stated that they meet four to five times per year and meetings are held both virtually and in person. She also noted that nominations are due in September and will need to be submitted promptly if anyone is interested.

Commissioner Grossman-Crist indicated some interest in participating on the board but no formal nomination was made.

7. EXECUTIVE OFFICER’S REPORT/CORRESPONDENCE (Information Only)

A. CALAFCO Legislative Update (June 2024)

EO Santsche provided an update on current legislative proposals being tracked by CALAFCO. She noted that the legislative committee is very active. Commissioners noted that a lot of the legislative proposals are concerning the Brown Act and that there may still be potential for virtual participation in public meetings.

8. COMMISSIONERS’ COMMENTS

No comments were provided.

9. ADJOURNMENT

There being no further business, Chair Frasier adjourned the meeting at 4:37 pm.

ATTEST:

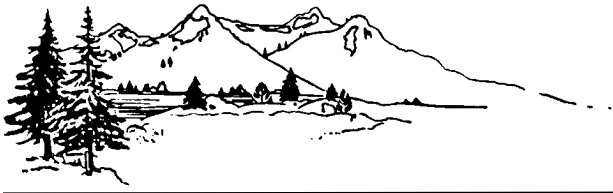
APPROVED:

Colette Santsche
Executive Officer

Dan Frasier
Chair

DATE: _____

DATE: _____



AGENDA ITEM 5.A.

MEETING: October 15, 2024
TO: Trinity LAFCo Commissioners
FROM: Colette Santsche, Executive Officer
SUBJECT: Resolution of Intent to Initiate the Dissolution of the Post Mountain Public Utility District

The Commission will consider adopting a Resolution of Intent to Dissolve the PMPUD in accordance with Government Code Section 56375.1, providing a remediation period of not less than 12-months. At the end of that 12-month period, the Commission may either approve the dissolution or rescind the Resolution of Intent to Initiate Dissolution and no further action will be taken.

BACKGROUND

Post Mountain Public Utilities District (PMPUD) is an independent, multi-purpose special district authorized to provide fire protection, road maintenance, and electricity acquisition services pursuant to the Public Utility District Act (commencing with Section 15501) of Division 7 of the Public Utilities Code. With regard to fire protection services, the District is authorized to exercise any of the powers, functions, and duties which are vested in, or imposed upon, a fire protection district pursuant to the Fire Protection District Law of 1987, Part 3 (commencing with Section 13800) of Division 12 of the Health and Safety Code.

Municipal Service Review and Sphere of Influence Update

On August 15th, 2023, Trinity LAFCo adopted Resolution No. 2023-05 approving the Municipal Service Review (MSR) and Sphere of Influence (SOI) update for PMPUD. This report provided an overview of the District's formation, governance, financial standing, and overall performance in the provision of services. The following is a summary of findings presented in the MSR.

- Fire services: The District responds to a limited number of wildland and structure fires throughout the year, is unable to respond to medical calls, and has difficulty recruiting volunteers and keeping up with training requirements.
- Road maintenance: The District does not have an established source of funding to support road maintenance and generally relies on donations from the community and fire assessment funds, which is discouraged and potentially inappropriate use of funds. The District does not have the necessary equipment to conduct road maintenance and must contract for work when funding is available. As such, the road system is in a state of disrepair, does not meet current county standards, and impedes access for residents and emergency vehicles.
- Electricity acquisition: Electric service has not been historically provided by PMPUD and is considered a latent power. Currently, no electricity service is available in the Post Mountain area. While the area falls outside of the jurisdictional boundary and service area of Trinity Public Utilities District, it is located within Trinity PUD's SOI indicating Trinity PUD would be the appropriate service provider should electricity services be extended to the area.
- Governance: The District has had difficulty recruiting Board members and for a period of time from fall 2022 to summer 2023, there were only two active members which meant the District was unable to conduct business.
- Financial standing: As of the adoption of the MSR, the District was in non-compliance for financial reporting. Audits had not been conducted for several years, budgets had been provided to the

county inconsistently, and state reporting was inconsistent. Based on available financial information, the District had been operating at a loss for five of the six years reviewed.

As part of the MSR/SOI Update adoption, the Commission approved a provisional SOI for the District. This provisional SOI was based on the District's documented history of hardships and limited capacity to provide service as noted in the MSR. The District was given one year, from the date of adoption, to address a number of concerns including:

- a. Work with the Trinity County Auditor-Controller to conduct previously uncompleted audits for the District and implement a process to ensure minimum financial requirements under Government Code Section 26909 are completed in a timely manner.
- b. Provide annual reports to the State Controller for publication.
- c. Prepare for and seek voter approval for a special tax or property owner approval of a special assessment to fund road maintenance services in accordance with Proposition 218 procedures.
- d. Conduct community outreach and attempt to fill vacancies on its Board of Directors.
- e. Conduct Board of Director meetings at least every other month and ensure that notices, agendas, and minutes are posted in accordance with the Brown Act.
- f. Ensure that all board members files Statements of Economic Interests (Form 700), receive mandated ethics training, and submit forms/certificates to the District to keep on file.
- g. Conduct community outreach and attempt to obtain additional volunteer firefighters.
- h. Work cooperatively with neighboring fire services providers to assess the potential for volunteers to attend regular and ongoing training so that the District can effectively respond to calls for service in the area, including medical.
- i. Establish formal mutual aid and auto-aid agreements with neighboring emergency service providers.
- j. Obtain copies of minimum training certifications for all volunteer firefighters and records for regular training and keep them on file at the fire station.
- k. Develop a program to ensure proper maintenance and repair of all District equipment as well as regular apparatus and equipment inspections, that includes tracking logs.
- l. Conduct a review to determine the degree to which engines meet minimum ISO or CAL FIRE equipment and hose requirements, and identify deficiencies.

Since the adoption of the MSR, staff has remained in contact with PMPUD. In April 2024, an update was provided to the Commission on the status of the items listed in Resolution 2023-05.

- a) An audit was completed for FY20-21 and FY 21-22. The District expressed interest in continuing to conduct biennial audits.
- b) The District successfully submitted financial reporting to the State Controller's Office by January 31, 2024.
- c) The District conducted a Rate Study for Road Maintenance that looked at the costs of maintaining roads and culverts within the District.
- d) The District was still searching for additional Board Members to fill vacancies and needed to submit documentation to elections supporting the appointment of recent Board Members.
- e) The District has been conducting monthly meetings since they achieved a quorum of members.
- f) It was unknown if required filings and training were being completed for board members.
- g) The District had five volunteers with a sixth about to be approved, all with CPR training.
- h) More regular training had been offered to volunteers with support from Hayfork Fire.

- i) No formal mutual aid or auto-aid agreement has been put in place.
- j) PMPUD has indicated it is retaining training records and certifications for its volunteers.
- k) The District has been working on maintenance of their equipment but there is no formal plan in place for maintenance, repair, and replacement of equipment.
- l) A review of equipment still needs to be conducted to determine the degree to which engines meeting minimum ISO or CAL FIRE equipment and hose requirements.

DISCUSSION

Post Mountain PUD Current Conditions

Fire services:

- The 2023 MSR noted that PMPUD historically responded to about 1-2 calls per month or approximately 15 wildland calls and 3 structure fires per year. The VFD has faced staffing issues over the past decade, including issues with retaining volunteers. In 2018, primary responsibility for the area was shifted to surrounding VFDs and other fire protection providers. As of 2024, it is still difficult to recruit volunteer firefighters in the community.
- Since adoption of the MSR, call volume by type for the Post Mountain area was provided by the Trinity County Sheriff’s Office. As indicated below, over 50% of calls in Post Mountain are medical related (including vehicle accidents).

	2019	2020	2021	2022	2023	2024 (partial)	Total	% of total
Fire Smoke Check	2	6	3	1	1	2	15	17%
Fire Structure	1	1	3	1	0	0	6	7%
Fire Vegetation	3	1	7	5	1	2	19	22%
Fire Vehicle	0	0	0	1	0	0	1	1%
Medical	5	2	7	10	4	3	31	36%
Public Assist	0	0	1	1	0	0	2	2%
Vehicle Accident	0	0	3	3	3	4	13	15%
Total	11	10	24	22	9	11	87	100%

- Currently, PMPUD is not dispatched to medical calls and cannot provide Basic Life Support (BLS) services unless they are approved as a BLS prehospital service provider agency by Nor-Cal EMS and staffed with appropriately credentialed personnel. According to Nor-Cal EMS, PMPUD’s agreement to participate in the EMS system was terminated by Nor-Cal EMS in April 2018, after Post Mountain Fire was no longer operating and complying with all applicable policies, procedures, laws, regulations and requirements for BLS (non-transport) providers. PMPUD has not contacted Nor-Cal EMS or expressed interest in starting up emergency first aid training since before 2020¹.
- Currently, Hayfork FPD provides local emergency response to most service calls in the Post Mountain area. According to Chief Warshawer, as a general rule, if there is a CAL FIRE response from its Hayfork Station to Post Mountain, Hayfork Fire sends a pickup with one or two

¹ Personal communication with Nor-Cal EMS Chief Executive Officer Donna Stone on 10/08/2024.

responders. If there is no response from CAL FIRE Hayfork Station (or CAL FIRE is in route from its Weaverville Station), Hayfork Fire sends an engine company. Hayfork Fire coverage is based on availability, and presently there are no formal mutual aid or auto aid agreements in place between PMPUD and Hayfork Fire.

- Although local fire departments are called upon to assist with wildfire suppression and are often the first to scene to ensure a fast and effective first engagement of any fire, wildland fire suppression is the responsibility of federal and state agencies. The U.S. Forest Service has Direct Protection Area (DPA) coverage in the Post Mountain area that is classified as State Responsibility Area (SRA), as well as the surrounding National Forest lands that are classified as Federal Responsibility Area (FRA). CAL FIRE is responsible for wildland fire protection of SRA and DPA lands in the Hayfork area and responds to emergency medical calls to rural portions of Trinity County, such as Post Mountain, when available. CAL FIRE's Hayfork Station is a single-engine station with plans for relocation and construction of a modern fire station in the Hayfork area.

Road maintenance:

- The 2023 MSR highlighted significant road maintenance deficiencies in Post Mountain, with segmented agency jurisdiction for road maintenance shared by PMPUD, Trinity County Department of Transportation, and the U.S. Forest Service. The condition of roads due to lack of road maintenance affects response time for emergency services and general motor vehicle use, making it difficult to travel through the community.
- PMPUD is responsible for approximately 27 road miles and lacks a stable funding source for road maintenance. The MSR recommended that the District seek dedicated funding for road maintenance services through either: 1) a Special Assessment, requiring an engineer's report and majority approval from property owners within the District (weighted according to the proportional financial obligation of the affected property), or 2) a Special Tax, requiring two-thirds approval of registered voters within the District. Both options are levied annually and collected via property tax bills.
- Since the MSR, the District hired Trinity Valley Consulting Engineers to conduct a Rate Study for Road Maintenance. The study included a culvert and road inventory to assess the cost of maintaining infrastructure, determining a necessary annual budget of \$180,500 with a ~3% annual increase. With 1,046 taxable parcels within the District, the study calculated that a \$173 per parcel annual charge would meet the District's road maintenance needs.
- The District has not moved forward with a special assessment or special tax proposal, and without a dedicated funding source, road maintenance will continue to be deferred, leading to further deterioration.

Electricity acquisition:

- Post Mountain is not within the service area of either PG&E or Trinity PUD. Electrical service is also not provided by PMPUD. A 115kV PG&E power line runs directly through the community, connecting to substations in Wildwood to the east and Mad River to the west. However, the community of Post Mountain has no substation for this power line to connect to and electrify the community.
- While within Trinity PUD's sphere of influence, it would likely be highly costly to both the district and homeowners to connect the community to the grid through Trinity PUD. Conservative estimates to extend transmission from the Hayfork substation to a new Post Mountain substation are around \$20 million. In addition, it would likely cost over \$20,000 per lot to extend service to individual parcels. However, a formal study concerning the connection of Post Mountain to the Trinity PUD or the PG&E electrical grid has never been completed; therefore, the actual cost of extending electrical transmission and connecting individual parcels to the grid is unknown. This financial barrier has prevented extending electrical service to the community.

Governance:

- Since the adoption of the MSR, the District has been able to recruit enough Board members to have a quorum, with two new candidates for two open seats on the November 2024 ballot.

Financial standing:

- The 2023 MSR noted that the District was not in compliance with financial reporting requirements. Reports submitted to the State Controller were inconsistent and showed a net loss for five of the six fiscal years reviewed. Since the 2023 MSR, a combined audit was completed for the years ending June 30, 2022 and 2021.
- In FY 2020-21, there was an error in the dollar amount included in the assessment list for PMPUD. Instead of the approved \$24 per parcel assessment for fire services, \$100 per parcel was charged on property tax bills. The error was found and corrected, and assessment refunds were issued to those that overpaid in FY 2021-22.
- From June 30, 2021 to June 30, 2022, the District's overall net position decreased by \$81,691. This was largely due to assessment refunds that were issued totaling \$64,682, which decreased the District's current assets.
- Donations, which the District relies on for road maintenance, also decreased by \$10,129 from FY 2020-21 to FY 2021-22.
- Based on the District's audited financial statements, not including assessment refunds, PMPUD saw a loss of \$17,009 in FY 2021-22.
- Based on information that was reported to the State Controller's Office, PMPUD saw a net gain of \$9,656 in FY 2021-22. This is inconsistent with information that was provided in their audited financial statements and suggests errors in reporting.
- The audited financial statements noted that the District was not recording activity from their fund in the County of Trinity treasurer's pool. This resulted in a misstatement of PMPUD's net position as of June 30, 2020 and required an adjustment of \$35,329.
- The issues noted above indicate that the District continues to struggle with financial reporting and management. Lack of current audits was also noted in the 2010 Countywide Grand Jury Investigation which indicates an ongoing and long-term deficiency.

LAFCO INITIATED DISSOLUTION

Resolution of Intent to Initiate Dissolution

There are several procedures set forth in Cortese-Knox-Hertzberg Act (CKH) for the Commission to initiate a dissolution of a special district by resolution of application pursuant to Government Code sections 56375(a)(2)(B), 56375.1, or 56879. Effective January 1, 2023, a new provision of CKH allows for the Commission to consider the initiation of dissolution of a district based in part on the determinations of MSRs. Pursuant to Government Code 56375.1, a Commission may initiate a proposal for the dissolution of a district that is subject to a 25% protest threshold under Government Code 57093 if at a public hearing the Commission approves, adopts, or accepts a MSR study prepared pursuant to Government Code 56430. Said study must demonstrate that there is a preponderance of evidence, that the district has one or more documented chronic service provision deficiencies that substantially deviate from industry or trade association standards or other government regulations and its board or management is not actively engaged in efforts to remediate the documented service deficiencies.

In August 2023, the Commission approved an MSR/SOI Update for PMPUD, documenting multiple service deficiencies and providing a 12-month provisional period for the District to pursue improvements. During this 12-month provisional period, the District Board and Management's method of remediating the documented service deficiencies did not adequately resolve the deficits. It is recommended that the

Commission initiate dissolution proceedings pursuant to 56375.1 based on the determinations set forth in the 2023 MSR/SOI Update. Upon the conclusion of the 12-month remediation period, the Commission shall take one of the following actions:

- Rescission. If the Commission finds the district has adequately remedied the deficiencies, the Commission shall rescind the notice of intent to initiate dissolution and no further action is required.
- Dissolution. If the Commission finds that the district has failed to remedy the deficiencies, the Commission may adopt a resolution to dissolve the district if the Commission also determines that the public service costs of the dissolution are likely to be less than or substantially similar to the costs of alternative means of providing the service.

Dissolution means the disincorporation, extinguishment, or termination of the existence of a district and the cessation of all its corporate powers, except as the commission may otherwise provide [as terms and conditions] or for the purpose of winding up the affairs of the district (56035).

For the purpose of winding up the affairs of a dissolved district, the successor of the dissolved district shall be determined as follows: (57451)

- If the territory of a dissolved district is located entirely within the unincorporated territory of a single county, the county is the successor.
- If the terms and conditions provide that all of the remaining assets of a dissolved district shall be distributed to a single existing district, the single existing district is the successor.

Continuing to Assess Viable Options Moving Forward

Over the next 12-month period, there will be continued efforts to evaluate all viable options to improve services and to increase understanding of jurisdictional boundary change options that can help address funding and service challenges. Reorganization options may include (but not be limited to):

- **Maintain PMPUD with Improvements**
 - Roads:
 - Pursue a special tax or assessment to adequately fund road maintenance; or
 - Work closely with the county to evaluate divestiture of the district's power to provide road maintenance services, which would require transfer of assets and responsibilities to the county.
 - Fire and Medical:
 - Develop a comprehensive plan to address volunteer recruitment and retention, meeting minimum mandatory requirements and standards (relating to state law and Nor-Cal EMS), improving equipment and facilities, and addressing board vacancies and succession, administrative needs, and fiscal requirements; or
 - Work closely with Hayfork Fire to evaluate a contract for providing services model while continuing to improve fiscal and administrative requirements.
- **Reorganization to include Dissolution of PMPUD and formation of a new Fire Protection District**
 - Roads:
 - County would be deemed successor for roads and road maintenance.
 - Fire and Medical:
 - A new special tax would need to be established to fund fire protection and emergency medical services based on a new budget and plan for staffing, governance, and administration. District formation would require an election and 2/3rds voter approval for establishing a new special tax.

- **Reorganization to include Dissolution of PMPUD and annexation to an adjacent Fire Protection District**
 - Roads:
 - County would be deemed successor for roads and road maintenance.
 - Fire and Medical:
 - Since Hayfork FPD has an existing special tax (\$100 per parcel per year) to support fire and emergency response services, there is opportunity to consolidate services into a regional district and expand Hayfork FPD's special tax as a reliable source of revenue for the Post Mountain and Wildwood areas. A reorganization would serve to formalize services, training and response into a regional district model, with an improved economy of scale and associated benefits. A detailed plan for services for annexation would be developed as part of the annexation.

- **Dissolve PMPUD**
 - Roads
 - County would be deemed successor for roads and road maintenance.
 - Fire and Medical
 - County would be deemed successor for the purpose of winding up the affairs of a dissolved district.
 - A fire company could be established; however, this would be a non-profit organization (donation based) and not associated with a special district having authority to levy a special tax.

RECOMMENDATION

Staff recommends the Commission adopt Resolution No. 2024-03, a Resolution of Intent to Initiate the Dissolution of the Post Mountain Public Utility District.

