

TWAIN HARTE COMMUNITY SERVICES DISTRICT

WATER – SEWER – FIRE – PARK
P.O. Box 649, Twain Harte, CA 95383
Phone (209) 586-3172 Fax (209) 586-0424

REGULAR MEETING OF THE BOARD OF DIRECTORS VIDEO TELECONFERENCE May 13, 2020 9:00 A.M.

AGENDA

IMPORTANT NOTICE:

To help slow the spread of COVID-19, the District offices are closed to the public. Under the Governor's Executive Order N-25-20, this meeting will be held remotely by teleconference using Zoom:

- Videoconference Link: <https://us02web.zoom.us/j/84270430997>
- Meeting ID: 842 7043 0997
- Telephone: (669) 900-6833

ANYONE CAN PARTICIPATE IN THIS MEETING: see details at the end of this agenda.

1. Call to Order

2. Pledge of Allegiance & Roll Call

3. Reading of Mission Statement

4. Public Comment:

This time is provided to the public to speak regarding items not listed on this agenda.

5. Communications:

- A. None.

6. Consent Agenda:

- A. Presentation and approval of financial statements through April 30, 2020.
- B. Approval of the minutes of the Regular Meeting held on April 8, 2020.
- C. Approval of minor revisions to Policy #1031 – District Sponsored Social Media Communications.
- D. Approval of minor revisions to Policy #1035 – Public Records Policy.
- E. Adopt Resolution #20-10 – Intention to Continue Assessments for Fiscal Year 2020-21, Approval of Preliminary Engineer's Report and Notice of Hearing for the Park and Recreation Maintenance District.

7. Old Business:

- A. Discussion/action regarding review and continuance of order of emergency action for completion of the Well #3 Water Supply Project.

8. New Business

- A. Discussion/action to adopt Resolution #20-11 – Board Secretary
- B. Discussion/action to consider levying Fiscal Year 2020-21 fire-related assessments at a rate lower than the maximum authorized rate to help the community with impacts of the COVID-19 pandemic.
- C. Discussion/action to adopt Resolution #20-12 – Intention to Continue Assessments for Fiscal Year 2020-21, Approval of Preliminary Engineer's Report and Notice of Hearing for the Fire and Rescue Assessment District.
- D. Discussion/action to adopt Resolution #20-13 – Intention to Continue Assessments for Fiscal Year 2020-21, Approval of Preliminary Engineer's Report and Notice of Hearing for the Fire Protection and Emergency Response Services Assessment District.
- E. Discussion/action to adopt revisions to Policy #1040 – Claims Policy.
- F. Discussion/action to adopt new Policy #2042 – Catastrophic Leave Program.
- G. Discussion/action to adopt a 20-year Vehicle/Equipment Replacement Plan for Fiscal Year 2020-21.
- H. Discussion/action to adopt Resolution #20-14 – Approval of a Fiscal Year 2019-20 Water Fund Budget Adjustment in the Amount of \$18,000 for the Water Supply Reliability Well #3 Project.
- I. Discussion/action to adopt Resolution #20-15 – Approval of a Fiscal Year 2019-20 Park Fund Budget Adjustment in the Amount of \$56,000 for the Bocce Court Improvement Project.
- J. Update on special district representation on Tuolumne County Local Agency Formation Commission (LAFCO).

9. Reports:

- A. President and Board member reports.
- B. Committee reports.
- C. Operations Manager Report.
- D. Fire Chief Report.
- E. General Manager Report.

10. Closed Session

- A. With respect to every item of business to be discussed in closed session pursuant to Section 54957: Public Employee Performance Evaluation, General Manager.

11. Additional Business:

- A. Discussion/action regarding annual assessment of General Manager's salary.