Attachments:

- A) LAFCo Resolution No. 2024-03
- B) PMPUD MSR/SOI Update (August 2023)
- C) PMPUD Status Update (April 2024)

**RESOLUTION NO. 2024-03****RESOLUTION OF INTENT TO INITIATE THE DISSOLUTION
OF THE POST MOUNTAIN PUBLIC UTILITY DISTRICT**

WHEREAS, the Trinity Local Agency Formation Commission (“Commission” or “LAFCo”) is responsible for regulating boundary changes affecting special districts pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (“CKH Act”); and

WHEREAS, the Post Mountain Public Utility District (“PMPUD” or “District”) is a multipurpose independent special district, formed in 1983 as a Community Services District and later reorganized in 1988 pursuant to the Public Utility District Act (Public Utilities Code §15501-18055) to provide fire protection, road maintenance, and electricity acquisition services to the community of Post Mountain located 15 miles south of Hayfork off of Highway 3 in Trinity County; and

WHEREAS, the PMPUD service area is inhabited and encompasses approximately 43 square miles and 1,045 parcels; and

WHEREAS, on August 15, 2023, the Commission adopted a Municipal Service Review (MSR) and Sphere of Influence (SOI) Update for PMPUD that identified multiple service and governance needs and deficiencies; and

WHEREAS, as part of the 2023 MSR/SOI Update, the Commission did adopt a provisional SOI for the District and outlined several action items and/or areas of improvement for the District to pursue as stated in Resolution No. 2023-05, and the District was provided a one-year period to make improvements at which point the Commission would consider adopting a zero SOI and initiate proceedings for reorganization and/or dissolution of the District in accordance with Government Code 56375(2) or 56375.1; and

WHEREAS, the Commission did receive an status update on District services and governance at the April 30, 2024 Special Meeting, where it was determined that the District had made progress on completing audits and was working with the Trinity County Auditor on regular financial reporting requirements. However, the District had not made sufficient progress in seeking approval for a special tax or assessment to fund road maintenance, and still had significant deficiencies related to the provision of fire services including limited volunteers, insufficient required training, lack of mutual or auto aid agreements with neighboring agencies, and inadequate equipment to be able to respond to calls in the Post Mountain area, including medical; and

WHEREAS, pursuant to Government Code 56375.1, LAFCo may initiate a proposal for the dissolution of a district if at a public hearing the Commission approves, adopts, or accepts a study prepared pursuant to Government Code 56430; and

WHEREAS, the study must demonstrate that there is a preponderance of evidence, that the district has one or more documented chronic service provision deficiencies that substantially deviate from industry or trade association standards or other government regulations and its board or management is not actively engaged in efforts to remediate the documented service deficiencies; and

WHEREAS, as set forth in the August 15, 2023 PMPUD MSR/SOI Update, the April 30, 2024 PMPUD Status Update, and the October 15, 2024 Executive Officer's Report, the existing documented chronic service provision deficiencies include the following:

- PMPUD is unable to respond to medical calls in their service area which accounts for over 50% of calls for service. PMPUD's agreement to participate in the EMS system was terminated by Nor-Cal EMS in April 2018, after PMPUD was no longer operating and complying with all applicable policies, procedures, laws, regulations and requirements for BLS (non-transport) providers. In 2018, primary responsibility for the area was shifted to surrounding VFDs and other fire protection providers.
- There are a limited number of volunteer firefighters for the District and it is unknown if they maintain current training certifications, including public safety first aid training. As such, the District lacks adequate staffing and is unable to respond to calls within their service area.
- The non-profit status of the Post Mountain Volunteer Fire Department became inactive on March 28, 2019, based on an Administrative Termination by the California Franchise Tax Board. The FTB has the authority to administratively terminate (e.g., cancel, dissolve, surrender) any nonprofit corporation if a nonprofit corporation's rights, powers, and privileges have been suspended or forfeited by FTB for at least 48 continuous months.
- District equipment has historically been unmaintained and reported to be in poor condition. It is unknown if all apparatus are in functioning order and ongoing maintenance is needed. There is also a need for more hand tools, wildland PPE, and communication equipment.
- The District does not have a dedicated funding source for roads and has relied on fire assessment funds and reimbursements as available. Roadwork capacity is very needed in the community as PMPUD does not have its own grader or necessary equipment and must contract out all work. The District operates a snowplow which was involved in a vehicle related incident and subsequent lawsuit, the status of which is unknown.
- Electric service has not been historically provided by PMPUD and there is currently no electricity service to the area. As such, electric service has become a latent power for the District.
- PMPUD is behind on their regular audits and they are in non-compliance for fiscal reporting. Based on available information from the State Controller's Office, the District operated at a loss for five of the six fiscal years reviewed.
- In Fiscal Year 2020-21, the District incorrectly charged landowners \$100 per parcel instead of the approved \$24 for fire suppression. Property owners were provided a refund by the District in FY 2021-22;

WHEREAS, if dissolution is recommended by the Commission, Government Code 56375.1 provides that the Commission adopt a resolution to initiate dissolution with a remediation period of at least 12 months to afford time for the District to address the specified deficiencies; and

WHEREAS, the Executive Officer reviewed the Resolution of Intent to Initiate Dissolution 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 October 15, 2024 for consideration of the resolution of intent to initiate dissolution of the PMPUD and caused notice thereof to be published and posted in the manner required by law at least twenty-one (21) days in advance of the date; and

WHEREAS, at said hearing, LAFCo reviewed and considered the Executive Officer's Report and Recommendations; each of the policies, priorities and factors set forth in Government Code Sections 56375.1 and 56430 et seq., 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 intent to dissolve, including but not limited to protests and objections, the Executive Officer's report and recommendation and the 2023 MSR/SOI Update.

NOW THEREFORE, IT IS RESOLVED, DETERMINED AND ORDERED by the Trinity Local Agency Formation Commission as follows:

1. The foregoing recitals are true and correct.
2. The Commission considered the PMPUD MSR/SOI Update (August 15, 2023), the PMPUD Status Update (April 30, 2024), the Executive Officer's Report, and all reference findings and determinations and hereby adopts such findings and determinations.
3. The Commission finds that less than adequate progress has been made to remediate the documented service deficiencies during the 12-month provisional period and hereby adopts a zero SOI for the District.
4. The Commission is in compliance with Government Code Section 56375.1, which allows the Commission to initiate dissolution.
5. The Commission considered all factors required by law under Government Code Section 56375.1, and all written and oral evidence presented to the Commission, and hereby adopts a Resolution of Intent to Initiate Dissolution of the District based on the

following findings, which are consistent with Government Code 56375.1(a)(1)(A), that there is a preponderance of the evidence, that the District has one or more documented chronic service provision deficiencies that substantially deviate from industry or trade association standards or other government regulations and its board or management is not actively engaged in efforts to remediate the documented service deficiencies.

6. 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.
7. PMPUD shall provide the Commission a mid-point report by April 30, 2025 on such remediation efforts by the District which report may thereafter be considered at a regularly scheduled Commission meeting.
8. At the conclusion of the 12-month remediation period, the Commission will consider at a noticed public hearing whether the District has remedied the identified deficiencies and whether the District shall be dissolved in accordance with Government Code Section 56375.1. If the Commission finds the District has adequately remedied the deficiencies, the Commission shall rescind the notice of intent to initiate dissolution and no further action is required.
9. The Executive Officer is hereby directed to take all further actions required by law and necessary to implement the intent of this resolution.

THE FOREGOING RESOLUTION was introduced at a regular meeting of the Trinity LAFCo Commission on the 15th day of October, 2024, and adopted by the following roll call vote:

AYES:
NOES:
ABSTAINS:
ABSENT:

ATTEST:

APPROVED:

Colette Santsche
Executive Officer

Dan Fraiser
Chair

Post Mountain Public Utilities District

Municipal Service Review & Sphere of Influence Update



Trinity

Local Agency Formation Commission

Adopted

August 15, 2023



RESOLUTION NO. 2023-05

APPROVING THE POST MOUNTAIN PUBLIC UTILITY DISTRICT MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE

WHEREAS, the Trinity Local Agency Formation Commission, hereinafter referred to as the “Commission”, is authorized to conduct municipal service reviews and establish, amend, and update spheres of influence for local governmental agencies whose jurisdictions are within Trinity County; and

WHEREAS, the Commission conducted a municipal service review to evaluate the availability, capacity, and efficiency of services provided by the Post Mountain Public Utility District, hereinafter referred to as the “District”, pursuant to California Government Code Section 56430; and

WHEREAS, the Commission conducted a sphere of influence review for the District pursuant to California Government Code Section 56425; and

WHEREAS, the Executive Officer gave sufficient notice of a public hearing to be conducted by the Commission in the form and manner provided by law; and

WHEREAS, the Executive Officer’s report and recommendations on the municipal service review and sphere of influence update were presented to the Commission in the form and manner prescribed by law; and

WHEREAS, the Commission heard and fully considered all the evidence presented at a public hearing held on the municipal service review and sphere of influence update on August 20, 2023; and

WHEREAS, the Commission considered all the factors required under California Government Code Section 56430 and 56425; and

WHEREAS, the District has a documented history of less than adequate services as shown in the 2009 Municipal Service Review, 2009 Grand Jury Report, and the current review; and

WHEREAS, based on the record provided in the municipal service review and sphere of influence update, the District has the following challenges and service deficiencies: (1) the District has undocumented and/or inadequate minimum training certifications for all volunteer firefighters, deferred equipment maintenance and repair, and lack of volunteers and training to effectively respond to calls for service in the area, including medical; (2) the District lacks a dedicated funding source for road maintenance and has spent fire assessment funds and reimbursements on road maintenance activities under the assumption that roads must be cleared to access homes in the event of an emergency; (3) the District has consistently been unable to retain a full Board of Directors and for a substantial period of time was unable to conduct business as there were not enough members to constitute a quorum; (4) the District has not conducted timely audits which

has resulted in Trinity County Auditor-Controller withholding assessment funds until audits can be conducted; and (5) the District has taken limited action to improve its financial standing and organizational structure, which includes recruitment and retention, policies and management, training and certifications, and other operational improvements, such as strengthening regional fire response, addressing key vulnerabilities, and establishing cooperative agreements with neighboring emergency service providers.

NOW THEREFORE, IT IS RESOLVED, DETERMINED AND ORDERED as follows:

1. The Commission, as Lead Agency, finds the municipal service review is exempt from further review under the California Environmental Quality Act pursuant to Title 14 California Code of Regulations Section 15306. This finding is based on the use of the municipal service review as a data collection and service evaluation study. The information contained within the municipal service review may be used to consider future actions that will be subject to additional environmental review.
2. The Commission, as Lead Agency, finds the sphere of influence update is exempt from further review under the California Environmental Quality Act pursuant to Title 14 California Code of Regulations Section 15061(b)(3). This finding is based on the Commission determining with certainty the update will have no possibility of significantly affecting the environment given no new land use or municipal service authority is granted.
3. This municipal service review and sphere of influence update is assigned the following distinctive short-term designation: "Post Mountain PUD MSR/SOI Update 2023".
4. Pursuant to Government Code Section 56430(a), the Commission makes the written statement of determinations included in the municipal service review, hereby incorporated by reference.
5. Pursuant to Government Code Section 56425(e), the Commission makes the written statement of determinations included in the sphere of influence update, hereby incorporated by reference.
6. Pursuant to Government Code Section 56425(g-h), the Commission finds that based on the District's documented history of hardships and limited capacity to provide service, the District's existing sphere of influence is reduced to a provisional sphere of influence. The District has one year from the date of the adoption of this resolution to be actively engaged in efforts address the following concerns:
 - a. Work with the Trinity County Auditor-Controller to conduct previously uncompleted audits for the District and implement a process to ensure minimum financial requirements under Government Code Section 26909 are completed in a timely manner.
 - b. Provide annual reports to the State Controller for publication.
 - c. Prepare for and seek voter approval for a special tax or property owner approval of a special assessment to fund road maintenance services in accordance with Proposition 218 procedures.
 - d. Conduct community outreach and attempt to fill vacancies on its Board of Directors.

Colette Santsche, Executive Officer/e-mail: colette@trinitylafco.org
Krystle Heaney, Clerk/e-mail: krystle@trinitylafco.org

- e. Conduct Board of Director meetings at least every other month and ensure that notices, agendas, and minutes are posted in accordance with the Brown Act.
- f. Ensure that all board members file Statements of Economic Interests (Form 700), receive mandated ethics training, and submit forms/certificates to the District to keep on file.
- g. Conduct community outreach and attempt to obtain additional volunteer firefighters.
- h. Work cooperatively with neighboring fire services providers to assess the potential for volunteers to attend regular and ongoing training so that the District can effectively respond to calls for service in the area, including medical.
- i. Establish formal mutual aid and auto-aid agreements with neighboring emergency service providers.
- j. Obtain copies of minimum training certifications for all volunteer firefighters and records for regular training and keep them on file at the fire station.
- k. Develop a program to ensure proper maintenance and repair of all District equipment as well as regular apparatus and equipment inspections, that includes tracking logs.
- l. Conduct a review to determine the degree to which engines meet minimum ISO or CAL FIRE equipment and hose requirements, and identify deficiencies.

The District will provide a status report to the Commission every six months during this provisional period. At the end of one year, the Commission will review the District's progress. If the Commission finds that less than adequate progress has been made to improve the noted areas of concern, a zero sphere may be adopted and LAFCo may initiate proceedings for reorganization and/or dissolution of the District in accordance with Government Code Section 56375(2) or 56375.1.

- 7. Pursuant to Government Code Section 56425(i), the Commission does hereby establish the functions and classes of services provided by Post Mountain PUD as follows: fire protection and road maintenance.

BE IT FURTHER RESOLVED by the Commission that:

The Post Mountain PUD MSR/SOI Update 2023 is hereby approved, and the sphere of influence for the District is hereby reduced to a provisional sphere, as depicted in Exhibit "A", attached hereto.

PASSED AND ADOPTED at a public hearing of the Trinity Local Agency Formation Commission on the 15th day of August 2023, by the following roll call vote:

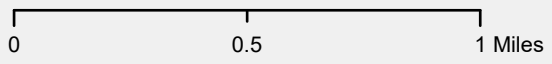
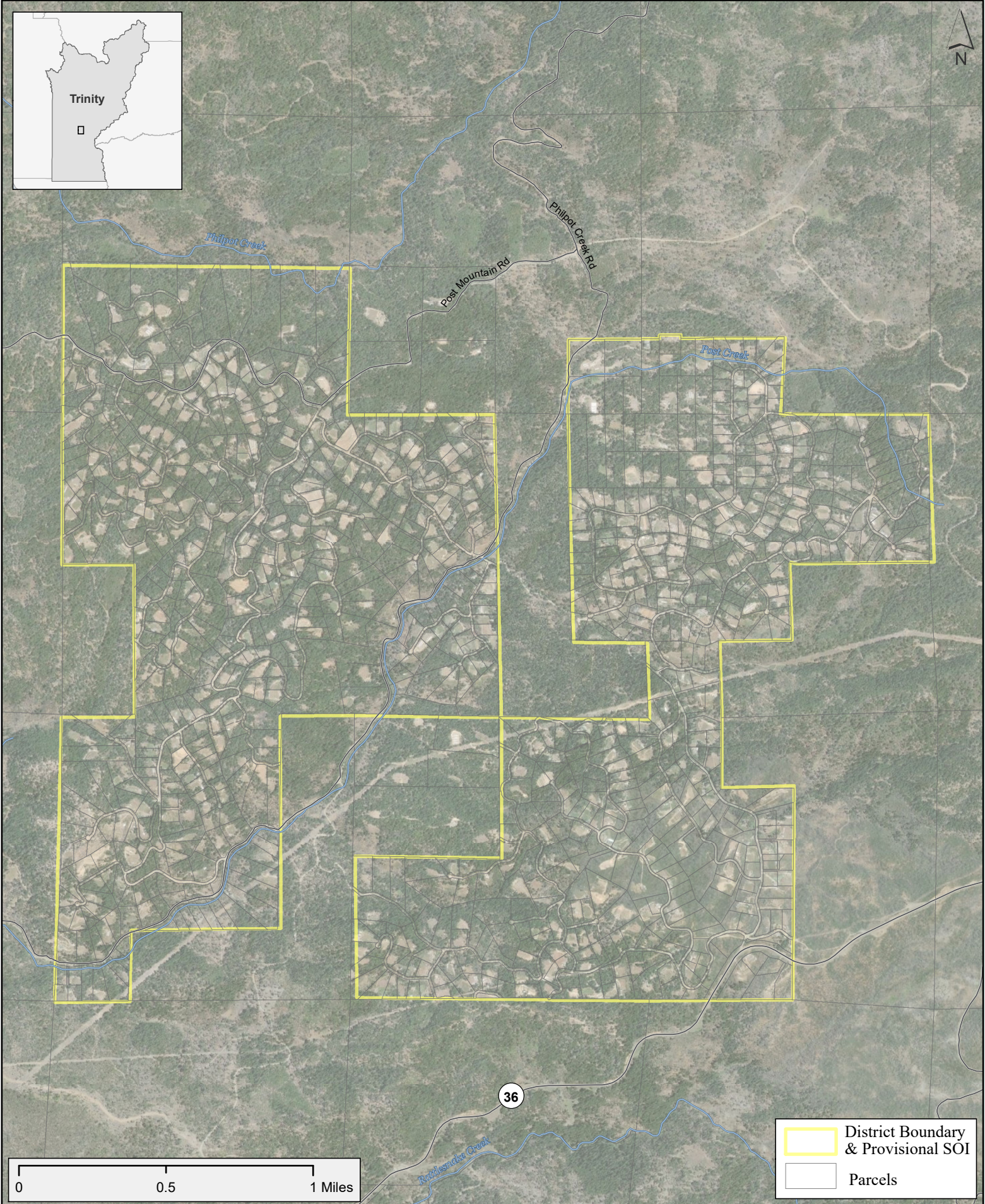
AYES: *Burke, Frasier, Johnson, Kasper, and Carpenter-Harris*
 NOES: -
 ABSTAINS: -
 ABSENT: *Gogan, Grossman-Crist*



ATTEST:


 Colette Santsche
 Executive Officer

APPROVED:


 Heidi Carpenter-Harris
 Chair



	District Boundary & Provisional SOI
	Parcels

Post Mountain Public Utilities District

Exhibit A

Sources: Boundaries, Roads, Parcels: Trinity County GIS.

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INTRODUCTION

This Municipal Service Review (MSR) and Sphere of Influence (SOI) Update was prepared as part of a mandated review of the municipal services of all government entities in the county by the Trinity Local Agency Formation Commission (LAFCo). This report focuses on the Post Mountain Public Utilities District (PUD). The purpose of this study is to assess existing and future public service conditions and to evaluate organizational options for accommodating growth and ensuring critical services are provided efficiently. This MSR presents a discussion, analysis, and recommendations regarding services provided by the Post Mountain PUD.

Trinity LAFCo

Local Agency Formation Commissions (LAFCos) are quasi-legislative, independent local agencies that were established by State legislation in 1963 to oversee the logical and orderly formation and development of local government agencies including cities and special districts. There is one LAFCo for each county in California.

LAFCo is responsible for implementing the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (California Government Code Section 56000 et. seq.) in order to promote orderly growth, prevent urban sprawl, preserve agricultural and open space lands, and oversee efficient provision of municipal services.

LAFCo has the authority to establish and reorganize cities and special districts, change their boundaries and authorized services, allow the extension of public services, perform municipal service reviews, and establish spheres of influence. Some of LAFCo's duties include regulating boundary changes through annexations or detachments and forming, consolidating, or dissolving local agencies.

Trinity LAFCo has a public Commission with seven regular Commissioners and three alternate Commissioners. The Commission is composed of three members of the Trinity County Board of Supervisors, two Special District Representatives, and two Public Members-At-Large. The Commission also includes one alternate member for each represented category.

Public Utility Districts and Principal Act Overview

Public Utility Districts are independent special districts governed under the Public Utility District Act (Public Utilities Code § 15501 – 18055). A PUD may be authorized to acquire, construct, own, operate, control, or use works for supplying light, water, power, heat, transportation, telephone service, or other means of communication, or means for the disposal of garbage, sewage, or refuse matter. In addition, a PUD can be authorized to provide a wide variety of services including fire protection, street lighting system, public parks and other recreation facilities, and stormwater drainage of roads, streets, and public places. PUDs are governed by a board of directors, all of whom are elected at large.

Post Mountain PUD is located in Trinity County approximately 15 miles south of Hayfork. The District is authorized to provide fire protection, road maintenance, and electricity acquisition services. All other remaining services, facilities, functions or powers enumerated in the District's principal act but not being exercised are considered "latent". Activation of these latent powers and services requires LAFCo authorization.

Municipal Service Review Determinations

Government Code § 56430 requires LAFCo to conduct a review of municipal services provided in the county by region, sub-region or other designated geographic area, as appropriate, for the service or services to be reviewed, and prepare a written statement of determinations with respect to each of the following topics:

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. Any other matter affecting or related to effective or efficient service delivery, as required by Commission policy.

State Guidelines and Commission policies encourage stakeholder cooperation in the municipal service review process. It also provides a basis to evaluate, and make changes to Spheres of Influence, if appropriate.

Sphere of Influence Determinations

A Sphere of Influence (SOI) is a LAFCo-approved plan that designates an agency's probable physical boundary and service area. Spheres are planning tools used to provide guidance for individual boundary change proposals and are intended to encourage efficient provision of organized community services, discourage urban sprawl and premature conversion of agricultural and open space lands, and prevent overlapping jurisdictions and duplication of services.

LAFCo is required to establish SOIs for all local agencies and enact policies to promote the logical and orderly development of areas within the SOIs. Furthermore, LAFCo must update those SOIs every five years. For a SOI update, LAFCo is required to conduct an MSR and adopt related determinations. It must also make the following SOI determinations:

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. The present and probable need for public facilities and services related to sewers, municipal or industrial water, or structural fire protection of any disadvantaged unincorporated communities within the existing sphere of influence.

Review Methods

The following information was considered in the development of this service review:

- Agency-specific data: responses to LAFCo Requests for Information
- Demographic data: U.S. Census Bureau
- Finances: State Controller's Office, Trinity County Auditor's Office
- Personal Communications with District Board President
- Other Reports: Trinity County General Plan Update Background Report

Information gathered was analyzed and applied to make the required determinations. All information gathered for this report is filed by LAFCo for future reference.

California Environmental Quality Act

The California Environmental Quality Act (CEQA) is contained in Public Resources Code §21000 et seq. Public agencies are required to evaluate the potential environmental effects of their actions. MSRs are statutorily exempt from CEQA pursuant to §15262 (feasibility or planning studies) and categorically exempt pursuant to CEQA Guidelines §15306 (information collection). CEQA requirements are applicable to SOI Updates. The CEQA lead agency for SOI Updates is most often LAFCo, unless an agency has initiated an SOI expansion or update.

AGENCY OVERVIEW

Table 1: Post Mountain PUD District Summary

Formation	
Agency Name	Post Mountain Public Utilities District
Formation Date	Formation as a CSD in March 1983 Change to PUD status in May 1988
Principal Act	Public Utility District Act (Public Utilities Code § 15501 – 18055)
Contact	
Main Contact	Peter Dobo, Board President
Alternate Contact	Astrid Dobo, Fire Chief
E-mail	pldobo@yahoo.com
District Mailing Address	PO Box 1026, Hayfork, CA 96041
Physical Address	731 White Oak Road (Fire Hall/Meeting Room address)
Phone/ Fax	No direct line or message machine
Website	None
Governance	
Governing Body	Five Member Board of Directors
Board Meetings	2 nd Saturday of the month at 10:00am if a quorum is present
Staffing	1 fire chief, 3 directors, 2 long term board vacancies, 1 paid treasurer, 5 total volunteer firefighters
Services	
Services Provided	Fire protection, emergency medical
Areas Served	Post Mountain area including Post Mountain Road, Trinity Pines Drive, and 30N30

Formation

Trinity County Development Company subdivided and sold lots in the Post Mountain area, beginning in 1968. At that time, they also maintained the roads. The early homeowners formed a volunteer fire department in October 1976. When the developers had sold most of the lots, they ceased operations in the area. With the closing of the sales office, the company gave its road grader to the homeowners, who then took care of their own roads on a volunteer basis. Combining responsibility for roads and fire, a Community Service District (CSD) was established by the County Board of Supervisors in March 1983, governed by a three-member board. A vote by the residents to seek Public Utility District (PUD) status was passed by one vote, 45 to 44. In November 1986, LAFCo granted that change from CSD to PUD status and added the responsibility for acquiring electric power to the responsibilities. The Board of Supervisors did not approve this change until

May 1988, and the first actual meeting as a PUD was not held until October 1988. Because it has always been a working board, the number of Directors was increased from three to five at that time.

Services

Post Mountain PUD is an independent, multi-purpose special district authorized to provide fire protection, road maintenance, and electricity acquisition services pursuant to the Public Utility District Act (commencing with Section 15501) of Division 7 of the Public Utilities Code¹. With regard to fire protection services, the District is authorized to exercise any of the powers, functions, and duties which are vested in, or imposed upon, a fire protection district pursuant to the Fire Protection District Law of 1987, Part 3 (commencing with Section 13800) of Division 12 of the Health and Safety Code². All other remaining services, facilities, functions or powers enumerated in the District's principal act but not being exercised are considered "latent". Activation of these latent powers and services requires LAFCo authorization.

Boundary and Sphere

Post Mountain PUD's jurisdictional boundary comprises approximately 43 square miles (28,000 acres)³ and encompasses the unincorporated community of Post Mountain and surrounding rural residential and resource lands along Highway 3 (Figure 1). The District includes predominantly private lands within the greater Post Mountain and Trinity Pines area. The nearest major roadway is State Highway 36 which runs northeast to southwest just south of the District's boundary. Access to the District is provided by Post Mountain Road, Old Highway 36/Rattlesnake Road, Trinity Pines Drive, and numerous forest service roads. The majority of roads are gravel/dirt throughout the community apart from major access roads. There are no services or amenities available in Post Mountain, with the closest amenities (i.e., gas stations, restaurants, grocery stores) located in Hayfork approximately 15 miles north on Highway 3. Currently, the District's Sphere of Influence (SOI) is coterminous with its boundary.

¹ PUC Sec. 16463. A district may acquire, construct, own, complete, use, and operate a fire department, street lighting system, public parks, public playgrounds, golf courses, public swimming pools, public recreation buildings, buildings to be used for public purposes, and works to provide for the drainage of roads, streets, and public places, including, but not limited to, curbs, gutters, sidewalks, and pavement of streets. For purposes of this division, all of those projects shall be considered a public utility or public utility works.

(Added by Stats. 1986, Ch. 195, Sec. 134.)

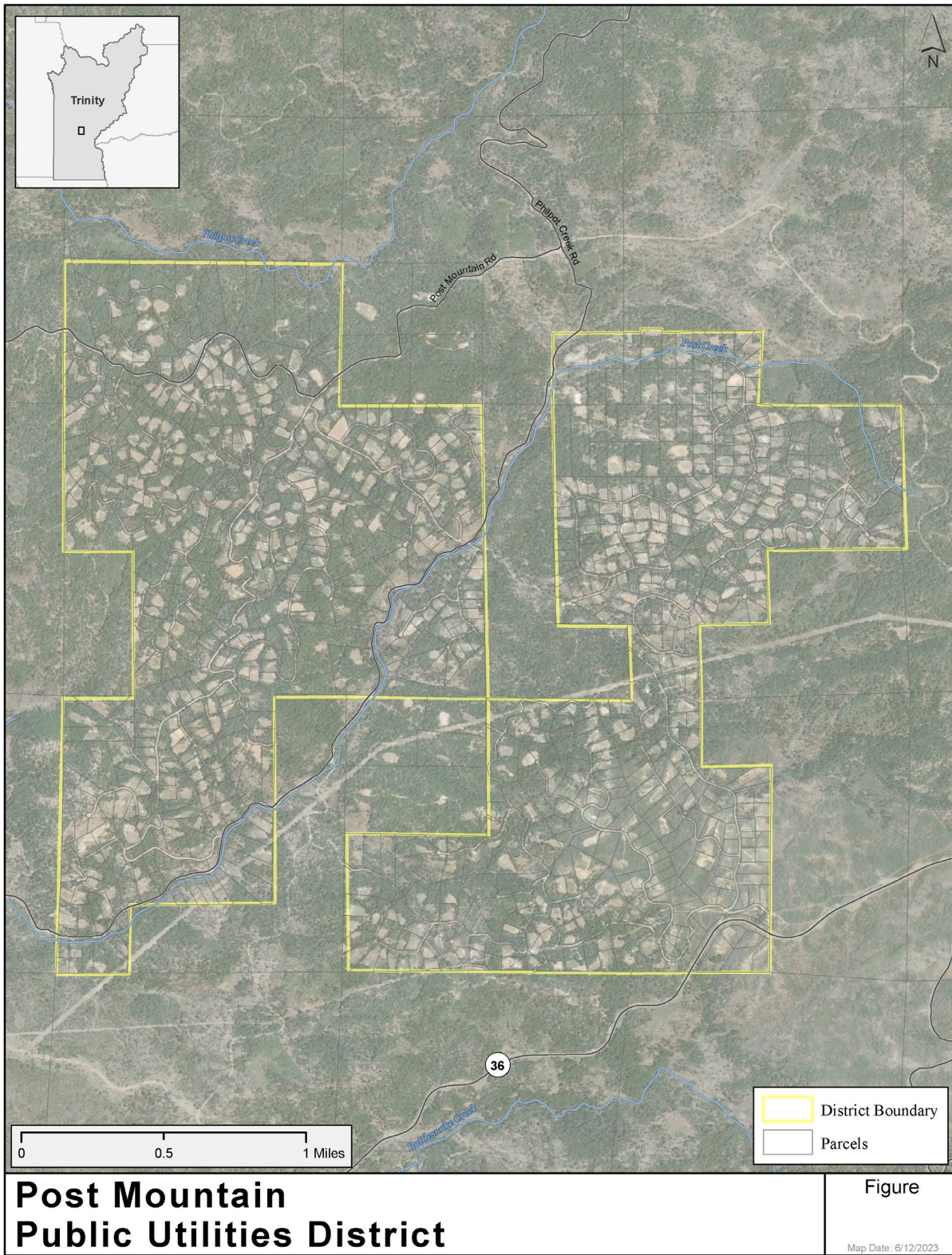
² PUC Sec. 16463.5. (a) A district may exercise any of the powers, functions, and duties which are vested in, or imposed upon, a fire protection district pursuant to the Fire Protection District Law of 1987, Part 3 (commencing with Section 13800) of Division 12 of the Health and Safety Code.

(b) If the district includes any part of a local agency which provides fire protection service to any territory in the district, the district shall have no authority regarding the prevention and suppression of fires in that territory, unless the district has obtained the consent of the local agency.

(Amended by Stats. 1987, Ch. 1013, Sec. 16.)

³ Source: GIS boundary mapping

Figure 1: Post Mountain PUD Boundary



Based on the documented history of the District as noted under “Government Structure”, the current level of services as noted under “Services and Infrastructure”, and the District’s financial standing as noted under “Financing”, it is recommended that a Provisional SOI be adopted for the District. A provisional SOI provides the District the opportunity to address the service deficiencies and concerns identified as part of this current review and return to LAFCo in one year, at which time PMPUD’s SOI will be reviewed and updated based on the District’s efforts to adequately address the service deficiencies. In the event the District is unable to make suitable progress towards addressing these concerns after one year, a zero sphere may be adopted and LAFCo may initiate proceedings for reorganization and/or dissolution of the District in accordance with Government Code Section 56375(2) or 56375.1.

The following steps need to be taken by the District to improve the overall standing of the District and improve the level of services provided:

1. Work with the Trinity County Auditor-Controller to conduct previously uncompleted audits for the District and implement a process to ensure minimum financial requirements under Government Code Section 26909 are completed in a timely manner.
2. Provide annual reports to the State Controller for publication.
3. Prepare for and seek voter approval for a special tax or property owner approval of a special assessment to fund road maintenance services in accordance with Proposition 218 procedures.
4. Conduct community outreach and attempt to fill vacancies on its Board of Directors.
5. Conduct Board of Director meetings at least every other month and ensure that notices, agendas, and minutes are posted in accordance with the Brown Act.
6. Ensure that all board members file Statements of Economic Interests (Form 700), receive mandated ethics training, and submit forms/certificates to the District to keep on file.
7. Conduct community outreach and attempt to obtain additional volunteer firefighters.
8. Work cooperatively with neighboring fire services providers to assess the potential for volunteers to attend regular and ongoing training so that the District can effectively respond to calls for service in the area, including medical.
9. Establish formal mutual aid and auto-aid agreements with neighboring emergency service providers.
10. Obtain copies of minimum training certifications for all volunteer firefighters and records for regular training and keep them on file at the fire station.
11. Develop a program to ensure proper maintenance and repair of all District equipment as well as regular apparatus and equipment inspections, that includes tracking logs.
12. Conduct a review to determine the degree to which engines meet minimum ISO or CAL FIRE equipment and hose requirements, and identify deficiencies.

GOVERNMENT STRUCTURE

Governing Body

As an independent special district, Post Mountain PUD operates under a locally elected, independent board of directors. It is independent from other governments and is directly accountable to the people it serves⁴. The District is governed by a five-member Board of Directors elected at-large to serve staggered four-year terms (Table 2). In order to be elected to the Board, candidates must be registered voters residing within the District boundaries. If there are insufficient candidates for election, or if the number of filed candidates is equal to the number of vacancies, then Board members may be appointed in lieu of election. The Board of Directors appoints a President (Chair) of the Board and is also responsible for appointing a clerk, accountant, general manager, and treasurer (Public Utility Code §16035). There are no term limits for serving as an officer of the Board. Board members do not receive a stipend for attending meetings.

Board meetings have previously been held on the 2nd Saturday of every month at the Post Mountain Fire Hall, 731 White Oak Road in Post Mountain. However, the Board will be considering moving the meeting date and time. Unlike Fire Protection District Law that requires that fire district boards must meet at least once every three months (H&S Code §13855), Public Utility District law has no requirement. In accordance with the Brown Act, all meetings of the District Board are open to the public and must be publicly posted a minimum of 72 hours prior to regular meetings and a minimum of 24 hours prior to special meetings. According to the District, notices are typically posted at the Fire Hall and on the Post Mountain Trinity Pines Community Facebook page (formerly titled Post Mountain Volunteer Fire Department).

Table 2: Post Mountain PUD Board of Directors

Board Member	Title	Term Expiration
Peter Dobo	President	4-year term, expires December 2026
Charles Adkins	Director	4-year term, expires December 2026
Blong Yang	Director	2-year term, expires December 2024
Vacant	Director	2-year term, expires December 2024
Vacant	Director	2-year term, expires December 2024

The District continues to have a difficult time attracting and retaining board members. From fall 2022 to summer 2023 there were two active board members which does not constitute a quorum and meant the District was unable to conduct business. The last Board meeting held was a special meeting on September 10, 2022. However, a new Board member was appointed by the Board of Supervisors in-lieu of election on June 6, 2023, and is a member of the Hmong community. The District has been working on outreach to the Hmong community as there is a large presence in the Post Mountain area. Additional outreach by the District is planned to recruit volunteer firefighters and additional board members.

⁴ California State Controller’s Office, Special District Uniform Accounting and Reporting Procedures: 2023 Edition. May 26, 2023.

The District has indicated they held their first Board meeting since obtaining a quorum of active members on July 8, 2023, and will resume monthly meetings on the 2nd Saturday of every month. According to the Elections Office, the District needs to: 1) submit meeting minutes documenting that appointments have been made for each Board member, 2) submit oaths of office for each Board member, and 3) submit Form 700's for each Board member to remain in good standing with the Elections Office.

Administration, Management & Staffing

The District utilizes the Post Mountain Fire Hall located at 731 White Oak Road. The District is entirely volunteer operated, which includes the Volunteer Fire Department, road maintenance, and equipment maintenance. Over the course of the last decade or more, the District has seen a decline in volunteers and is now operating with limited capacity. The District currently has one paid position, a bookkeeper, that is paid on an hourly rate and five volunteer firefighters that includes the chief. Personnel are accountable to the chief. The chief reports to the Board of Directors at meetings. The District reports that it has Standard Operating Procedures and guidelines for the volunteer fire department. It is unknown whether the Board has updated policies or bylaws for conducting business.

Transparency and Accountability

Post Mountain PUD does not currently have a website but operates a Facebook page where community updates are posted, including posts regarding board meetings when scheduled. In accordance with the Brown Act, the District posts agendas at the Post Mountain Fire Hall at least 72 hours in advance of regular or special board meetings. The Post Mountain Fire Hall does not have a phone or message machine, which makes it difficult for the public to contact the district. If a resident is dissatisfied with District services, complaints may be submitted by email to the Board President or directly to the Board. The District reported the only formal complaint is in the form of a lawsuit related to a vehicle accident involving the District's snowplow, which is ongoing.

The Political Reform Act requires all state and local government agencies to adopt and promulgate a Conflict of Interest Code pursuant to Government Code §81000 et seq. The Political Reform Act also requires persons who hold office to disclose their investments, interests in real property, and incomes by filing a Statement of Economic Interests (Fair Political Practices Commission Form 700) each year pursuant to Government Code §87203. Form 700s for the District have not been filed in recent years.

Regarding ethics and sexual harassment training, according to AB 1234, if a local agency provides compensation or reimbursement of expenses to local government officials, then all local officials are required to receive two hours of training on public service ethics laws and principles at least once every two years and establish a written policy on reimbursements pursuant to Government Code §53235. In addition, AB 1661 went into effect in 2016 and addresses local government sexual harassment prevention training and education. Post Mountain PUD currently does not provide compensation or reimbursement to its board members and therefore ethics training is not required but it is strongly encouraged. There are currently no certificates of training for either ethics or sexual harassment prevention training on file for District staff or board members.

SB 929 (McGuire) was signed into law on September 14, 2018, requiring all independent special districts to maintain a website by January 1, 2020. Only hardship-based findings, identified in a board resolution approved annually at a regular meeting, would allow a district to be exempt from establishing or maintaining a website. It is recommended that the District annually adopt a resolution of hardship until such time that a website can be created and maintained.

Grand Jury Investigation

The District was under investigation by the Trinity County Grand Jury in 2009 and in a countywide investigation in 2010. In 2009, the Special Districts Committee chose to investigate the Post Mountain PUD. The committee members interviewed the Board of Directors and sat in on Board meetings. They also reviewed the facilities and equipment. The Committee also interviewed a concerned citizen who made a complaint and the written materials presented.

The first finding for the 2009 investigation was that the District's board meetings lack structure. They suggested adopting a set of rules for meetings. The investigation found that the Board was not getting anything done, such as equipment maintenance and repairs, snow removal, and road repairs. It was suggested the District go back to the methods that had been working before. It was also suggested the District hold a townhall meeting to involve more of the community and use a facilitator from another entity to handle it. The investigation found that that the agendas lacked organization and suggested putting public comment at the end and adding "action items" to follow up on previous meetings' items.