12. Adjourn

HOW TO OBSERVE THIS MEETING:

The public can observe and participate in a meeting as follows:

- **Computer:** Join the videoconference by clicking the videoconference link located at the top of this agenda or on our website. You may be prompted to enter your name and email. Your email will remain private and you may enter “anonymous” for your name.
- **Smart Phone/Tablet:** Join the videoconference by clicking the videoconference link located at the top of this agenda OR log in through the Zoom mobile app and enter the Meeting ID# and Password found at the top of this agenda. You may be prompted to enter your name and email. Your email will remain private and you may enter “anonymous” for your name.
- **Telephone:** Listen to the meeting by calling Zoom at (4669) 900-6833. Enter the Meeting ID# listed at the top of this agenda, followed by the pound (#) key.

* NOTE: your personal video will be disabled and your microphone will be automatically muted.

FOR MORE DETAILED INSTRUCTIONS, CLICK [HERE](#)

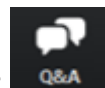
HOW TO SUBMIT PUBLIC COMMENTS:

The public will have an opportunity to comment before and after the meeting as follows:

- **Before the Meeting:** If you cannot attend the meeting, you may:
 - Email comments to ksilva@twainhartecsd.com, write “Public Comment” in the subject line. In the body of the email, include the agenda item number and title, as well as your comments.
 - Mail comments to THCSD Board Secretary: P.O. Box 649, Twain Harte, CA 95383
- **During the Meeting:** The public will have opportunity to provide comment before and after the meeting as follows:
 - Computer/Tablet/Smartphone: Click the “Raise Hand” icon and the host will unmute your audio when it is time to receive public comment. If you would rather make a comment in writing, you may click on the “Q&A” icon and type your comment. You may need to tap your screen or click on “View Participants” to make icons visible.



Raise Hand Icon:



Q&A Icon:

- Telephone: The host will provide a time during each public comment period where telephone participants will be unmuted and enabled to share comments.

* NOTE: If you wish to speak on an item on the agenda, you are welcome to do so during consideration of the agenda item itself. If you wish to speak on a matter that does not appear on the agenda, you may

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do so during the Public Comment period. Persons speaking during the Public Comment will be limited to five minutes, or depending on the number of persons wishing to speak, it may be reduced to allow all members of the public the opportunity to address the Board. Except as otherwise provided by law, no action or discussion shall be taken/conducted on any item not appearing on the agenda. Public comments must be addressed to the board as a whole through the President. Comments to individuals or staff are not permitted.

ACCESSIBILITY:

Board meetings are accessible to people with disabilities. In compliance with the Americans with Disabilities Act, those requiring accommodations for this meeting should notify the District office 48 hours prior to the meeting at (209) 586-3172.

WRITTEN MEETING MATERIALS:

If written materials relating to items on this Agenda are distributed to Board members prior to the meeting, such materials will be made available for public inspection on the District's website:
www.twainhartecsd.com

TWAIN HARTE COMMUNITY SERVICES DISTRICT
BANK BALANCES
As of April 30, 2020

Account	Beginning Balance	Receipts	Disbursements	Current Balance
U.S. Bank Operating	865,713	739,408	(383,280)	1,221,841
U.S. Bank - D Grunsky #1**	53,494	17,235		70,729
U.S. Bank - D Grunsky #2**	56,997	15,284		72,281
LAIF	2,926,709	14,730		2,941,439
TOTAL	\$ 3,902,913	\$ 786,657	\$ (383,280)	\$ 4,306,290

**Davis Grunsky reserve money restricted for Davis Grunsky Loan Payments

TWAIN HARTE COMMUNITY SERVICES DISTRICT
19/20 OPERATING EXPENDITURE SUMMARY
As of April 30, 2020

Fund	TOTAL Budget*	YTD Expended	Budget Balance	% Spent (Target 83.33%)
Park	79,180	45,069	34,111	56.92%
Water	989,958	728,771	261,187	73.62%
Sewer	1,087,351	719,266	368,085	66.15%
Fire	1,088,153	899,394	188,759	82.65%
Admin	561,991	381,980	180,011	67.97%
TOTAL	\$ 3,806,633	\$ 2,774,480	\$ 1,032,153	72.89%