Beyond the board meetings, the equipment was found to be in disrepair, the water system at the firehouse was not working and had not for years, and there were no qualified drivers for some vehicles. The recommendations were to repair all equipment as soon as possible and find qualified and licensed drivers. It was found that board meetings are often cancelled without rescheduling. The District was recommended to reschedule and hold special meetings more often, so business is not being ignored for months at a time. The District was found to be too understaffed to go to off-district work on CAL FIRE or U.S. Forest Service jobs causing a loss in revenue for the District. It was recommended to the District to use a town hall meeting to recruit much needed firefighters. The final finding was a commentary on the community dynamics. They found that experienced people had left the board and VFD and were unwilling to help the new, less experienced persons taking over. The Grand Jury findings discuss how many community members do not feel the board is being run properly but are complaining rather than stepping up to help. The recommendation was for the community to forgive and learn to work together.

The countywide Grand Jury investigation includes general findings for Districts offering fire protection and one finding relating to Post Mountain PUD. The investigation found that most fire departments struggle training and retaining volunteers and equipment maintenance. The County at this time reduced the workmen's compensation premiums, and it was recommended they return them to the previous levels when economically feasible. It was also found that it was difficult for volunteers to obtain local EMT training. It was suggested the County reach out to Shasta College to ensure local EMT training is available. In regards to Post Mountain PUD, they were the only district without audit compliance. At that time, the Auditor's Office was told to make efforts to help the District reach compliance.

Last Municipal Service Review

The last Municipal Service Review (MSR) was prepared for Post Mountain PUD in 2009. This review documented the capacity and adequacy of public services, including infrastructure needs and deficiencies. The 2009 MSR noted that volunteer capacity remain sparse, road equipment inadequate, insurable drivers not forthcoming, and like everywhere else, the budget tight. The following determinations were made in the 2009 MSR regarding opportunities for shared facilities:

Roads: Even at the bottom of the County Road Department's priority list, the citizens of the PMPUD area would be better served by the county than they are being served at present. Trained professionals using well-maintained equipment would be far more efficient than the current situation. If the landowners were taxed so that the burden of payment were spread fairly over all of them, the cost per parcel could be much lower than the donation amount currently requested.

Fire: PMPUD is fortunate to have a great firehall and late-model equipment. It is important that there be medical and fire response locally, because emergency situations usually cannot wait for help to arrive from Hayfork. However, we lack skilled personnel and training. If Post Mountain became a substation of the well-respected Hayfork Fire Department, sharing their expertise, training opportunities, and administration, all could be more efficiently served. Post Mountain residents who are reluctant to participate in PMVFD as it is structured today may be more willing to serve as part of a more-experienced department.

Electric: It is unfortunate that Trinity County PUD excluded Post Mountain from their sphere of influence at the time of their formation. If they had contacted the Post Mountain PUD Board, I suspect the wheels would have been set in motion to relinquish the power responsibilities back to the TCPUD. It is not too late to do that now. Over ten years ago, Rick Coleman, their General Manager, wrote in a memo to his own board, "The District [TCPUD] has an obligation, if at all practical, to extend service to any customer in Trinity County. This obligation is inherent in the 1955 Trinity River Division Act."

SERVICES & INFRASTRUCTURE

Service Overview

Post Mountain PUD has an area of responsibility of approximately 152 square miles. The area of responsibility is centered around Post Mountain, or as it is also known as, the Trinity Pines subdivision. There are no fire hydrants in the district, no central water or sewer service, and no grid power. The area includes wide expanses of mountainous, rugged terrain stretching from Irish Mountain to the east, Platina in Shasta County to the west, Red Mountain to the south, and Salt Creek to the north. Approximately four square miles of this area of responsibility is densely populated due to persons tending cannabis farms. Much of the area is Forest Service jurisdiction.

Fire Services

Service Demand

The department has historically responded to about 1-2 calls per month or approximately 15 wildland calls per year (which may involve vehicle fires) and 3 structure fires per year. The department hasn't responded to medical or auto accidents in the past few years because of reporting requirements, lack of adequate training, and the related expense, so it is no longer able to respond to EMS calls. Trinity County Life Support responds to EMS calls (STAR does not come to Post Mountain).

The non-profit status of the Post Mountain Volunteer Fire Department became inactive on March 28, 2019, based on an Administrative Termination by the California Franchise Tax Board (FTB)⁵. The FTB has the authority to administratively terminate (e.g., cancel, dissolve, surrender) any nonprofit corporation if a nonprofit corporation's rights, powers, and privileges have been suspended or forfeited by FTB for at least 48 continuous months. Once initiated by FTB, the nonprofit has 60-calendar days to act before it is permanently FTB administratively terminated. A nonprofit corporation that objects in writing during the 60-day notice period will have an additional 90 days to pay any owed taxes, penalties, and interest. It must also file any missing tax returns and a current Statement of Information with the Secretary of State, or it will be administratively dissolved/surrendered at the end of the additional 90-day period.

Personnel

Currently the all-volunteer department has five volunteers on its roster. To become eligible, one must attend 3 department trainings and be voted in to become a volunteer. All personnel must receive basic wildland certification (Firefighter Type 2-FFT2) and Wildland Fire Safety Training Annual Refresher (RT 130), usually put on by CAL FIRE and U.S. Forest Service in Hayfork. The department currently has sporadic training (~1 per month when active) and is invited to trainings hosted by Weaverville FPD, Hayfork FPD, and Southern Trinity VFD. It is unknown the full extent

⁵ California Secretary of State Business Search (<https://bizfileonline.sos.ca.gov/search/business>)

of training and certifications for all volunteers. The District indicated driver-operator training is critically needed.

The VFD faced staffing issues in 2018 as it had two volunteers remaining, leading to requests to change primary responsibility for the area of responsibility to surrounding VFDs and other fire protection providers. Currently, Hayfork FPD and CAL FIRE Hayfork station respond to fire and medical calls in the Post Mountain area, along with U.S. Forest Service and CAL FIRE if there is a wildland fire.

The department reports that it is difficult to recruit volunteers to join the fire department. There has been a lot of turnover in the community and within the department with people moving to Hayfork or out of the area. The community has transitioned to mostly Hmong population (whom have a history of persecution) and there are a lot of people growing cannabis (many are growing illegally). Generally, people do not like to rely on authorities and do not call 911 as quickly to report fires. The Hmong want to fight fire and sometimes show up but are not prepared or trained.

The following bullets are the *minimum firefighter training requirements in California*:

- First Aid and CPR Standards and Training for Public Safety Personnel (22 CCR, §100005).
- If Post Mountain has Self Contained Breathing Apparatus or performs any interior firefighting operations:
 - CAL OSHA Respiratory Protection (8 CCR, §5144), which requires fire departments to provide respirators (SCBAs) to all personnel and training on how to use them. Also requires an annual fit-test, annual medical evaluation, and annual refresher training. Prohibits facial hair that comes between the sealing surface of the facepiece and the face. This regulation does not ban facial hair on respirator users, per se. However, when a respirator must be worn to protect employees from airborne contaminants, it has to fit correctly, and this will require the wearer's face to be clean-shaven where the respirator seals against it.
 - CAL OSHA "Two-In, Two-Out" (8 CCR, §5144), which describes operational requirements for standby team outside when interior operations are conducted in an atmosphere that is immediately dangerous to life and health (IDLH).
- Training related to an Illness and Injury Prevention Program and other workplace safety requirements (Emergency Action Plan, Fire Prevention Plan, Fire Extinguishers, Heat Illness Prevention, Sexual Harassment, Hazard Communications, Ergonomics) - 8 CCR, §3203. Injury and Illness Prevention Program.
- National Incident Management System (NIMS) courses: National Incident Management System, An Introduction, IS-700, and Introduction to the Incident Command System IS-100.

In addition, NFPA 1720 offers a framework for defining levels of service, deployment capabilities, and staffing requirements for volunteer fire departments:

- NFPA 1720 is the Rural fire department standard (Standard for the Organization and Deployment of Fire Suppression Operations, Emergency Medical Operations, and Special Operations to the Public by Volunteer Fire Departments) and incorporates NFPA 1500 (Standard on Fire Department Occupational Safety, Health, and Wellness Program) by reference, which specifies that “(a)ll members who engage in structural firefighting shall meet the requirements of NFPA 1001 (Standard for Fire Fighter Professional Qualifications)
- All driver/operators shall meet the requirements of NFPA 1002, Standard for Fire Apparatus Driver/Operator Professional Qualifications.

Infrastructure and Facilities

Post Mountain PUD has a singular fire station located at 731 White Oak Road in Post Mountain (at the intersection of Trinity Pines Drive and the lower end of White Oak Road). The fire station, completed in the 1980s, is currently in good condition and contains an office/meeting room, a bathroom, district records and equipment storage mezzanine, and ability to be heated. The fire station has a well, but the pump is not operating (solar powered batteries need to be replaced). The station is heated by propane wall furnaces and has solar power and a backup generator. They have a computer but no internet at the station, which limits access to online training. There is no phone or message machine at the station.

Post Mountain PUD has two fire trucks including a 4wd engine with a 450 gallon tank (about 15 years old, acquired through a grant) and a 2wd “city” fire truck. The District also has a water tender with a 4,000 gallon tank that was donated by Hayfork Fire, one rescue and a chiefs vehicle. It is unknown if all apparatus is in functioning order and ongoing maintenance is needed. There is a need for more hand tools, wildland PPE, and communication equipment. An existing 10,000 gallon tank located at the fire hall (previously used to refill apparatus) is old (rusting on the inside) and needs to be replaced. One volunteer has a 90 gal/min water source and provides water free to the department as needed. Large water tanks are located on private lots but there is a need to document locations and coordinate with landowners more regarding access.

ISO Rating

There are several benchmarks by which the level of fire service provided by an agency may be measured, and the Insurance Services Office Public Protection Classification, or ISO PPC, is one such measure. The ISO is a rating commonly used by insurance companies to determine fire insurance rates, with 1 being the best rating which indicates the highest level of fire protection and 10 being the lowest. It is unknown if the VFD has a current ISO rating.

Challenges and Needs

As with other VFDs in the county, Post Mountain currently faces difficulties with funding, repairs, and equipment that are often funded through donations. The lack of electrical utilities in Post Mountain has proved to be an additional challenge, with the VFD having issues with access to consistent electricity. As such, the VFD uses batteries for power at the fire station. The VFD also has issues with clear signage and road quality in Post Mountain, which is unpaved outside of Trinity Pines Drive.

There is an opportunity to expand fuel reduction projects in the community, including community outreach and education with translators about the importance of fuel reduction, junk removal, and deterring people from dumping trash and potentially hazardous materials in the first place. The biggest challenges for the district are recruitment and retention, stable funding, and equipment acquisition. Additional funding and technical assistance is needed to cover additional firefighting training and grant writing support for the District.

Road Maintenance

Roads are a massive issue in the community with segmented agency jurisdiction for road maintenance responsibilities shared by Post Mountain PUD, Trinity County Department of Transportation, and U.S. Forest Service. They affect response time for the fire department and can be very difficult to traverse. There are 51 separate roads, totaling at least 27 miles, which are the responsibility of Post Mountain PUD. The District does not have a dedicated funding source for roads and has relied on fire assessment funds and reimbursements as available. Roadwork capacity is very needed in the community as Post Mountain PUD does not have its own grader or necessary equipment and must contract out all work. The District operates a snowplow which was involved in a vehicle related incident and subsequent lawsuit that is still ongoing.

The District has indicated they are pursuing the establishment of a benefit assessment to provide a stable revenue source to fund the ongoing operation, repair, maintenance, and servicing of road improvements and facilities. The District Board may initiate proceedings to form an assessment district pursuant to the Benefit Assessment Act of 1982 (Government Code section 54703 et seq.) or other applicable Assessment Acts. Establishment of an assessment district would require the preparation of an engineer's report describing the improvements, the parcels upon which the assessment is proposed for imposition, and the basis upon which the assessment is to be calculated all in accordance with the 1982 Act, Article XIII D of the California Constitution, and the Proposition 218 Omnibus Implementation Act.

Pursuant to Article XIII D, all parcels that receive a special benefit conferred upon them as a result of the public improvements must be identified, and the proportionate special benefit derived by each identified parcel shall be determined in relationship to the entire costs of the project. Article XIII D also provides that publicly-owned properties within an assessment district must be assessed unless there is clear and convincing evidence that those properties receive no special benefit from the improvements. Furthermore, Article XIII D requires that the District separate the general benefits from special benefits, so that only the special benefits may be assessed. The operation and maintenance of the improvements would be expected to confer certain benefits to properties within the District, including improved accessibility to the parcels in the district, improved emergency response ingress, and reduced vehicular accidents due to road damage.

Electricity Acquisition

As electric service has not been historically provided by Post Mountain PUD, it is considered a latent power. Currently no electricity service is provided to the Post Mountain area, and it is outside of the service area for Trinity PUD. However, it is within Trinity PUDs SOI. Extension of service from Trinity PUD would require substantial installation of infrastructure. According to Paul

Hauser, Trinity PUD general manager, there has never been a formal study to look at serving the Post Mountain area. Conservatively, it would cost \$20 million to extend transmission from TPUD's Hayfork Substation to Post Mountain and construct a distribution substation. The additional cost to provide service to each lot would likely exceed \$20,000 per lot.⁶

Other Service Providers

Trinity County provides general governmental services including social services, emergency services, planning, county road maintenance and snow removal, parks, and other services to areas within the County. Law Enforcement is provided by the Trinity County Sheriff's Office. The California Department of Transportation (Caltrans) is responsible for the condition of Highway 3 that provides access through Hayfork and Highway 36.

Trinity Life Support Community Services District is the regional ambulance provider. TLS operates out of Hayfork and Weaverville and is staffed by EMT-1 and Paramedic level emergency personnel in contract with Mountain Communities Healthcare District. The Hayfork ambulance is not always staffed at an Advanced Life Support (ALS) level. If they are operating at Basic Life Support (BLS) level, they take the patient to Hayfork and meet the ALS ambulance that drives from Weaverville or meet a helicopter for transport. Trinity Life Support recently applied to USDA Rural Development for grant assistance to purchase two new ambulances, 1 in Weaverville, 1 in Hayfork.

Community water and wastewater services in the Post Mountain area are provided by individual wells and onsite septic tanks for sewage disposal. The placement of individual septic tanks can be limited by soil type, slope, and proximity to rivers, streams, springs, and wetlands.

Trinity County is highly susceptible to wildfire hazards and has a history of large and destructive wildfires that have become more recent in the last several decades due to fire suppression and climate change. All of Trinity County is within State or Federal Responsibility Areas

- *Federal Responsibility Areas (FRAs)*. FRAs are fire-prone wildland areas that are owned or managed by a federal agency such as the U.S. Forest Service. Primary financial and rule-making jurisdiction authority rests with the federal land agency. In many instances, FRAs are interspersed with private land ownership or leases. Fire protection for developed private property is usually the responsibility of the relevant local government agency, not the federal land management agency. (CAL FIRE, 2013-2018)
- *State Responsibility Areas (SRAs)*. SRAs are lands in California where CAL FIRE has legal and financial responsibility for wildfire protection. CAL FIRE administers fire hazard classifications and building standard regulations in these areas. SRAs are classified into types of land based on cover, beneficial use of water from watersheds, probable damage from erosion, and fire risks and hazards. (California Legislative Information, pp. § 4102, § 4130) CAL FIRE adopts SRA boundaries and updates them every 5 years. Where SRAs

⁶ Email communication with TPUD, Paul Hauser, General Manager on June 14, 2023.

contain structures or development, the relevant local government agencies have fire protection responsibility for those improvements. (Office of the State Fire Marshal, 2021)

The Trinity Pines subdivision area of Post Mountain is located within SRA and is mapped as a Very High Fire Hazard Severity Zone. The surrounding U.S. Forest Service lands are FRA. Post Mountain does not have cooperative agreements in place with the U.S. Forest Service or CAL FIRE.

FINANCING

Fiscal Overview

Special districts, including Public Utility Districts, are responsible for conducting adequate financial planning and reporting on an annual basis. This includes preparing annual budgets for prepare for the upcoming fiscal year, conducting regular audits in accordance with state and federal regulations, and submitting accurate annual reports to the State Controller's officer and the County Auditor's office. Regular fiscal planning and review helps to inform with public about the state of the district and allows the governing body to make informed decisions regarding upcoming capital projects, potential rate increases, staffing, and other items that may have an impact on the district's finances.

The following code sections relate to required financial reporting at both the state and local levels.

- Government Code §12463 requires the State Controller to annually compile, publish, and make publicly available on its website, reports of the financial transactions and information on annual compensation of each county, city, and special district. As such, each special district must report annually to the State Controller.
- Government Code §26909(a)(1) states that the county auditor shall either prepare the audit or contract with a certified public accountant to complete the annual audit for districts not in compliance with their audit requirement at the expense of the special district. It also states that an audit conducted by the district is to be filed with the State Controller, county auditor, and LAFCo.
- Government Code §26909 provides for a special district by unanimous request of the governing board with unanimous approval of the board of supervisors to replace the annual audit with a biennial audit covering a two-year period, an audit covering a five-year period, or to replace the annual audit with a financial review, agreed-upon procedures engagement, or financial compilation as determined by the county auditor.
- Public Utilities Code §16039 states that at the first meeting after the end of each fiscal year, the board [of a public utility district] shall render and immediately cause to be published a verified statement of the financial condition of the district.

Post Mountain PUD is currently in non-compliance for fiscal reporting. The last audit conducted for the District was FY 19-20 and budgets have been provided inconsistently. Annual reports have been submitted to the State Controller's Office but appear to be inconsistent, which makes it difficult to fully understand the financial position of the District. The following sections provide additional detail on the District's overall financial standing.

Revenue and Expenditures

According to the last available budget for the District from FY 2020-21, the majority of the District's revenue (62%) comes from taxes and assessments. The remaining revenue comes from donations

and interest on Certified Deposits. Based on the available information, it is unclear how much revenue is generated from the Measure A benefit assessment (discussed further below) and how much is generated from ad valorem property taxes. Major expenditures include accounting/bookkeeping (27%), general liability insurance (22%), road maintenance/repair (17%), and USDA loan payments (17%). Based on the available budget, the District receives enough revenue to cover expenses. However, this conflicts with the available information on the State Controllers website (Table 5) which shows the District has been operating at a loss for five of the last six fiscal years reviewed.

Table 5: State Controller Reporting Summary (FY 2014-15 Through 2020-21)⁷

	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 19-20	FY 20-21
Revenues						
Taxes and Assessments	\$15,686	16,409	24,039	24,039	-	25,267
Enterprise Revenues	-	-	-	-	-	11,282
Contributions	\$950	1,858	23,020	9,722	-	-
Other	-	-	-	-	571	-
<i>Total</i>	<i>\$16,636</i>	<i>\$18,267</i>	<i>\$47,059</i>	<i>\$33,761</i>	<i>\$571</i>	<i>\$36,549</i>
Expenses						
General/ Admin				35,878		14,810
Depreciation					10,097	11,447
Interest Expense	2,605		2,096	2,117	1,604	1,790
Materials and Supplies					11,342	1,521
Debt Payments				5,488		
Retirement of Debt	4,845	4,845	5,509			
<i>Total</i>	<i>\$7,605</i>	<i>\$4,845</i>	<i>\$7,605</i>	<i>\$43,483</i>	<i>\$23,043</i>	<i>\$29,568</i>
Gain/(Loss)	(\$9,031)	(\$13,422)	(\$39,454)	(\$9,722)	(\$22,472)	\$6,981

In an effort to improve financial reporting, the District Board appointed a treasurer in June 2020 which to date is the only paid position (hourly) for the District. The treasurer is responsible for regularly attending to the District’s finances such as billing, making payments on outstanding debts, and conducting financial reporting in accordance with Generally Accepted Accounting Practices and regulatory requirements.