TWAIN HARTE COMMUNITY SERVICES DISTRICT
19/20 CAPITAL EXPENDITURE SUMMARY
As of April 30, 2020

Fund	TOTAL Budget*	YTD Expended	Budget Balance	% Spent (Target 83.33%)
Park	51,000	155	50,845	0.30%
Water	647,725	571,574	76,151	88.24%
Sewer	288,775	51,107	237,668	17.70%
Fire	316,395	107,983	208,412	34.13%
Admin		-	-	
TOTAL	\$ 1,303,895	\$ 730,819	\$ 573,076	56.05%

Reflects Mid-Year Budget Revision - Approved 1/08/20

TWAIN HARTE COMMUNITY SERVICES DISTRICT
Board of Directors Regular Meeting via Teleconference due to COVID-19
April 8, 2020

CALL TO ORDER: President Mannix called the meeting to order at 9:00 a.m. The following Directors, Staff, and Community Members were present:

DIRECTORS:

Director McManus
Director Mannix
Director Knudson
Director deGroot
Director Sipperley

STAFF:

Tom Trott, General Manager
Carolyn Higgins, Finance Officer/Board Secretary
Robb Perry, Operations Manager
Todd McNeal, Fire Chief
Kim Silva, Administrative Coordinator

AUDIENCE:

Two Members of the Public

PUBLIC COMMENT ON NON-AGENDIZED ITEMS:

Carol Hallett provided an update regarding CERT activities including:

- Purchase of the firefighter rehab vehicle is complete. Delivery of the vehicle has not yet occurred due to COVID-19 related travel restrictions.
- Twenty-four volunteers are in place to receive and make phone calls to individuals who may need someone to speak with during the COVID-19 crisis.
- CERT volunteers have made and delivered thirty-nine sets of masks. There have been requests for an additional 110 more. Donations have been received for the mask making endeavor.

PRESENTATIONS:

- A. Presentation on special district resources related to COVID-19 – Dane Wadle, California Special Districts Association.

CONSENT AGENDA:

- A. Presentation and approval of financial statements through March 31, 2020.
B. Approval of the minutes of the Regular Meeting held on March 11, 2020.
C. Approval of the minutes of the Special Meeting held on April 1, 2020.

MOTION: Director Sipperley made a motion to accept the consent agenda in its entirety.

SECOND: deGroot

AYES: Mannix, Knudson, Sipperley, deGroot, McManus

NOES: None

ABSENT:

OLD BUSINESS:

- A. Discussion/action regarding review and continuance of order of emergency action for completion of the Well #3 Water Supply Project.

GM Trott reported that the project is nearing completion, however sand was discovered in the well and actions are needed to rectify the situation. GM Trott asked the board to consider whether the emergency action should be continued, which would declare that: (1) the current water supply shortage emergency still exists, which is currently declared by the District and by the state for Tuolumne County; (2) the project is necessary to address this emergency; and (3) the emergency situation will not permit a time delay resulting from formal competitive bidding.

MOTION: Director Sipperley made a motion to extend the continuance of the order of emergency action for completion of Well #3.

SECOND: Knudson

AYES: Mannix, Knudson, Sipperley, deGroot, McManus

NOES: None

ABSENT:

NEW BUSINESS:

- A. Discussion/action to adopt Policy #2125 – Telecommuting.

MOTION: Director Sipperley made a motion to adopt Policy #2125 - Telecommuting as presented.

SECOND: deGroot

AYES: Mannix, deGroot, Knudson, McManus, Sipperley

NOES: None

ABSENT:

- B. Discussion/action to adopt Resolution #20-08 – Authorizing the General Manager to Enter into Repayment of Leave Agreements with Employees Affected by COVID-19.

MOTION: Director McManus made a motion to adopt Resolution #20-08 as presented.

SECOND: deGroot

AYES: Mannix, deGroot, Knudson, McManus, Sipperley

NOES: None

ABSENT:

- C. Discussion/action to adopt Resolution #20-09 – Authorizing Suspension of Water and Sewer Bill Late Fees during the COVID-19 Pandemic Emergency.