Property Taxes

All parcels are assessed a 1% property tax. This funding is divided among the various agencies that exist within the associated tax rate area (TRA). Post Mountain PUD is entirely within TRA 056-009 which includes Mountain Valley Unified School District, Shasta Tehama Trinity Community College, Mountain Community Medical Services, Greater Hayfork Valley Park and Recreation District, and Post Mountain PUD, in addition to Trinity County general.

⁷ California State Controller’s Office, Local Government Financial Data: Special Districts – Post Mountain PUD Revenues and Expenditures. Accessed from <https://bythenumbers.sco.ca.gov/> on June 13, 2023.

Parcel Taxes

Post Mountain PUD passed Measure A in November 1992 which provides \$24 per parcel per year benefit assessment designated for fire suppression⁸. There are 1,045 parcels within the District generating approximately \$25,000 per year. This has been used primarily for fire protection activities but there have been times in the past where the fire department voted to donate some funds for road maintenance purposes. In 1996, county counsel provided an opinion that road work needed to be related to fire suppression before fire funds could be used. “Although pothole filling may be stretching the concept, snow removal may be easier to link to fire suppression in that it’s difficult to respond to a fire if you can’t drive to it”⁹. Currently, the District does not have a funding source for roads apart from general property taxes and community donations.

Each year, all districts that want to place charges on the tax roll must first request their updated parcel list from the Assessor’s Office no later than July 1st and then submit their Assessment list in the correct file format (assessment numbers, dollar amounts, and tax codes) to the Auditor’s office no later than August 1st. There is a 51 cent per parcel fee for the county to bill, collect and apportion the assessments. The Auditor’s Office apportions tax collections three times a year: January 30th, May 30th, and July 30th.

In FY 2021-22, there was an error in the dollar amount included in the assessment list that Post Mountain PUD submitted to the Auditor’s office. At the time, the District was discussing the process to increase the \$24 per parcel annual assessment to \$100, and the incorrect amount was billed on the tax roll for parcels in the district. The District worked with the Auditor’s Office to submit corrections to the tax bill prior to the second installment (each parcel correction was \$6.50). Property owners that paid their tax bill in full were given a refund unless they donated the remaining amount.

To increase funding for needed improvements, Post Mountain PUD is in the early stages of preparing an engineer’s report to evaluate a new special assessment to fund road improvements and maintenance. This would be in addition to their \$24 per parcel assessment for fire suppression. This would provide a source of revenue for roads which have historically been supported by the District’s fire suppression assessment, which impacts available funding to run the fire department. A prop 218 process would be required for a new special (benefit) assessment.

Grants and Donations

The CA Firefighter Foundation recently awarded the District a \$15,000 grant. The District has contracted with a tree company to fell burnt trees along the main road. Clearing the burned area will help prevent trees from falling in roadways or causing other hazards. The District occasionally receives additional funding in the form of donations. While this provides much needed assistance to the District it cannot be relied on as a regular source of funding. Additional grant funding opportunities will be critical for the District to obtain technical assistance, planning and implementation funds to improve facilities, apparatus, and safety equipment.

⁸ November 3, 1992 - Measure A PMPUD –Yes: 61.1% (55 votes), No: 38.9% (35 votes)

⁹ County Counsel Mike Fitzpatrick’s 1996 opinion

GROWTH AND POPULATION

Existing Population and Projected Growth

Trinity County covers approximately 3,222 square miles and is sparsely populated with no incorporated cities. A vast majority of the land within the county is Federally or State owned (about 76%) or zoned for timber use and/or held in agriculture land conservation contracts (about 14%). The largest unincorporated communities by population are Weaverville (the county seat), Lewiston, Hayfork, and Post Mountain.

Post Mountain is one of Trinity County's newest Census Designated Places (CDP) having only been listed as a CDP just before the 2020 decennial census. Based on the 2020 census, Post Mountain's population of 3,032 made it one of the largest communities in the county. However, using the 2016-2020 American Community Survey 5-Year Estimate, the population of Post Mountain CDP is only 82. This population change is believed to reflect Hmong immigrants entering the County late in the decade and then leaving the community after the collapse in the cannabis industry.

With the growth of the cannabis industry, total population in Trinity County was 13,786 in 2010 and 16,112 in 2020, a growth of 2,326 persons since 2010. This suggests an annual growth rate of approximately 1.68%. The largest population increase was among the Asian population in Trinity County, with over a 2,250% increase since 2010, accounting for nearly 14% of the total population of Trinity County and 55% of the total population of Post Mountain CDP in 2020¹⁰. While there was a rise in population between the 2010 and 2020 census, the Trinity County Housing Element anticipates a slow decline in population over the next decade¹¹.

Existing and Planned Uses

Land uses in the Post Mountain area are subject to the Trinity County General Plan and Zoning Regulations (Trinity County Code Title 17). The existing Trinity County General Plan Land Use Element, adopted in 1988, divides the county into 12 planning areas. The Post Mountain and Forest Glen communities are covered by the South Fork Planning Area. A community plan has not been adopted for the South Fork Planning Area. It is important to note the county is in the early stages of a comprehensive General Plan Update.

Land use in the area served by the District is largely Rural Residential (RR) and Resource (RE). RR is applied to rural areas where minimal county services are available and service expansion is not desirable. Density is one dwelling unit per acre in RR designated lands. RE areas are designated for a variety of natural resource production uses such as timber production, mineral production, and important grazing areas. Activities necessary for resource production, including industrial development, are also allowed in this area if adjacent to the resource being produced. Zoning for the entire Post Mountain area is Unclassified, meaning the county does not have specific development standards and requirements regulating the uses on specific parcels. Allowed uses in

¹⁰ Trinity County, 2050 General Plan Background Report, Public Review Draft, March 2023

¹¹ Trinity County, 2019-2024 Housing Element Update, Chapter Two: Housing Needs. April 1, 2020.

Unclassified districts include single-family dwelling units, tree farms, forestry, orchards, row and field crops, and animal husbandry.

Disadvantaged Unincorporated Communities

LAFCo is required to evaluate water service, sewer service, and structural fire protection within disadvantaged unincorporated communities as part of this service review, including the location and characteristics of any such communities. A disadvantaged unincorporated community (DUC) is defined as any area with 12 or more registered voters where the annual median household income (MHI) is less than 80% of the statewide annual MHI.

According to the 2016-2020 American Community Survey 5-Year Estimate, the Post Mountain CDP MHI is \$17,000¹², which is 21% of the state MHI of \$78,672 and qualifies the community as a DUC. The Post Mountain area relies on onsite water and sewer systems, in addition to limited fire and emergency medical services. Other surrounding communities can also be considered DUCs including the Peanut, Wildwood, and Hayfork. When considering future boundary changes to address service needs, adjacent disadvantaged communities should be taken into consideration as emergency services are limited within the county.

¹² US Census Bureau, 2020 American Community Survey 5-year Estimate, Table S1901.

GOVERNANCE STRUCTURE OPTIONS

All fire protection and EMS providers in the region have identified significant challenges to providing adequate service levels, thus the impetus to analyzing alternate services structures at both a local and regional level. Challenges to service include, but are not limited to, the following:

- Serving outside of boundaries without revenue
- Lack of sufficient funding with increased costs
- Meeting expanding mandatory requirements and standards
- Duplication of efforts and expenses related to administration, training, and operations
- Reliance almost entirely on volunteers with declining volunteerism
- Board vacancies and succession
- Larger and more frequent wildfires

Local fire agencies provide and receive mutual aid when needed, providing sufficient resources to each incident regardless of whose jurisdiction it is in. In the past, Post Mountain PUD and Hayfork FPD had a mutual aid agreement. There should be renewed efforts by both districts to work cooperatively to assess opportunities for shared services, including the potential for Post Mountain volunteers to attend regular and ongoing training so that the District can effectively respond to calls for service in the area, including medical. In addition, Post Mountain should establish formal mutual aid and/or auto-aid agreements with neighboring emergency service providers (Hayfork FPD and Southern Trinity Volunteer Fire Department).

Since Hayfork FPD has an existing special tax to support fire and emergency response services, there is opportunity to consolidate services into a regional district and expand Hayforks FPD's special tax as a reliable source of revenue for the Post Mountain and Wildwood areas. A reorganization would serve to formalize services, training and response into a regional district model, with an improved economy of scale and associated benefits. To help address mutual challenges, it is recommended that Hayfork FPD, Post Mountain PUD, and Southern Trinity Volunteer Fire Department work collaboratively to identify opportunities that would benefit all organizations and the community. LAFCo staff are available to assist with these discussions and future planning.

Based on the record provided in this review, Post Mountain PUD has the following challenges and deficiencies: (1) the District has undocumented and/or inadequate minimum training certifications for all volunteer firefighters, deferred equipment maintenance and repair, and lack of volunteers and training to effectively respond to calls for service in the area, including medical; (2) the District lacks a dedicated funding source for road maintenance and has spent fire assessment funds and reimbursements on road maintenance activities under the assumption that roads must be cleared to access homes in the event of an emergency; (3) the District has consistently been unable to retain a full Board of Directors and for a substantial period of time was unable to conduct business as there were not enough members to constitute a quorum; (4) the District has not conducted

timely audits which has resulted in Trinity County Auditor-Controller withholding assessment funds until audits can be conducted; and (5) the District has taken limited action to improve its financial standing and organizational structure, which includes recruitment and retention, policies and management, training and certifications, and other operational improvements, strengthening regional fire response and addressing key vulnerabilities, and establishing cooperative agreements with neighboring emergency service providers. The District Board will need to be actively engaged in efforts to remediate the documented service deficiencies.

In the event that Post Mountain PUD does not take the necessary steps to remedy the service deficiencies within one year, LAFCo may proceed with a Zero SOI and dissolution of the Post Mountain PUD in accordance with Government Code §56375.1, unless LAFCo authorizes an extension of time for the Provisional SOI and efforts to remediate the documented service deficiencies. Should dissolution be initiated, Hayfork FPD could be named the successor agency for fire services in the Post Mountain area (annexation would be required) and Trinity County would be named the successor agency for the roads and road maintenance services in the Post Mountain area. A “successor agency” means the local agency the commission designates to wind up the affairs of a dissolved district.

Cortese Knox Hertzberg: Dissolution

In accordance with Government Code §56375.1, LAFCo may initiate a proposal for the dissolution of a district that is eligible for the protest threshold under §57093 if both of the following conditions are satisfied:

- (1) At a public hearing for which notice has been published and posted, the commission approves, adopts, or accepts a study prepared pursuant to §56430 (*MSR Update*) that includes a finding, based on a preponderance of the evidence, that one or more of the following conditions is met:
 - (A) The district has one or more documented chronic service provision deficiencies that substantially deviate from industry or trade association standards or other government regulations and its board or management is not actively engaged in efforts to remediate the documented service deficiencies.
 - (B) The district spent public funds in an unlawful or reckless manner inconsistent with the principal act or other statute governing the district and has not taken any action to prevent similar future spending.
 - (C) The district has shown willful neglect by failing to consistently adhere to the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1) and other public disclosure laws to which the agency is subject.
 - (D) The district has failed to meet the minimum number of times required in its principal act in the prior calendar year and has taken no action to remediate the failures to ensure future meetings are conducted on a timely basis.

(E) The district has consistently failed to perform timely audits in the prior three years, or failed to meet minimum financial requirements under *Section 26909* over the prior five years as an alternative to performing an audit.

(F) The district's recent annual audits show chronic issues with the district's fiscal controls and the district has taken no action to remediate the issues.

(2) At a public hearing for which notice has been published and posted, the commission adopts a resolution of intent to initiate dissolution based on one or more of the required findings in paragraph (1). The resolution shall provide a remediation period of not less than 12 months during which the district may take steps to remedy the specified deficiencies and also specify a date upon which the district shall provide the commission a mid-point report on such remediation efforts at a regularly scheduled commission meeting.

Upon dissolution of a district, all corporate powers will be terminated on and after the effective date of dissolution. The successor district will then take on the dissolved district's affairs. There are five criteria for picking a successor district.

- (1) If the dissolved district is within an incorporated area, the city is the successor.
- (2) If the dissolved district is within unincorporated territory, the county is the successor.
- (3) If the dissolved district is within a mix of different counties, cities, or within city and county, then the successor is the one containing the greater assessed value of all taxable property within the dissolved district.
- (4) If the terms and conditions of dissolution indicate the remaining assets of the dissolved district will be distributed to a single existing district, they are the successor.
- (5) If the remaining assets of the dissolved district are distributed to two or more existing districts, then the successor is the one containing the greater assessed value of all taxable property.

On the date of dissolution, the successor agency will take control of the money or funds from the district, including cash on hand and monies due but not collected. The successor will also take control of all the dissolved district's property. The successor will have all the powers and duties the district had. Inhabitants, property owners, taxpayers, consumers, or users within the dissolved district are not entitled to all or any part of the money or funds. Those persons are also not entitled to any refund collected prior to the effective date of dissolution. Any money the successor makes from the sale of the dissolved districts property will be used for the payment of interest and any other amounts due to outstanding bonds. Once all the short-term obligations are paid, the leftover money will be distributed to the successor. The remaining assets from the dissolved district will be distributed to the successor.

Each year, the successor agency may levy and collect taxes or assessments upon the property in amounts sufficient to pay principal, interest, and any other amounts owed. The successor must complete payment, or provision for payment, of all principal, interest, and any other amounts owed before selling, encumbering, or disposing of the revenue-producing enterprise. Payment

must also be made before the successor can distribute the revenue-producing enterprise to any city or county. The successor will take all rights and liabilities of the dissolved district upon the effective date of dissolution. The dissolved district's funds, money, or property that has a public trust, use, or purpose will remain as such until they have been vacated, abandoned, or terminated. After winding up the dissolved district's affairs, the funds, money, or property may be used in order to benefit the lands, inhabitants, and taxpayers within the dissolved district's territory.

MUNICIPAL SERVICE REVIEW DETERMINATIONS

This section addresses the requirements of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (California Government Code Section 56430). As part of the municipal service review process, LAFCo makes the following written determinations.

1) Growth and population projections

Post Mountain PUD is authorized to provide fire protection, road maintenance, and electricity acquisition services to the unincorporated community of Post Mountain and surrounding rural and residential resource lands. The estimated population of the area was documented as 3,032 by the 2020 Census and as 82 by the 2016-2020 ACS 5-Year estimate. This population change is likely due to Hmong immigrants entering the County with the boom of the cannabis industry and leaving the area as the industry declined. The overall population is expected to slowly decline over the next decade based on growth projections.

2) The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the Sphere of Influence

Post Mountain is a Census Designated Place with a reported median household income of \$17,000, which is 21% of the state MHI of \$78,672. The community is qualified as a DUC. Other surrounding disadvantaged communities include the Peanut, Wildwood, and Hayfork areas. Adjacent disadvantaged communities should be taken into consideration when considering future boundary changes to address service needs, as emergency services are limited throughout the county.

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

Post Mountain PUD has a singular fire station completed in the 1980's that is currently in good condition. The fire station has a well, but the pump is inoperable. There is a computer but no internet at the station, which limits access to online training. There is no phone or message machine at the station. There is a need for more hand tools, wildland PPE, and communication equipment. An existing 10,000-gallon tank located at the fire hall (previously used to refill apparatus) is old and needs to be replaced. Private lots typically have large water tanks, but there is a need to document locations and coordinate with landowners more about access.

Post Mountain PUD has two fire trucks including a 4wd engine with a 450-gallon tank (about 15 years old, acquired through a grant) and a 2wd "city" fire truck. The District also has a water tender with a 4,000-gallon tank that was donated by Hayfork FPD, one rescue vehicle, and a chief's vehicle. It is unknown if all apparatuses are in functioning order and ongoing maintenance is needed.

Historically, the Volunteer Fire Department (VFD) has responded to approximately 15 wildland calls per year (which may involve vehicle fires) and 3 structure fires per year. In the last few years, the department has not responded to EMS calls due to reporting requirements, lack of adequate training, and the related expense.

Post Mountain lacks electrical utilities, which causes issues with the VFD having access to consistent electricity. The VFD uses batteries as a power source at the station. Road quality and unclear signage are other service issues impacting the VFD's efficacy. Increased roads maintenance capacity is needed in the community as Post Mountain PUD does not have its own grader or other necessary equipment and must contract out all that work. Roads are unpaved outside of Trinity Pines Drive.

Based on the information provided during this review, Post Mountain PUD has a limited capacity to provide services and the current level of services is inadequate to meet community needs. However, with increased funding from a dedicated assessment to fund road improvements, increased outreach, recruitment of additional volunteer fire fighters, and improved administrative practices, the overall level of service could be improved.

4) Financial ability of agencies to provide services

Post Mountain PUD is currently in non-compliance for fiscal reporting. The last audit conducted for the District was FY 19-20 and budgets have been provided inconsistently. The District has been submitting annual reports to the State Controller's Office but appear to be inconsistent. The State Controller's website shows that the District has been operating at a loss for five of the last six fiscal years reviewed. As a result, it is difficult to fully understand the District's current financial position. In June 2020, the District Board appointed a treasurer in an effort to improve their financial reporting.

Post Mountain PUD is responsible for 51 separate roads, totaling at least 27 miles, in the area. There is no dedicated funding source for roads and the District has been relying on fire assessment funds or donations for road maintenance and work. The District occasionally receives grants and donations to fund service provisions, but these funding sources are not reliable. Additional grant funding opportunities will be critical for the District to obtain technical assistance, planning and implementation funds to improve facilities, apparatus, and safety equipment. To increase funding for needed improvements, the District is in the initial stages of preparing an engineer's report to evaluate a new special assessment to fund road improvements and maintenance.

5) Status of, and opportunities for, shared facilities

General governmental services including social services, emergency services, planning, county road maintenance and snow removal, parks, and other services are provided by Trinity County to County areas. Law Enforcement is provided by the Trinity County Sheriff's Office. The California Department of Transportation (Caltrans) is responsible for the condition of Highway 3, which provides access through Hayfork and Highway 36. Trinity Life Support Community Services District is the regional ambulance provider and responds to EMS calls; there are currently no formal mutual aid and auto-aid agreements with Post Mountain PUD.

Post Mountain does not have cooperative agreements in place with the U.S. Forest Service or CAL FIRE. The Trinity Pines subdivision area of Post Mountain is located within a state-responsible area (SRA) and is mapped as a Very High Fire Hazard Severity Zone. The surrounding U.S. Forest Service lands are FRA. The VFD faced staffing issues in 2018 as it had two volunteers remaining, leading to requests to change primary responsibility for the area of responsibility to surrounding VFDs and other fire protection providers. Currently, Hayfork FPD and CAL FIRE Hayfork station respond to fire and medical calls in the Post Mountain area, along with U.S. Forest Service and CAL FIRE if there is a wildland fire. The Post Mountain VFD has ~1 monthly training when active and is invited to trainings hosted by the Weaverville FPD, Hayfork FPD, and Southern Trinity VFD. Certifications are typically conducted by CAL FIRE and the U.S Forest Service in Hayfork.