MOTION: Director deGroot made a motion to adopt Resolution #20-09 as presented.

SECOND: Sipperley

AYES: Mannix, deGroot, Knudson, McManus, Sipperley

NOES: None

ABSENT:

- D. Discussion/action to approve a License Agreement with Pacific Gas and Electric to lease a portion of Eproson Park during Public Safety Power Shutoff events.

MOTION: Director Knudson made a motion to approve the agreement with PG&E as presented.

SECOND: Sipperley

AYES: Mannix, deGroot, Knudson, McManus, Sipperley

NOES: None

ABSENT:

- E. Discussion regarding the first phase of Twain Harte Meadows Park.

GM Trott stated that despite not receiving State grant money at this time, the District will still be able to move forward with the Bocce Court Improvements with Sonora Area Foundation funding. The target date for project commencement is Summer of 2020.

- F. Discussion/action to approve issuing a letter to support inclusion of special district funding in any upcoming state or federal COVID-19 legislative bills.

MOTION: Director Sipperley made a motion to approve the letter as presented.

SECOND: deGroot

AYES: Mannix, deGroot, Knudson, McManus, Sipperley

NOES: None

ABSENT:

REPORTS:

President and Board Member Report

- *Director Sipperley asked about the new requirement to have shut-off notices in multiple languages. GM Trott stated that the District will probably not be completing shut-off's and will be restricting flow instead. This will alleviate the need for shut-off notices.*

Committee Reports

- *No reports given. The Committees did not meet.*

Water/Sewer/Park Operations Report Provided by Operations Manager Perry

- *A verbal summary of the written report was provided.*

Fire Chief Report by Chief McNeal

- *A verbal summary of the written report was provided.*

General Manager Report Provided by General Manager Trott

- *A verbal summary of the written report was provided.*
- *The green waste voucher program has been postponed at this time.*

ADJOURNMENT:

The meeting was adjourned at 10:16 a.m.

Respectfully submitted,

APPROVED:

Carolyn Higgins, Board Secretary

Eileen Mannix, President

TWAIN HARTE COMMUNITY SERVICES DISTRICT

Policy and Procedure Manual

POLICY TITLE: District Sponsored Social Media Communications
POLICY NUMBER: 1031
ADOPTED: September 08, 2016

1031.10 Purpose

To establish guidelines with respect to the use of District sponsored social media sites, internet postings, blogs, forums and dissemination of departmental information by District personnel. The District endorses the secure use of social media to enhance communication and information exchange, streamline processes and foster productivity with its employees. Social media provides a valuable means of assisting the District and its personnel in meeting community education, community information and other related organizational and community objectives.

This policy establishes the District's position on the use and management of District sponsored social media and provides guidelines on the management, administration and oversight. This policy is not meant to address one particular form of social media; rather social media in general terms, as technology will outpace our ability to discover emerging technology and create policies governing its use.

The District's use of social media is provided as a public service and is not mandatory.

1031.20 Definitions

Blog: A self-published diary or commentary on a particular topic that may allow visitors to post responses, reactions, or comments.

Post: Content an individual shares on a social media site or the act of publishing content on a site.

Profile: Information that a user provides about himself or herself on a social networking site.

Social Media: A category of internet-based resources that enable the user to generate content and encourage other user participation. This includes, but is not limited to, social networking sites: Facebook, [Instagram](#), [MySpace](#), Twitter, YouTube, [Wikipedia](#), [blogs](#) and other sites. (There are thousands of these types of sites and this is only a short list.)

Social Networks: Platforms where users can create profiles, share information and socialize with others using a range of technologies.

Speech: Expression or communication of thoughts or opinions in spoken words, in writing, by expressive conduct, symbolism, photographs, videotape, or related forms of communication.

1031.30 Administration

1031.31 All District social media sites or pages shall be approved by the General Manager or the Department Head and shall be administered by an approved designee.

1031.32 Personnel who have not been approved to administer District sponsored social media or represent the District via social media are prohibited from undertaking such activities.

1031.33 General Manager shall determine written expectations regarding availability of designated personnel. Based on these expectations, Personnel designated to administer District sponsored social media shall be sufficiently available to post information, monitor sites and respond to public comments. ~~If staff time cannot be sufficiently dedicated to managing social media, the District will not sponsor social media outlets.~~

1031.34 Personnel designated to administer District sponsored social media outlets or represent the District via social media shall:

- Understand and be aware of District business and policies.
- Conduct themselves at all times as professional representatives of the District and, accordingly, shall adhere to all District policies and standards of conduct and observe conventionally accepted protocols and proper decorum.
- Identify themselves as a member of the District when using social media.
- Not post, transmit, or otherwise disseminate sensitive or confidential information, photographs or videos related to District business without express written permission.
- Gather appropriate information from department heads or the General Manager before posting via social media and shall never speculate regarding unknown District activities.
- Consult with the department head and General Manager regarding sensitive information prior to posting.
- Not conduct political activities or private business.
- Abide by copyright, trademark and service mark restrictions in posting materials to electronic media.

1031.40 Structure and Design

1031.41 Social media page(s) shall be designed for the target audience(s), such as the community, civic leadership, employees or potential recruits.

1031.42 At a minimum, District sponsored social media pages shall include the following:

- A District logo.
- District contact information, including a link to the District's official website.
- An introductory statement that clearly specifies the purpose and scope of the District's presence on the social media site.
- A statement clearly indicating that the social media is maintained by the District.
- A statement that clarifies that the site is a "limited public forum".
- Clear user guidelines and take-down policies as stated herein.
- A statement that the opinions expressed by visitors to the page(s) do not reflect the opinions of the department.
- A statement disclaiming liability for public postings that contain advertisements, videos, promoted content, or comments accessible from any external web page.

1031.50 Content

1031.51 Social media content shall adhere to applicable laws, regulations and policies, including all information technology and records management policies of the District.

1031.52 Social media content is subject to open public records laws. Relevant records retention schedules apply to social media content. Content must be managed, stored and retrieved to comply with open records laws and e-discovery laws and policies.

1031.60 User Guidelines

1031.61 The District may encourage the public to express their opinions via District sponsored social media as part of a "limited public forum". Full public forum social media outlets are not allowed by the District.

1031.62 Public shall be notified that participation in District social media is at their own risk and that they must take personal responsibility for their comments, username and any information provided.

1031.63 If public comments are allowed, commenters shall be asked that comments not contain any of the following:

- Profane language.
- Offensive statements.
- Personal attacks.
- Defamatory statements.
- Political views (either positive or negative).
- Comments/posts that repetitive.

- Off-topic subject matter.

1031.64 Public comments or posts that contain any of the following shall be prohibited on District sponsored social media sites and shall be subject to removal by the designated District social media administrator:

- Promotion of a commercial product or service of any entity or individual.
- Apparent spam.
- Copyright violations.
- Confidential and personal information.
- Content that promotes, fosters, or perpetuates discrimination on the basis of race, creed, color, age, religion, gender, marital status, status with regard to public assistance, national origin, physical or mental disability, or sexual orientation.
- True threats.
- Explicit or implied sexual content, pornography or obscenity.
- Conduct inciting, promoting, or encouraging illegal activity.
- Information that might reasonably compromise the safety or security of District staff or the general public.
- Conduct contrary to District policy.

1031.65 Unless public comments blatantly violate one of the prohibited content items listed above, designated District social media administrators shall consult with the General Manager before removing a public comment.

1031.66 District social media posts may be removed by the District at any time. Public shall acknowledge that the District may not have control of the deletion of any public comments attached to such posts.

1031.67 Public users of District sponsored social media shall read and acknowledge the District's user guidelines prior to commenting on the District's social media site. Posting a comment shall be acknowledgement of the user's agreement to the District's user guidelines.