The Post Mountain area is outside of the Trinity PUD service area but is within their SOI. Service extension is possible but would require substantial installation of infrastructure. There has never been a formal study to look at serving the Post Mountain area, but it would likely cost \$20 million to extend transmission from TPUD's Hayfork Substation to Post Mountain and construct a distribution substation. The additional cost to provide service to each lot would likely exceed \$20,000 per lot.

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

The District was under investigation by the Trinity County Grand Jury in 2009 and in a countywide investigation in 2010. The findings stated that board meetings lacked structure and were unproductive. Equipment was found to be in disrepair, the water system at the firehouse was inoperable and had been for years, and there were not qualified drivers for some vehicles. The Grand Jury findings discuss how many community members did not feel the board is being run properly.

The District continues to have a challenging time attracting and retaining board members. From fall 2022 to summer 2023, there were only two active board members which does not constitute a quorum. Thus, the District was unable to conduct business. A new board member was appointed on June 6, 2023, by the Board of Supervisors. The District has indicated they held their first Board meeting since obtaining a quorum of active members on July 8, 2023, and will resume monthly meetings on the 2nd Saturday of every month. According to the Elections Office, the District needs to: 1) submit meeting minutes documenting that appointments have been made for each Board member, 2) submit oaths of office for each Board member, and 3) submit Form 700's for each Board member to remain in good standing with the Elections Office.

Post Mountain PUD does not currently have a website but operates a Facebook page where community updates are posted, including posts regarding board meetings when scheduled. SB 929 (McGuire) was signed into law on September 14, 2018, requiring all independent special districts to maintain a website by January 1, 2020, unless a documented hardship exists. To date, the District has not adopted a resolution of hardship. In accordance with the Brown Act, the District posts agendas at the Post Mountain Fire Hall at least 72 hours in advance of regular or special board meetings. The Fire Hall does not have a phone, so contacting the District is difficult. Complaints may be submitted by email to the Board President or directly to the Board. The District

reported that the only formal complaint to date is in the form of a lawsuit related to a vehicle accident involving the District's snowplow, which is ongoing.

The Political Reform Act requires all state and local government agencies to adopt and promulgate a Conflict of Interest Code pursuant to Government Code §81000 et seq and requires persons who hold office to disclose investments, interests in real property, and incomes in a Fair Political Practices Commission Form 700 pursuant to Government Code §87203. Form 700s for the District have not been filed in recent years.

The Post Mountain PUD has not demonstrated adequate accountability or transparency to their service area. There are many identified issues and gaps within the PUD's structure and operational efficiency. However, with increased outreach, community collaboration, recruitment and retention of Board Members, improved meeting structures and practices, and compliance with government codes, these structural issues could be remedied, and operational efficiency could improve.

7) Any other matter related to effective or efficient service delivery, as required by commission policy

Based on the record provided in this review, Post Mountain PUD has the following challenges and deficiencies: (1) the District has undocumented and/or inadequate minimum training certifications for all volunteer firefighters, deferred equipment maintenance and repair, and lack of volunteers and training to effectively respond to calls for service in the area, including medical; (2) the District lacks a dedicated funding source for road maintenance and has spent fire assessment funds and reimbursements on road maintenance activities under the assumption that roads must be cleared to access homes in the event of an emergency; (3) the District has consistently been unable to retain a full Board of Directors and for a substantial period of time was unable to conduct business as there were not enough members to constitute a quorum; (4) the District has not conducted timely audits which has resulted in Trinity County Auditor-Controller withholding assessment funds until audits can be conducted; and (5) the District has taken limited action to improve its financial standing and organizational structure, which includes recruitment and retention, policies and management, training and certifications, and other operational improvements, strengthening regional fire response and addressing key vulnerabilities, and establishing cooperative agreements with neighboring emergency service providers. The District Board will need to be actively engaged in efforts to remediate the documented service deficiencies. The following steps need to be taken by the District to improve the overall standing of the District and improve the level of services provided:

1. Work with the Trinity County Auditor-Controller to conduct previously uncompleted audits for the District and implement a process to ensure minimum financial requirements under Government Code Section 26909 are completed in a timely manner.
2. Provide annual reports to the State Controller for publication.
3. Prepare for and seek voter approval for a special tax or property owner approval of a special assessment to fund road maintenance services in accordance with Proposition 218 procedures.

4. Conduct community outreach and attempt to fill vacancies on its Board of Directors.
5. Conduct Board of Director meetings at least every other month and ensure that notices, agendas, and minutes are posted in accordance with the Brown Act.
6. Ensure that all board members file Statements of Economic Interests (Form 700), receive mandated ethics training, and submit forms/certificates to the District to keep on file.
7. Conduct community outreach and attempt to obtain additional volunteer firefighters.
8. Work cooperatively with neighboring fire services providers to assess the potential for volunteers to attend regular and ongoing training so that the District can effectively respond to calls for service in the area, including medical.
9. Establish formal mutual aid and auto-aid agreements with neighboring emergency service providers.
10. Obtain copies of minimum training certifications for all volunteer firefighters and records for regular training and keep them on file at the fire station.
11. Develop a program to ensure proper maintenance and repair of all District equipment as well as regular apparatus and equipment inspections, that includes tracking logs.
12. Conduct a review to determine the degree to which engines meet minimum ISO or CAL FIRE equipment and hose requirements, and identify deficiencies.

A Provisional SOI is proposed to be adopted for PMPUD. A provisional SOI provides the District the opportunity to address the service deficiencies and concerns identified as part of this current review and return to LAFCo in one year, at which time PMPUD's SOI will be reviewed and updated based on the District's efforts to adequately address the service deficiencies. In the event the District is unable to make suitable progress towards addressing these concerns after one year, a zero sphere may be adopted and LAFCo may initiate proceedings for reorganization and/or dissolution of the District in accordance with Government Code Section 56375(2) or 56375.1.

SPHERE OF INFLUENCE DETERMINATIONS

Trinity LAFCo makes the following written determinations:

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

Land uses in the Post Mountain area are subject to the Trinity County General Plan and Zoning Regulations (Trinity County Code Title 17). The Post Mountain and Forest Glen communities are covered by the South Fork Planning Area, but a community plan has not been adopted for this area.

Land use in the area served by the District is largely Rural Residential (RR) and Resource (RE). Zoning for the entire Post Mountain area is Unclassified, meaning the county does not have specific development standards and requirements regulating the uses of specific parcels. Allowed uses in Unclassified districts include single-family dwelling units, tree farms, forestry, orchards, row and field crops, and animal husbandry.

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

The Post Mountain area remains populated but has seen a rapid decline in population over the past several years. The department has historically responded to about 1-2 calls per month or approximately 15 wildland calls per year (which may involve vehicle fires) and 3 structure fires per year. The department hasn't responded to medical or auto accidents in the past few years. Trinity County Life Support responds to EMS calls (STAR does not come to Post Mountain). There is a significant need for road improvements and regular road maintenance. The District has indicated they are pursuing the establishment of a special benefit assessment to fund road improvements. Electric service would benefit the area by reducing reliance on individual generators which have the potential to start wildfires and would allow for different types of communication devices to be installed. Trinity PUD's sphere of influence includes the territory covering the Post Mountain.

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

The current capacity of fire protection services provided by the District is inadequate to serve current and future demand. The fire station well pump needs repair, internet access needs improvement, phone or message machine installation is needed, increased hand tools, wildland PPE, and communication equipment is necessary, and an existing 10,000-gallon tank located at the fire hall is old and needs to be replaced. The functioning and maintenance status of fire protection facilities including a 4wd engine and 2wd fire truck, water tender, rescue vehicle, and chief's vehicle is unknown. The VFD has not been responding to EMS calls in recent years due to reporting requirements, lack of adequate training, and the related expense.

Road maintenance services are inadequate. Poor road quality and unclear signage also impact the effectiveness of the VFD's fire protection services. Increased roads maintenance capacity is needed in the community as Post Mountain PUD does not have its own grader or other necessary equipment and must contract out all that work. The District has indicated they are pursuing the establishment of a special benefit assessment to fund road improvements.

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

Post Mountain PUD is in proximity to the community of Hayfork. The closest amenities (i.e., gas stations, restaurants, grocery stores) to Post Mountain are in Hayfork, about 15 miles north. About 40 miles northeast of Post Mountain is Weaverville, which provides more services such as medical facilities, restaurants, and other amenities.

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.

Post Mountain is a Census Designated Place with a reported median household income of \$17,000, which is 21% of the state MHI of \$78,672. The community is qualified as a DUC. Other surrounding disadvantaged communities include the Peanut, Wildwood, and Hayfork areas. Since there are established DUCs in the area it is important to ensure that adequate fire and emergency response services are available. Post Mountain PUD is encouraged to work with neighboring service providers to establish mutual and auto aid agreements in addition to pursuing potential reorganization that could provide more sustainable and reliable regional fire and emergency response services.

REFERENCES

California Strategic Fire Plan. 2010. State Board of Forestry and Fire Protection and the California Department of Forestry and Fire Protection. URL: http://resources.ca.gov/climate_adaptation/statewide_adaptation/climate_change_and_wildfire.html

Scores and PPC Ratings. ISO Mitigation Online. URL: <http://www.isomitigation.com/>

Trinity County Community Wildfire Prevention Plan Update 2015, Report to the Trinity County Fire Safe Council from the Trinity County Resource Conservation District and the Watershed Research and Training Center

US Census Bureau. American Fact Finder, Trinity County, California. URL: <http://https://factfinder.census.gov>

**AGENDA ITEM 6.C.**

MEETING: April 30, 2024
TO: Trinity LAFCo Commissioners
FROM: Colette Santsche, Executive Officer
SUBJECT: Status of Post Mountain Public Utilities District Sustainability and Structure

BACKGROUND:

In August 2023, LAFCo adopted a Municipal Service Review and Sphere of Influence (MSR/SOI) Update for the Post Mountain Public Utilities District (PUD). Through the MSR/SOI process, several areas of concern were raised regarding the viability of the District, including the following:

- (1) The District has undocumented and/or inadequate minimum training certifications for all volunteer firefighters, deferred equipment maintenance and repair, and lack of volunteers and training to effectively respond to calls for service in the area, including medical;
- (2) The District lacks a dedicated funding source for road maintenance and has spent fire assessment funds and reimbursements on road maintenance activities under the assumption that roads must be cleared to access homes in the event of an emergency;
- (3) The District has consistently been unable to retain a full Board of Directors and for a substantial period of time was unable to conduct business as there were not enough members to constitute a quorum;
- (4) The District has not conducted timely audits which has resulted in Trinity County Auditor-Controller withholding assessment funds until audits can be conducted; and
- (5) The District has taken limited action to improve its financial standing and organizational structure, which includes recruitment and retention, policies and management, training and certifications, and other operational improvements, such as strengthening regional fire response, addressing key vulnerabilities, and establishing cooperative agreements with neighboring emergency service providers.

As a result of the MSR/SOI process, the Commission adopted Resolution 2023-05 which established a provisional SOI. The District was given 12 months to make progress on several items, as listed in the Resolution. If at the end of 12 months, insufficient progress has been made on these items, the Commission may adopt a zero sphere for the District and initiate proceedings for reorganization and/or dissolution of the District in accordance with Government Code Section 56375(2) or 56375.1.

As part of the provisional sphere, the District is to provide the Commission with an update every six months. Since the February 2024 Regular Commission was cancelled, staff is providing an eight-month progress report on Post Mountain PUD.

DISCUSSION:

Below is a status report on each of the 12 tasks outlined in Resolution 2023-05 Item 6. These tasks were put in place in order to address the areas of concern listed above and help increase Post Mountain PUD's ability to conduct business and provide adequate services to residents.

- a. **Work with the Trinity County Auditor-Controller to conduct previously uncompleted audits for the District and implement a process to ensure minimum financial requirements under Government Code Section 26909 are completed in a timely manner.**

Status – The 2023 MSR documented that the District is not in compliance with GC section 26909, which requires preparation of an annual audit. The last audit conducted for the District was in May 2021 for FY 19-20. In June 2020, the District Board appointed a treasurer in an effort to improve their financial reporting. Most recently, the District Board appointed Director Blong Yang as the District Treasurer.

The District has hired Clifton Larson Allen (CLA) out of Roseville to prepare an audit that covers FY 20-21 and FY 21-22. A draft audit has recently been completed by CLA and is being reviewed by the District. GC section 26909 requires audits to be completed and filed with State Controller’s Office (SCO), the County Auditor-Controller, and LAFCo within 12 months after the close of the fiscal year(s) under examination.

The District has expressed interest in continuing biennial audits covering two-year periods. In accordance with GC section 26909(b), the district board would need to unanimously request a biennial audit and the board of supervisors would need to unanimously approve the request. It is recommended that the District coordinate with the County Auditor-Controller’s Office to determine whether another combined audit for FY 22-23 and FY 23-24 can be completed, and whether annual or biennial audits should take place thereafter.

- b. **Provide annual reports to the State Controller for publication.**

Status – The 2023 MSR documented that while the District has been submitting annual Financial Transactions Reports (FTR) to the State Controller’s Office (SCO), they appear to be inconsistent. The State Controller’s website shows that the District has been operating at a loss for five of the last six fiscal years reviewed. As a result, it is difficult to fully understand the District’s current financial position.

Government Code section 53891 requires the FTR be submitted to the SCO within seven months after the close of the fiscal year or within the time prescribed by the Controller, whichever is later. Most recently the FTR was due to SCO by January 31, 2024. According to the District bookkeeper, the FTR was successfully submitted to SCO.

- c. **Prepare for and seek voter approval for a special tax or property owner approval of a special assessment to fund road maintenance services in accordance with Proposition 218 procedures.**

Status – The 2023 MSR documented significant road maintenance deficiencies for Post Mountain. Currently, there District lacks a dedicated funding source for road maintenance and has relied on fire assessment funds and reimbursements for road maintenance activities under the assumption that roads must be cleared to access homes in the event of an emergency. The District retained Trinity Valley Consulting Engineers, Inc (TVCE) to perform a Rate Study for Road Maintenance. The study included a culvert inventory and a road inventory to determine the costs associated with maintaining the roads and culverts within Post Mountain. The study established an annual maintenance budget of \$180,500 with a ~3% annual escalator. Based on a total of 1,046 taxable parcels within the District, the study determined a \$173 per parcel per year charge should be levied by the District should the cost burden be shared equally among property owners.

While the study evaluates road and culvert maintenance costs, there are likely other costs associated with administering the roads program that should be considered. It is assumed the District would hire a contractor to complete the road maintenance work but may also contract with a company or individual to manage and administer the roads program (e.g., design and contract maintenance related and emergency repair projects, provide road crew design support, perform record keeping and research for the District maintained road system, handle reporting requirements for various road funding sources, and responds to public inquires).

In order to pursue levying and collecting annual special assessments for the ongoing operation, repair, maintenance, and servicing of road improvements, an Engineer's Report that evaluates the benefits associated with the improvements provided within the Assessment District, the proportional costs of the special benefits, and a discussion of the costs, if any, considered to be of general benefit (and therefore not assessed) must be clearly provided. In addition, the Engineer's Report should identify an inflationary adjustment, if proposed, that provides for the assessment to be increase each year based on the annual change in the consumer price index or construction cost index, that allows for increases in normal repair, maintenance and operating costs, without triggering the need for additional assessment ballot proceedings required by Proposition 218.

Additional consideration should also be given to the establishment of a Permanent Road Division (PRD) by Trinity County. PRDs can be established as a means for unincorporated area property owners to improve and maintain their roads. This provides a mechanism whereby property owners can collectively and voluntarily petition for the establishment of a PRD to fund improvement and maintenance of roads within the PRD boundary or subzone. If formation of a PRD is supported by a benefiting property owners, and if adequate public easements are provided over the roadway, the County Board of Supervisors may create a PRD to fund the desired improvements and/or maintenance. Funding for desired services may come in the form of a special assessment, requiring majority property owner approval (weighted according to the proportional financial obligation of the affected property) or a special tax, requiring a 2/3-majority approval of registered voters within the PRD boundary. The special assessment or tax is levied annually and is included on the property tax bill. The funds collected belong exclusively to the PRD, to be used only for the purposes authorized, and are maintained in a special account administered by the County Public Works Department.

d. Conduct community outreach and attempt to fill vacancies on its Board of Directors.

Status – The 2023 MSR documented the District's challenges in attracting and retaining board members. From fall 2022 to summer 2023, there were only two active board members which resulted in the District being unable to meet or conduct business without a quorum. On June 6, 2023, a new board member was appointed by the Board of Supervisors.

The District has indicated that they appointed another board member and has another prospective board member. According to the Elections Office, the District needs to: 1) submit meeting minutes documenting that appointments have been made for each Board member, 2) submit oaths of office for each Board member, and 3) submit Form 700's for each Board member to remain in good standing with the Elections Office.

e. Conduct Board of Director meetings at least every other month and ensure that notices, agendas, and minutes are posted in accordance with the Brown Act.

Status – The District held their first Board meeting since obtaining a quorum of active members on July 8, 2023, and has resumed monthly meetings on the 2nd Saturday of every month at 10am at the fire house.

f. Ensure that all board members file Statements of Economic Interests (Form 700), receive mandated ethics training, and submit forms/certificates to the District to keep on file.

Status – The Political Reform Act (Government Code Sections 81000-91015) requires most state and local government officials and employees to publicly disclose their personal assets and income. They must also disqualify themselves from participating in decisions that may affect their personal financial interests. The Fair Political Practices Commission (FPPC) is the state agency responsible for issuing the Statement of Economic Interest (Form 700), and for interpreting the law's provisions.

Upon election or appointment to the District Board, directors must submit a Form 700. Additionally, an annual Form 700 must be submitted by all directors which covers the dates from January 1 to December 31. The form can be accessed on the Fair Political Practices Commission's website at <https://www.fppc.ca.gov/Form700.html>.

Additionally, AB 1234 was chaptered and approved by the Governor in October 2005. This law requires all local agency officials to receive training in ethics. This training must be received within one year of assuming office and once every two years thereafter. The Fair Political Practices Commission (FPPC) has Ethics Training that can be found on the FPPC website at: <https://www.fppc.ca.gov/learn/public-officials-and-employees-rules-/ethics-training.html>

g. Conduct community outreach and attempt to obtain additional volunteer firefighters.

Status – The 2023 MSR documented staffing challenges for the volunteer fire department leading to requests to change primary responsibility for the area of responsibility to surrounding departments, including Hayfork FPD and CAL FIRE Hayfork station for fire and medical calls in the Post Mountain area, along with U.S. Forest Service and CAL FIRE if there is a wildland fire.

Currently, Post Mountain Fire has 5 volunteers, with one additional about to be voted in. All members are CPR certified and have attended multiple live trainings in Hayfork. To become Emergency Medical Responder (EMR) certified, additional training will be needed including Title 22 First Aid and online hazmat training.