TWAIN HARTE COMMUNITY SERVICES DISTRICT

Policy and Procedure Manual

POLICY TITLE: Public Records Policy
POLICY NUMBER: 1035
ADOPTED: September 13, 2012

1035.10 Purpose

The purpose of this policy is to provide information with regard to public records requests.

1035.20 California Public Records Act

1035.21 The California Legislature has declared that access to information concerning the conduct of the people's business is a fundamental and necessary right of every person in this state. The California Public Records Act, Government Code Section 6250 et seq., requires public records to be available to the public upon request. Twain Harte Community Services District has established the following guidelines to ensure that members of the public fully understand and are afforded the opportunity to use their right to inspect and obtain copies of public records.

1035.22 "Public records" include any writing containing information relating to the conduct of the public's business prepared, owned, used or retained by the District, regardless of physical form or characteristics. "Writing" means handwriting, typewriting, printing, photography and every other means of recording upon any form of communication or representation, including letters, words, pictures, sounds or symbols or any combination thereof and all papers, maps, magnetic or paper tapes, photographic films and prints, magnetic or punched cards, discs, drums and other documents. "Member of the public" means any person, except a member, agent, officer or employee of federal, state, or local agency acting within the scope of his or her membership, agency, office, or employment.

1035.23 Records in Electronic Format - Upon request, the District shall make available any public record in any electronic format in which the District holds the information or in the format requested, if the requested format is one that has been used by the District to create copies for its own use or for provision to other agencies.

1035.30 Public Records Requests

All requests for public records ~~can must~~ be made on the District's **Request for Public Records** (Appendix A), with a verbal request or with an informal written request. ~~and~~ The District will then provide the requested information or an explanation as to why it cannot be disclosed as soon as possible, consistent with the California Public Records Act.

1035.31 The District has 10 calendar days in which to respond to the request and a reasonable amount of time to produce the documents.

1035.40 Fees for Public Record Requests

1035.41 If the request would pose more than a minimal cost to the District for reproduction of written materials, this cost may be passed on to the requesting party, per our Policy #1060, Miscellaneous Fee Schedule.

1035.42 The requestor shall bear the direct costs of producing a copy of a record in electronic format and shall also bear the costs to construct a record and the programming and computer services necessary if:

1035.42.1 District is required to produce a copy of an electronic record and the record is one that is produced only at otherwise regularly scheduled intervals, or

1035.42.2 District is required to perform data compilation, extraction, or programming to produce the record.

1035.50 Records Not Available for Inspection

1035.51 In balancing the public's right to access public records with the recognized individual right of privacy and the need for the District to be able to competently perform its duties, the Legislature has established certain categories of records, which may be exempt from public disclosure. A complete list of statutory exemptions is found in the California Public Records Act. Records exempt for disclosure that pertain to the District include, but are not limited to, the following:

1035.52 Preliminary drafts, notes, or inter-agency or intra-agency memoranda which are not retained by the District in the ordinary course of business, provided that the public interest in withholding such records clearly outweighs the public interest in disclosure;

1035.53 Records pertaining to pending litigation to which the District is a party, or to claims made, until such litigation or claim has been finally adjudicated or otherwise settled;

1035.54 Personnel, medical or similar files the disclosure of which would constitute an unwarranted invasion of personal privacy;

1035.55 Records of complaints to or investigations conducted by the District for law enforcement purposes;

1035.56 Contents of real estate appraisals or engineering or feasibility estimates and evaluations made for or by the District, relative to the acquisition of property or to prospective public supply and construction contracts, until all of the property has been

acquired or all of the contract agreement obtained.

1035.60 Challenge to the District's Determination Not to Disclose Records

Under the California Public Records Act, Government Code Section 6258, any person may seek injunctive or declarative relief in any court of competent jurisdiction to enforce the right to inspect or to receive a copy of any public record.

1035.70 Retention of all District documents is governed by Policy #3100, Records Retention and Destruction.

**TWAIN HARTE COMMUNITY SERVICES DISTRICT
RESOLUTION NO 20-10**

**INTENTION TO CONTINUE ASSESSMENTS FOR FISCAL YEAR 2020-21, APPROVAL OF
PRELIMINARY ENGINEER'S REPORT AND NOTICE OF HEARING FOR THE PARK AND
RECREATION MAINTENANCE DISTRICT**

WHEREAS, Twain Harte Community Services District's Park and Recreation Maintenance District was authorized by an assessment ballot proceeding conducted in 2006 and approved by 59.28% of the weighted ballots returned by property owners, and such assessments were levied by the Board of Directors by Resolution No. 06-09 passed on June 20, 2006; and

WHEREAS, the first Engineer's Report for Fiscal Year 2006-07 described how the assessment district would be established, determined the uses of the assessment funds, established the methodology by which the assessments would be applied to properties in the District, established that the assessment is subject to an annual adjustment tied to the annual change in the Consumer Price Index for the San Francisco Bay Area, and stated that the assessment would continue year-to-year until terminated by the District Board of Directors; and

WHEREAS, although the methodology by which the assessments are applied to properties in the District does not change from year to year, a new Engineer's Report is prepared each year in order to establish the CPI adjustment for that year; the new maximum authorized assessment rate for that year; the budget for that year; and the amount to be charged to each parcel in the District that year, subject to that year's assessment rate and any changes in the attributes of the properties in the District, including but not limited to use changes, parcel subdivisions, and/or parcel consolidations; and

WHEREAS, by on February 12, 2020 by Resolution No. 20-02, the Board ordered the preparation of an Engineer's Report for the Park and Recreation Maintenance District (the "District") for fiscal year 2020-21; and

WHEREAS, pursuant to said Resolution, the Engineer's Report was prepared by SCI Consulting Group, Engineer of Work, in accordance with 22565, et seq., of the Streets and Highways Code (the "Report") and Article XIID of the California Constitution; and

WHEREAS, said Engineer's Report was filed with the Clerk of the Board of Directors and the Board of Directors has reviewed the Report and wishes to take certain actions relative to said Report.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Twain Harte Community Services District ("Board"), that:

1. The Report for the "Park and Recreation Maintenance District," on file with the Clerk of the Board, has been duly considered by the Board of Directors and is hereby deemed sufficient and approved. The Report shall stand as the Engineer's Report for all subsequent proceedings under, and pursuant to, the foregoing resolution.
2. It is the intention of this Board to continue and to collect assessments within the District for fiscal year 2020-21. Within the District, the existing and proposed improvements ("Improvements") are

generally described as the acquisition, installation, maintenance and servicing of public areas and public facilities, property owned or property rights, easements and/or rights of entry, leases or dedications including, but not limited to, parks, recreation areas, recreation facilities, ground cover, shrubs, trees and other vegetation, greenbelts, playground equipment, trails, utility right-of-ways, signage, entry monuments, fencing, picnic areas, restrooms, lighting, other improvements such as irrigation or drainage and land preparation on (1) real property owned by, or encumbered by property rights held by, or maintained by, the District; or (2) on real property owned by, or encumbered by property rights held by, or maintained by any local agency or non-profit entity within the jurisdictional area of the District that participates with the Twain Harte Community Services District in any of the installations, maintenance and servicing described herein. Installation means the construction of recreational improvements, including, but not limited to, land preparation, such as grading, leveling, cutting and filling, sod, landscaping, irrigation systems, sidewalks and drainage, lights, playground equipment, play courts, recreational facilities and public restrooms. Maintenance means the furnishing of services and materials for the ordinary and usual maintenance, operation and servicing of said improvements, including repair, removal, or replacement of all or part of any improvement; providing for the life, growth, health and beauty of landscaping; and cleaning, sandblasting and painting of walls and other improvements to remove or cover graffiti. Servicing means the furnishing of electric current or energy for the operation or lighting of any improvements, and water for irrigation of any landscaping or the maintenance of any other improvements.