Chief Dobo (Post Mountain Fire) and Chief Warshawer (Hayfork Fire) have been working closely and the support from Hayfork has been monumental. Hayfork Fire can provide skilled training and expertise that is otherwise unavailable to volunteers in Post Mountain. Post Mountain residents who are reluctant to participate may be more willing to be involved. There is an opportunity to tap into the Hmong community – they have their own de facto volunteer firefighters that respond to emergencies – and by trusting and becoming part of the official department would be a benefit to the entire community.

h. Work cooperatively with neighboring fire services providers to assess the potential for volunteers to attend regular and ongoing training so that the District can effectively respond to calls for service in the area, including medical.

Status – The 2023 MSR recommended that there should be renewed efforts by both Post Mountain and Hayfork Fire to work cooperatively to assess opportunities for shared services, including the potential for Post Mountain volunteers to attend regular and ongoing training so that the District can effectively respond to calls for service in the area, including medical. There has been much improvement with training as discussed previously. With regard to medical, Post Mountain Fire does not currently get paged out for medical calls. Once there is adequate response capacity, Post Mountain Fire should coordinate with Nor Cal EMS and Sherrif's department so that they get dispatched to medical calls. It is important that there be medical and fire response locally, so that Post Mountain volunteers can arrive first and assist on scene before additional help arrives from Hayfork.

i. Establish formal mutual aid and auto-aid agreements with neighboring emergency service providers.

Status – The 2023 MSR recommended that Post Mountain Fire should seek to establish formal mutual aid and/or auto-aid agreements with neighboring emergency service providers (Hayfork FPD and Southern Trinity Volunteer Fire Department). This was in recognition that in the past, Post Mountain and Hayfork Fire had a mutual aid agreement. According to both districts, no formal agreement is in place.

j. Obtain copies of minimum training certifications for all volunteer firefighters and records for regular training and keep them on file at the fire station.

Status – Post Mountain has indicated it is retaining training records and certifications for its volunteers.

k. Develop a program to ensure proper maintenance and repair of all District equipment as well as regular apparatus and equipment inspections, that includes tracking logs.

Status – The 2023 MSR noted that Post Mountain has two fire trucks including a 4wd engine with a 450 gallon tank (about 15 years old, acquired through a grant) and a 2wd “city” fire truck. The District also has a water tender with a 4,000 gallon tank that was donated by Hayfork Fire, one rescue, and a chiefs vehicle. It is unknown if all apparatus is in functioning order and ongoing maintenance is needed.

Post Mountain indicated there hasn’t been any maintenance or repair work recently on apparatus or equipment. An apparatus replacement plan is needed to determine the schedule for replacement. For instance, the 2wd “Type 1” fire truck should likely be replaced with a 4wd pickup-style “Type 6” engines that are especially useful in back roads in rural areas. Important consideration should also be given to the department’s water supply capacity.

It will be important for the District to create a tracking system for future implementation. It was reported that Post Mountain will receive 6 structure turnouts for its volunteers thanks to a FEMA grant coordinated by Junction City Fire and for which Hayfork Fire helped support. The structure gear has been fitted and will be delivered in the fall 2024. Each turnout costs around \$2,000 per set.

l. Conduct a review to determine the degree to which engines meet minimum ISO or CAL FIRE equipment and hose requirements, and identify deficiencies.

Status – This is still needed.

In addition, Chief Dobo expressed interest in entering into a Cooperative Fire Protection Agreement with the U.S. Forest Service Shasta-Trinity National Forest, which describes the conditions in which “mutual aid” periods are established (non-reimbursable basis) and “Assistance by Hire” for personnel, equipment, supplies or services provided (reimbursable basis). This could also be explored for CAL FIRE.

RECOMMENDATION:

Staff recommends the Commission receive the staff report and provide direction as necessary.



AGENDA ITEM 6.A.

MEETING: October 15, 2024
TO: Trinity LAFCo Commissioners
FROM: Colette Santsche, Executive Officer
SUBJECT: Year End Financial Report for Fiscal Year 2023-24 and Budget Amendment

BACKGROUND

The Commission adopted the final budget for Fiscal Year 2023-24 at the June 20, 2023 LAFCo meeting per the California Government Code Section 56381. At the end of each fiscal year, staff provides a year-end financial report for the Commission’s review.

DISCUSSION

This agenda item is to provide the Commission with a comparison of budgeted items and actual revenue and expenditures, as summarized below. Exhibit A provides year-end actual breakdown for each budgeted account and subaccount.

Summary			
Budget Item	Adopted FY 2023-24	Actual	Over/(Under)
Total Revenues	\$35,000	\$30,202.33	(\$4,798)
Total Expenditures	\$49,900	\$57,057.27	\$7,157.27
Operating Difference*	(\$14,900)	(\$26,854.94)	\$11,954.94

**Negative Balance indicates use of Reserves*

During staff’s review of financial claims submitted to the County, it was discovered that several transactions for FY2022-23 were incorrectly posted to FY2023-24 that amounted to \$14,138. As such, FY2022-23 shows as under budget while FY2023-24 shows as over budget. Since the County Auditor’s Office has finalized and closed transactions for FY2022-23, this error cannot be corrected. Instead, the Auditor’s Office has requested that LAFCo proceed with a budget amendment for FY2023-24 to cover the additional cost carried over from the previous fiscal year. The proposed budget amendment is also shown in Exhibit A and includes changes to the following line items:

- Professional & Specialized – Staffing Services: Increase by \$8,000
- Professional & Specialized – MSR/SOI: Increase by \$6,000
- Publications & Legal Services: Increase by \$50

These amendments will allow the Auditor’s Office to process claims for FY2023-24 and accurately reflect expenditures for FY2024-25 as of July 1, 2024.

RECOMMENDATION

Staff recommends the Commission receive and accept the year-end financial report for Fiscal Year 2023-24 and consider adoption of Resolution 2024-04 approving the FY2023-24 budget amendment.

Attachments:

Attachment A - Resolution No. 2024-04

Attachment B - Financial Summary and Proposed Budget Amendment



TRINITY LAFCO

www.trinitylafco.org
670 9th Street, Suite 202
Arcata, California 95521

RESOLUTION NO. 2024-04

APPROVING A BUDGET AMENDMENT FOR FISCAL YEAR 2023-24

WHEREAS, the Trinity Local Agency Formation Commission is required by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 to adopt a final budget for the next fiscal year no later than June 15; and

WHEREAS, the Fiscal Year 2023-24 Budget was approved on June 20, 2023 by Resolution 2023-04; and

WHEREAS, the Executive Officer's report was presented to the Commission in the manner provided by law; and

WHEREAS, the Commission heard and fully considered a staff report outlining the need for a budget amendment to adequately fund expenditures recorded in FY2023-24 on October 15, 2024; and

WHEREAS, the Commission determined the proposed budget amendments were portrayed as accurately and appropriately as is possible.

NOW THEREFORE, IT IS RESOLVED, DETERMINED AND ORDERED as follows:

1. The Commission hereby approves the amendments for Fiscal Year 2023-24 as outlined in Exhibit A.
2. The overall operating costs provided in the amended budget will allow the Commission to fulfill its regulatory and planning responsibilities as required under Government Code Section 56381(a).

THE FOREGOING RESOLUTION was introduced at a regular meeting of the Trinity LAFCo Commission on the 15th day of October, 2024, and adopted by the following roll call vote:

AYES:

NOES:

ABSTAINS:

ABSENT:

ATTEST:

APPROVED:

Colette Santsche
Executive Officer

Dan Fraiser
Chair

Trinity LAFCo Budget

Categories	Acct #	Proposed					
		FY 2022/23 Adopted Budget	FY 2022/23 Year End Actual	FY 2023/24 Adopted Budget	FY 2023/24 Amended Budget	FY 2023/24 Year End Actual	FY 2024/25 Adopted Budget
REVENUES:							
Interest	6601	-	2,257.84	-	-	921.33	-
LAFCo Fees (Applications)	8404	5,000	400.00	5,000	5,000	-	5,000
Cont From Other Agencies:							
County	9282	14,500	14,500.00	15,000	15,000	15,000.00	15,500
Indep Spec Districts	9285	14,500	14,697.49	15,000	15,000	14,281.08	15,500
TOTAL Revenues		\$ 34,000	\$ 31,855.33	\$ 35,000	\$ 35,000	\$ 30,202	\$ 36,000
EXPENDITURES:							
Memberships	2240	1,500	1,243.00	1,500	1,500	1,346.00	1,500
Office	2260	600	247.36	600	600	524.01	600
Professional & Specialized:	2300	45,800	16,283.75	45,800	59,800	53,547.99	45,800
- Staffing services		25,000	12,394.25	25,000	33,000	32,274.00	25,000
- MSR/SOI		15,000	3,717.00	15,000	21,000	20,981.00	15,000
- Applications		5,000	172.50	5,000	5,000	-	5,000
- Legal Counsel		500	-	500	500	-	500
- Web Service		300	-	300	300	292.99	300
Publications & Legal Notices	2500	500	84.92	500	550	529.81	500
Transportation & Travel	2750	1,500	597.50	1,500	1,500	1,109.46	1,500
Training	2756	-	-	-	-	-	-
Contrib to Non LAF Agency	3200	-	-	-	-	-	-
Transfer Out		-	-	-	-	-	-
TOTAL Expenditures		\$ 49,900	\$ 18,456.53	\$ 49,900	\$ 63,950	\$ 57,057.27	\$ 49,900
Operating Difference		\$ (15,900)	\$ 13,398.80	\$ (14,900)	\$ (28,950)	\$ (26,855)	\$ (13,900)

Includes FY23 Q4 (\$230.97)

Includes FY23 Q4 (\$7,312.75)

Includes FY23 Q4 (\$6,003.50)

Includes FY23 Q4 (\$283.59)

Includes FY23 Q4 (\$307.50)

FUND BALANCE/RESERVES

Beginning Year Fund Balance		\$ 80,983		\$ 94,381			
Ending Year Fund Balance			\$ 94,381			\$ 67,527	
Assigned/Designated Reserve Funds	\$90,000						
Litigation Defense:	\$ 60,000						
Special Legal Counsel:	\$ 10,000						
Unanticipated Sp. Studies:	\$ 20,000						



AGENDA ITEM 6.B.

MEETING: October 15, 2024
TO: Trinity LAFCo Commissioners
FROM: Colette Santsche, Executive Officer
SUBJECT: Expiring Commissioner Terms Update

BACKGROUND

The Commission consists of seven regular and three alternate members. The term of office for each member pursuant to CKH Act §56334 is four years and until the appointment and qualification of a successor. There are no term limits.

- County - Three regular members and one alternate appointed by the Board of Supervisors;
- Special Districts - Two regular members and one alternate appointed by the Independent Special Districts; and
- Public Members - Two regular members and one alternate appointed by the Commission.

DISCUSSION

Currently, the alternate special district member seat is vacant. Staff sent out a call for nominations on July 25, 2024 and followed up with reminder emails to special district representatives. The deadline for submitting nominations was September 30, 2024. To date, no nominations have been received. As such, the nomination period was extended to November 29, 2024.

Listed below are current Commission members with their Term of Office:

Designation	Current Member	Term of Office
County – Regular Member	Heidi Carpenter-Harris	Annual Appointment
County – Regular Member	Dan Frasier	Annual Appointment
County – Regular Member	Liam Gogan	Annual Appointment
County – Alternate Member	Jill Cox	Annual Appointment
Special District – Regular Member (Seat 1)	Andrew Johnson	4/30/2028
Special District – Regular Member (Seat 2)	Todd Corbett	4/30/2026
Special District – Alternate	Vacant	4/30/2026
Public Member	Anna C. Burke	4/30/2025
Public Member	Jake Grossman-Crist	4/30/2027
Public Member – Alternate	Joseph Kasper	4/30/2027

RECOMMENDATION

It is recommended that the Commission receive this report and provide direction to staff as needed.

CALAFCO List of Current Bills 10/9/2024

AB 805 (Arambula D) Sewer service: disadvantaged communities.

Current Text: Chaptered: 9/24/2024 [html](#) [pdf](#)

Introduced: 2/13/2023

Last Amend: 6/6/2024

Status: 9/24/2024-Chaptered by Secretary of State - Chapter 505, Statutes of 2024

Location: 9/24/2024-A. CHAPTERED

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: The State Water Resources Control Board and the 9 California regional water quality control boards regulate water quality in accordance with the Porter-Cologne Water Quality Control Act and the federal Clean Water Act. Current law authorizes a regional board to order the provision of sewer service by a receiving sewer system, as defined, to a disadvantaged community served by an inadequate onsite sewage treatment system, as defined. This bill would authorize the state board, until January 1, 2029, and after it makes a specified finding or findings by resolution, to require a designated sewer system to contract with an administrator designated or approved by the state board for administrative, technical, operational, legal, or managerial services to assist a designated sewer system with the delivery of adequate sewer service, as defined.

Position

Watch

CALAFCO Comments: 9/24/2024: Signed by the Governor, and chaptered by the Secretary of State.

9/5/2024: Presented to the Governor at 4 p.m.

8/27/2024: Received Assembly concurrence; to Engrossing and Enrolling.

8/27/2024: Assembly Rule 77 suspended. Urgency clause adopted.

8/27/24: Scheduled for concurrence.

8/26/24: Read third time.

Third Senate reading rescheduled to 8/26/2024.

8/23/24: Third reading had been rescheduled to 8/22/2024 but was not read. No new date yet scheduled.

Third reading rescheduled to 8/21/2024.

8/19/2024: Read for Second time in Senate. Scheduled for third reading on 8/20/2024.

8/15/2024: Passed out of Appropriations.

6/24/2024 Referred to Appropriations suspense file.

6/5/2024: Passed Senate Environmental Quality Committee and re-referred to Appropriations due to recent amendments.

5/15/2024: Amended. Now provides administrative, financial, and technical assistance to help address and correct sewer system failures or other regulatory non-compliance exhibited by existing infrastructure.

5/1/2024: Assigned to Senate Environmental Quality committee. No hearing date yet scheduled.

1/26/2024: Support, if amended, approved. Amendment requested is the inclusion of language requiring the state board to consult with the local LAFCO.

1/22/2024: Gutted and amended. No longer addresses consolidation of waste water systems but, rather, would set up a program in which the state would provide technical, managerial, administrative, and financial assistance, where applicable, to disadvantaged communities. Position changed to support if amended to include a provision requiring the state board to consult with the local LAFCO regarding the system.

As introduced, this bill would have authorized the state board, if sufficient funds are available, to order consolidation of sewer service along with an order of consolidation of drinking water systems when both of the receiving and subsumed water systems provide sewer service and after the state board engages in certain activities. It failed to meet 2023 deadlines and became a 2 year bill that cannot be acted upon until January, 2024.

AB 817 (Pacheco D) Open meetings: teleconferencing: subsidiary body.

Current Text: Amended: 5/29/2024 [html](#) [pdf](#)

Introduced: 2/13/2023

Last Amend: 5/29/2024

Status: 7/2/2024-Failed Deadline pursuant to Rule 61(b)(13). (Last location was L. GOV. on 5/1/2024)

Location: 7/2/2024-S. DEAD

Desk	Policy	Fiscal	Floor	Desk	Dead	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered	
1st House				2nd House				Conc.				

Summary: The Ralph M. Brown Act, requires, with specified exceptions, each legislative body of a local agency to provide notice of the time and place for its regular meetings and an agenda containing a brief general description of each item of business to be transacted. Current law authorizes the legislative body of a local agency to use alternate teleconferencing provisions during a proclaimed state of emergency (emergency provisions) and, until January 1, 2026, in certain circumstances related to the particular member if at least a quorum of its members participate from a singular physical location that is open to the public and situated within the agency's jurisdiction and other requirements are met (nonemergency provisions). Current law imposes different requirements for notice, agenda, and public participation, as prescribed, when a legislative body is using alternate teleconferencing provisions. The nonemergency provisions impose restrictions on remote participation by a member of the legislative body and require the legislative body to provide specific means by which the public may remotely hear and visually observe the meeting. This bill, until January 1, 2026, would authorize a subsidiary body, as defined, to use similar alternative teleconferencing provisions and would impose requirements for notice, agenda, and public participation, as prescribed. The bill would require at least one staff member of the local agency to be present at a designated primary physical meeting location during the meeting. The bill would require the local agency to post the agenda at the primary physical meeting location. The bill would require the members of the subsidiary body to visibly appear on camera during the open portion of a meeting that is publicly accessible via the internet or other online platform, as specified. The bill would also require the subsidiary body to list a member of the subsidiary body who participates in a teleconference meeting from a remote location in the minutes of the meeting. In order to use teleconferencing pursuant to this act, the bill would require the legislative body that established the subsidiary body by charter, ordinance, resolution, or other formal action to make specified findings by majority vote, before the subsidiary body uses teleconferencing for the first time and every 12 months thereafter.

Position

Watch

CALAFCO Comments: 7/2/2024: Died on 7/2/2024 for failing to meet the July 1st deadline, which was the last day for policy committees to meet and report bills.

6/5/2024: Considered by Senate Local Government Committee and failed, with reconsideration granted.

1/25/2024: Moved out of the Assembly and was assigned to Senate Local Government Committee and the Senate Judiciary Committee.

1/17/2024: Amended to add a Sunset date of January 1, 2026.

3/16/2023: The bill was amended to speak specifically to teleconferenced meetings of subsidiary bodies, defined as a body that serves exclusively in an advisory capacity, and is not authorized to take final action on legislation, regulations, contracts, licenses, permits, or any other entitlements. For qualifying bodies, this bill would remove the requirement to post an agenda at the location of the subsidiary body member who was participating from off site- providing that the legislative body that formed the subsidiary body has previously made findings noting that teleconferenced meetings of the subsidiary body would enhance public access, and would promote the attractions, retention and diversity of the subsidiary body. The superior legislative body would need to revisit the matter and repeat those finding every 12 months thereafter. This bill also reaffirms that other provisions of the Brown Act are applicable to subsidiary bodies.

Failed to meet deadlines and now a 2 year bill that cannot be acted upon until January, 2024.

AB 828

(Connolly D) Sustainable groundwater management: managed wetlands.

Current Text: Vetoed: 9/25/2024 [html](#) [pdf](#)

Introduced: 2/13/2023

Last Amend: 8/20/2024

Status: 9/25/2024-Vetoed by Governor.

Location: 9/25/2024-A. VETOED

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered	
1st House				2nd House				Conc.				

Calendar: 11/29/2024 #65 ASSEMBLY VETOED

Summary: The Sustainable Groundwater Management Act requires all groundwater basins designated as high- or medium-priority basins by the Department of Water Resources to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans, except as specified. Current law defines various terms for purposes of the act. This bill would add various defined terms for purposes of the act, including the terms "managed wetland" and "small community water system."

Position

None at this time

CALAFCO Comments: 9/25/2024: Vetoed by Governor.
 9/10/2024: Presented to the Governor at 4:30 p.m.
 8/28/2024: Received Assembly concurrence; to Engrossing and Enrolling.
 8/27/24: Read third time and ordered back to Assembly.
 Third reading rescheduled to 8/27/2024.
 Senate Third Reading rescheduled to 8/26/2024.
 8/22/24: Scheduled for third reading but not read. No new date yet.
 8/21/24: Read second time, and ordered to third reading.
 8/20/2024: Read third time but amended to add federally reserved water rights in the list of exclusions, so ordered back for second reading.
 8/19/24: Rescheduled to 8/20/2024 for Third reading.
 8/13/24: Advanced to 8/13/24 Floor consideration where it received its second reading. Now scheduled for Senate Third Reading on 8/19/24.
 8/15/24: Scheduled for Senate Second Reading.
 8/05/24: Not heard and rescheduled to Appropriations on 8/12/2024, then moved out to Senate Floor.
 7/01/24: Read second time and amended. Re-referred to Appropriations where it is scheduled for hearing on 8/5/2024.
 6/25/24: Passed out of Senate Committee on Natural Resources and Water with amendments, and re-referred to Appropriations.
 1/29/24: Passed Assembly Floor and moved to Senate to be scheduled for policy hearing.
 1/18/24: Passed out of Assembly Appropriations Committee.
 1/11/24: Amended to strike provisions regarding small community water systems serving disadvantaged communities and pivots to groundwater sustainability agencies. New provisions were added to the bill that would have the effect of carving out of the existing law, until January 1, 2028, small community water systems serving disadvantaged communities from permitted public water supply wells. After January 1, 2028, that provision sunsets and the law would revert back to its current state without the carve out.
 1/9/24: Passed Assembly Water, Parks and Recreation Committee.
 4/17/2023: Amended to define agencies and entities required or excluded from existing 10726.4 (a) (4). Amends Water Code section 10730.2 to add language regarding fees, and amends Water Code section 10733 to address groundwater sustainability plans.
 Failed to make April policy committee deadline and now cannot be acted upon until January 2024.

As introduced, would add definitions for Managed Wetlands, and Small community water system to Water Code Section 10721.

AB 2302 (Addis D) Open meetings: local agencies: teleconferences.

Current Text: Chaptered: 9/22/2024 [html](#) [pdf](#)

Introduced: 2/12/2024

Status: 9/22/2024-Chaptered by Secretary of State - Chapter 389, Statutes of 2024

Location: 9/22/2024-A. CHAPTERED

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: The Ralph M. Brown Act generally requires for teleconferencing that the legislative body of a local agency that elects to use teleconferencing post agendas at all teleconference locations, identify each teleconference location in the notice and agenda of the meeting or proceeding, and have each teleconference location be accessible to the public. Current law also requires that, during the teleconference, at least a quorum of the members of the legislative body participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction. The act provides an exemption to the jurisdictional requirement for health authorities, as defined. Current law, until January 1, 2026, authorizes the legislative body of a local agency to use alternative teleconferencing in specified circumstances if, during the teleconference meeting, at least a quorum of the members of the legislative body participates in person from a singular

physical location clearly identified on the agenda that is open to the public and situated within the boundaries of the territory over which the local agency exercises jurisdiction, and the legislative body complies with prescribed requirements. Current law imposes prescribed restrictions on remote participation by a member under these alternative teleconferencing provisions, including establishing limits on the number of meetings a member may participate in solely by teleconference from a remote location, prohibiting such participation for a period of more than 3 consecutive months or 20% of the regular meetings for the local agency within a calendar year, or more than 2 meetings if the legislative body regularly meets fewer than 10 times per calendar year. This bill would revise those limits, instead prohibiting such participation for more than a specified number of meetings per year, based on how frequently the legislative body regularly meets.

Position

Watch

CALAFCO Comments: 9/22/2024: Signed by the Governor, and chaptered by the Secretary of State.

8/27/2024: Presented to the Governor at 12 p.m.

8/20/2024: To Engrossing and Enrolling.

8/19/2024: Third reading; approved.

Senate Third Reading rescheduled to 8/19/24.

8/15/2024: Scheduled for Senate Third Reading

8/8/2024: Scheduled for Third Reading in Senate but rescheduled to 8/15.

7/3/2024: Was scheduled for Third Reading in Senate but not heard. No new date yet scheduled.

6/5/2024: Passed Senate Local Government Committee, read second time on June 5, 2024. Third Reading scheduled for 06/10/2024 but pushed out to 6/25/2024, then pushed again to 7/3/2024.

5/9/2024: Passed Assembly Third Reading and moved to Senate.

4/10/24 passed Assembly Local Government Committee and sent to Assembly Floor.

Introduced on 2/12/2024, this bill would enact changes to Brown Act provisions that allow members of legislative bodies to teleconference for meetings. Currently, the law limits teleconferencing to no more than 3 consecutive months, 20% of the regular meetings in a calendar year, or 2 meetings for bodies that meet less than 10 times in a calendar year. This bill redefines those limits as 2 meetings per year for bodies meeting monthly or less; 5 meetings per year for those meeting twice per month; or 7 meetings per year if the body meetings three times or more per month.

AB 2661 (Soria D) Electricity: Westlands Water District.

Current Text: Chaptered: 9/25/2024 [html](#) [pdf](#)

Introduced: 2/14/2024

Last Amend: 8/23/2024

Status: 9/25/2024-Approved by the Governor. Chaptered by Secretary of State - Chapter 573, Statutes of 2024.

Location: 9/25/2024-A. CHAPTERED

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would authorize the Westlands Water District to provide, generate, and deliver solar photovoltaic or hydroelectric electricity and to construct, operate, and maintain works, facilities, improvements, and property necessary or convenient for generating and delivering that electricity. The bill would require the district to use the electricity for the district’s own purposes, and the bill would authorize the district to sell surplus electricity to a public or private entity engaged in the distribution or sale of electricity. The bill would also authorize the district to construct, operate, and maintain energy storage systems and electric transmission lines, and to construct, operate, and maintain works, facilities, improvements, and property necessary or convenient for the operation of the energy storage system and electric transmission lines, within the boundaries of the district, as specified. The bill would require the district to report the amount of income, and the purposes for expenditure of that income, from these electricity facilities in a specified report. The bill would require the district to establish a community benefits agreement plan for a specified electrical infrastructure development plan and related transmission and other electrical projects, as provided. This bill would make legislative findings and declarations as to the necessity of a special statute for the Westlands Water District.

Position

Watch

CALAFCO Comments: 9/13/2024: Enrolled and presented to the Governor at 4 p.m.

8/31/2024: Concurrence in Assembly, and sent to Enrolling and Engrossing.

8/30/3024: Third reading in Senate, sent to Assembly for concurrence.

Third reading rescheduled to 8/30/2024.

Third reading rescheduled to 8/28/2024
 8/26/2024: Read second time and scheduled for Third Reading on 8/27/2024.
 8/23/2024: Read third time but amended to narrow the focus of this bill to solar photo voltaic electrical generation, and to require that the Westlands Water District create a community benefits agreement plan for the Valley Clean Infrastructure Plan. Ordered back to Second Reading because of the amendment, and now scheduled for Second Reading on 8/26/2024.
 8/21/2024: Third reading rescheduled to 8/22/24 but not read. No new date yet scheduled.
 8/20/2024: Third reading rescheduled to 8/21/24.
 8/19/2024: Third reading rescheduled to 8/20/24.
 08/08/2024: Third reading rescheduled to 8-15-24, then rescheduled again to 8-19-24.
 08/08/2024: Scheduled for third reading.
 08/05/2024: Scheduled for third reading.
 07/03/2024: Read second time, and ordered to third reading.
 7/2/2024: Passed Senate Energy, Utilities, and Communications committee and ordered to second reading.
 06/11/2024: Passed Senate Local Government Committee and re-referred to Senate Energy, Utilities, and Communications Committee.
 06/05/2024: Referred to Senate Local Government Committee, and Energy, Utilities, and Communications Committee.
 05/24/2024: In Senate. Read first time. To Rules Committee for assignment.
 05/23/2024: Third reading passes in Assembly. Bill moves to Senate.
 05/20/2024: Read second time in Assembly. Ordered to third reading.
 05/16/2024: Passed by Appropriations as Amended. Second reading as amended.
 05/08/2024: Referred to Appropriations suspense file.
 04/25/2024: Re-referred to Appropriations.
 04/24/2024: Read second time. Amended.
 04/23/2024: Passed in Assembly Natural Resources Committee as amended. Re-referred to Appropriations.
 04/18/2024: Passed Assembly Utilities and Energy Committee. Re-referred to Natural Resources Committee.
 04/15/2024: Assembly Rule 56 suspended. (Pending re-refer to Natural Resources Committee.)
 04/01/2024: Re-referred to Utilities and Energy Committee due to submission of author amendments.
 03/28/2024: First hearing set, then canceled at the request of author.
 03/21/2024: Passed Committee on Utilities & Energy.
 02/14/2024: Read first time.

AB 2715 (Boerner D) Ralph M. Brown Act: closed sessions.

Current Text: Chaptered: 9/14/2024 [html](#) [pdf](#)

Introduced: 2/14/2024

Last Amend: 4/24/2024

Status: 9/14/2024-Chaptered by Secretary of State - Chapter 243, Statutes of 2024

Location: 9/14/2024-A. CHAPTERED

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
1st House				2nd House				Conc.			

Summary: The Ralph M. Brown Act requires that all meetings of a legislative body of a local agency be open and public and that all persons be permitted to attend and participate. Current law authorizes a legislative body to hold a closed session with specified individuals on, among other things, matters posing a threat to the security of essential public services, as specified. This bill would additionally authorize a legislative body to hold a closed session with other law enforcement or security personnel and to hold a closed session on a threat to critical infrastructure controls or critical infrastructure information, as defined, relating to cybersecurity.

Position

None at this time

CALAFCO Comments: 9/14/2024: Signed by the Governor, and chaptered by the Secretary of State.

8/27/2024: Presented to the Governor at 12 p.m.

8/20/2024: To Engrossing and Enrolling.

8/19/2024: Read third time in Senate and passed.

Third reading again rescheduled; now scheduled for 8/19/24.

8/8/2024: Third reading rescheduled to 8/15/24.

8/8/2024: Hearing date for Senate Third Reading.

7/2/2024: Scheduled for third reading but not read. No new date yet scheduled.
 06/27/2024: Read second time and ordered to third reading.
 06/26/2024: Passed Senate Judiciary Committee.
 6/5/2024: Passed Senate Local Government Committee and re-referred to the Senate Judiciary Committee; scheduled for 6/25.
 5/1/2024: Passed Assembly Local Government Committee.
 4/24/2024: Amended to include cybersecurity threats among the things that can be discussed in closed session. Provides a definition of "critical infrastructure controls" to include I.T. networks. As introduced on 2/14/2024, would make minor changes in the Brown Act. Monitoring.

AB 2986 (Carrillo, Wendy D) County of Los Angeles: East Los Angeles: report.

Current Text: Amended: 7/3/2024 [html](#) [pdf](#)

Introduced: 2/16/2024

Last Amend: 7/3/2024

Status: 8/31/2024-Failed Deadline pursuant to Rule 61(b)(17). (Last location was INACTIVE FILE on 8/31/2024)

Location: 8/31/2024-S. DEAD

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Dead	Conf.	Enrolled	Vetoed	Chaptered	
1st House				2nd House				Conc.				

Summary: The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 provides the exclusive authority and procedure for the initiation, conduct, and completion of changes of organization and reorganization for cities and districts, except as specified. The act continues in existence in each county a local agency formation commission (LAFCO) that consists of members appointed, as specified, and that oversees those changes of organization and reorganization. The act authorizes a LAFCO to, among other things, review and approve with or without amendment, wholly, partially, or conditionally, or disapprove proposals for changes of organization or reorganization, including incorporation of a city or formation of a district, as specified. Current law requires each county to have a board of supervisors and provides for the organization and powers of the board of supervisors. This bill would require the County of Los Angeles, no later than March 1, 2025, to submit to the Legislature a report that includes specified information, including, among other things, for East Los Angeles, the feasibility of forming a municipal advisory council, a local town council, or a coordinating council that could represent the comprehensive interests of the entire East Los Angeles community. If the county has produced a report that contains substantially similar information to the information required by the above-described provisions, this bill would authorize the county to submit that report in lieu of completing a separate report.

Position

None at this time

CALAFCO Comments: DEAD.

8/31/24: Ordered to inactive file at the request of Senator Gonzalez.
 Third reading rescheduled to 8/26/2024, then rescheduled to 8/27/2024, and 8/28/2024. Now scheduled for 8/30/2024.
 8/21/24: Third reading rescheduled to 8/22/2024 but not read. No new date yet scheduled.
 8/20/2024: Second reading occurred. Third reading scheduled for 8/21/2024.
 Second reading rescheduled to 8/20/2024.
 Passed out of Suspense and now scheduled for second Senate reading on 8/19/2024.
 8/15/2024: Appropriations Suspense file scheduled to be considered.
 8/5/2024: Placed in Suspense File by Senate Appropriations.
 8/5/2024: Scheduled for hearing in Senate Appropriations.
 07/03/2024: Amended to remove LA LAFCO entirely from the process and shifts outreach requirements to the County of Los Angeles. Passed Local Government Committee as amended, and re-referred to Appropriations.
 05/30/2024: Senate Local Government committee hearing postponed by the committee.
 05/21/2024: Read third time. Passed and ordered to the Senate; assigned to the Local Government Committee.
 05/20/2024: Read second time. Ordered to third reading.
 05/16/2024: Joint Rule 62(a), file notice suspended. Passed out of Appropriations.
 05/15/2024: In committee: Set, first hearing. Referred to suspense file.
 04/30/2024: Re-referred to Appropriations.
 4/29/2024: Amended version in print. Makes the bill contingent on appropriation of funds to reimburse LA LAFCO for the costs of the Task Force.
 4/24/2024: Passed Assembly Local Government Committee hearing with amendments and re-referred to Appropriations.

3/21/2024: the bill was gutted and amended and now requires the LA LAFCO to develop an East Los Angeles Formation Task Force. Not a statewide issue.

AB 3277 (Committee on Local Government) Local agency formation commission: districts: property tax.

Current Text: Chaptered: 7/2/2024 [html](#) [pdf](#)

Introduced: 2/27/2024

Status: 7/2/2024-Chaptered by Secretary of State - Chapter 70, Statutes of 2024

Location: 7/2/2024-A. CHAPTERED

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 establishes the sole and exclusive authority and procedures for the initiation, conduct, and completion of changes of organization and reorganization for cities and districts. Current law requires proceedings for the formation of a district to be conducted as authorized by the principal act of the proposed district, and authorizes the local agency formation commission in each county to serve as the conducting authority, as specified. Current law requires a commission to determine the amount of property tax revenue to be exchanged by an affected local agency, as specified, if the proposal includes the formation of a district, as defined. This bill would, instead, require a commission to determine the amount of property tax revenue to be exchanged by an affected local agency if the proposal includes the formation of a district and the applicant is seeking a share of the 1% ad valorem property taxes.

Position

Sponsor

CALAFCO Comments: CALAFCO Sponsored bill.

7/2/2024: Signed by the Governor and Chaptered. Will become effective on January 1, 2025.

06/25/2024: Enrolled and presented to the Governor at 4 p.m.

06/13/2024: Read third time in Senate and ordered to the Assembly. In Assembly. Ordered to Engrossing and Enrolling.

06/07/2024: Removed from Appropriations 6/10/2024 calendar. Awaiting new date.

05/29/2024: Passed by Senate Local Government Committee and re-referred to Appropriations, where it is scheduled to be heard on 6/10/24.

4/29/2024: Removed from Appropriations and sent to Assembly floor where it passed. Assigned to Senate Local Government Committee and Appropriations.

4/10/2024: Passed Assembly Local Government Committee and was referred to Appropriations.

SB 1209 (Cortese D) Local agency formation commission: indemnification.

Current Text: Chaptered: 9/28/2024 [html](#) [pdf](#)

Introduced: 2/15/2024

Last Amend: 6/11/2024

Status: 9/28/2024-Approved by the Governor. Chaptered by Secretary of State. Chapter 886, Statutes of 2024.

Location: 9/28/2024-S. CHAPTERED

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 provides the exclusive authority and procedure for the initiation, conduct, and completion of changes of organization and reorganization for cities and districts, except as specified. The act continues in existence in each county a local agency formation commission (LAFCO) that consists of members appointed, as specified, and oversees those changes of organization and reorganization. The act authorizes a LAFCO to, among other things, review and approve with or without amendment, wholly, partially, or conditionally, or disapprove proposals for changes of organization or reorganization, as specified. This bill would authorize a LAFCO to require, as a condition for, among other things, processing a change of organization or reorganization, that the applicant agrees to defend, indemnify, and hold harmless the LAFCO, its agents, officers, and employees from and against any claim, action, or proceeding, as specified, to attack, set aside, void, or annul an approval by the LAFCO. The bill would require the LAFCO to promptly notify the applicant of any claim, action, or proceeding to attack, set aside, void, or annul an approval by the LAFCO and require the LAFCO to fully cooperate in the defense. The bill would specify that an applicant who is a party to the agreement is not responsible to defend, indemnify, or hold harmless the LAFCO if the LAFCO fails to notify the applicant or cooperate fully in the defense, and is not required to pay or perform any settlement relating to the agreement, unless the applicant approves the settlement.

Position

Sponsor

CALAFCO Comments: 9/3/2024: Presented to the Governor at 3 p.m.
 8/26/2024: Senate concurred. The bill has now been sent to Engrossing and Enrolling. Scheduled for Senate concurrence on 8/26/2024.
 8/22/2024: Passed Assembly, now waiting for concurrence.
 Third reading rescheduled to 8/22/2024.
 Third Assembly reading rescheduled to 8/20/2024.
 08/08/2023, Third Reading in Assembly rescheduled for 8/15/2024, then rescheduled again to 8/19/24.
 08/05/2023, Scheduled for third reading in Assembly but not read; rescheduled to 08/08/2023.
 07/03/2024, Scheduled for third reading in Assembly but not read. No new date yet scheduled.
 06/24/2024, Read in Assembly second time. Ordered to third reading.
 06/20/2024, Passed Assembly Local Government Committee.
 06/11/2024, Author amends. Read second time and amended. Re-referred to Local Government Committee.
 05/28/2024, Referred to Assembly Local Government Committee and waiting on hearing date.
 05/21/2024, Passed out of Senate and moved to Assembly.
 03/20/2024, Passed Senate Local Government Committee hearing. Now proceeds to Senate floor vote, then will move to Assembly.
 CALAFCO sponsored bill in response to a 2022 appellate decision out of San Luis Obispo that held that LAFCOs could not use indemnification provisions in applications because indemnifications are a form of agreement that LAFCOs are currently not authorized to enter into. As introduced, the bill would allow LAFCOs to use provisions similar to counties and cities.

SCR 163 (Cortese D) Local agency formation commissions.

Current Text: Amended: 6/26/2024 [html](#) [pdf](#)

Introduced: 6/19/2024

Last Amend: 6/26/2024

Status: 8/31/2024-Failed Deadline pursuant to Rule 61(b)(17). (Last location was L. GOV. on 6/26/2024)

Location: 8/31/2024-S. DEAD

Desk	Dead	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would reaffirm the sole authority of local agency formation commissions for the initiation, conduct, and completion of changes of organization, reorganizations, and extraterritorial services for cities and districts.

Position

Support

CALAFCO Comments: DEAD.
 07/03/2024: Considered in Senate Local Government Committee but failed, with leave to reconsider.
 06/26/2024: Re-referred to Senate Local Government Committee, read second time and amended by author.
 06/19/2024: Introduced. Referred to Rules Committee for assignment.

Total Measures: 10
Total Tracking Forms: 10

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