3. The District consists of the lots and parcels shown on the assessment diagram of the District on file with the Clerk of the Board, and reference is hereby made to such map for further particulars.
4. Reference is hereby made to the Report for a full and detailed description of the Improvements, the boundaries of the District and the proposed assessments upon assessable lots and parcels of land within the District. The Engineer's Report identifies all parcels which will have a special benefit conferred upon them and upon which an assessment will be imposed.
5. The authorized maximum assessment rate for the District includes an annual adjustment by an amount equal to the annual change in the San Francisco Bay Area Consumer Price Index, not to exceed 3.00% per year. In the event that the annual change in the CPI exceeds 3.00%, any percentage change in excess of 3.00% can be cumulatively reserved and can be added to the annual change in the CPI for years in which the CPI change is less than 3.00%. The annual Bay Area CPI change as of December 2019 is 2.45%, and the Unused CPI carried forward from the previous fiscal year is 2.13%. Therefore, the maximum authorized increase that may be levied in fiscal year 2020-21 is 3.00%.
6. The estimated fiscal year 2020-21 cost of providing the Services is \$113,720. This cost results in a proposed assessment rate of SEVENTY AND FORTY-FOUR CENTS (\$70.44) per single-family equivalent benefit unit for fiscal year 2020-21. Therefore, the maximum authorized assessment rate is \$70.44; the assessment rate proposed to be continued for fiscal year 2020-21 is \$70.44, which is the same as the maximum authorized rate.
7. The public hearing shall be held, before this Board at the Twain Harte Community Services District offices located at 22912 Vantage Pointe Drive, Twain Harte, California, 95383: on Wednesday, June 10, 2020 at the hour of 9:00 a.m. for the purpose of this Board's determination whether the public interest, convenience and necessity require the improvements and this Board's final action upon the Report and the assessments therein. The Clerk of the Board is hereby authorized and directed to

cause a notice of the hearing to be given by publishing a notice once, at least ten (10) days prior to the date of the hearing above specified, in a newspaper circulated in the District. In the event that the Stay in Place order is still in effect, the Twain Harte CSD Board meeting will be held remotely in accordance with Governor Gavin Newsom's Executive Order N-25-20, issued March 12, 2020, and Government Code Section 54954(e). In an effort to improve access to public information, residents may access meetings remotely, by accessing the link in the meeting agenda.

PASSED AND ADOPTED by the Governing Board of the Twain Harte Community Services District this 13th day of May 2020 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Eileen Mannix, Board President

Carolyn Higgins, Board Secretary



TWAIN HARTE COMMUNITY SERVICES DISTRICT

PARK AND RECREATION MAINTENANCE DISTRICT

ENGINEER'S REPORT

MAY 2020

PREPARED FOR:

**BOARD OF DIRECTORS TWAIN HARTE COMMUNITY SERVICES
DISTRICT**

PURSUANT TO THE LANDSCAPE AND LIGHTING ACT OF 1972 AND
ARTICLE XIIID OF THE CALIFORNIA CONSTITUTION

ENGINEER OF WORK:

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TWAIN HARTE COMMUNITY SERVICES DISTRICT

BOARD OF DIRECTORS

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ASSESSMENT ENGINEER

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INTRODUCTION

OVERVIEW

The Twain Harte Community Services District ("District") is a California governmental entity formed when the Tuolumne County Water District #1 was dissolved. Formed in 1996, the District provides water, sewer, and fire as well as recreation services. The district maintains Eproson Park and its amenities including the Rotary Stage, youth and tot playgrounds, a skate park, baseball field, and picnic and barbeque areas, the Twain Harte Community Center, Twain Harte Tennis Courts and Twain Harte Creek Trail. The map on page 25 depicts the area served by the District. The District is responsible for operating parks, recreation areas, and other recreation facilities and public resources in the community of Twain Harte. The District encompasses approximately 1,793 parcels within its boundaries, which are primarily of residential single-family and multi-family use.

Prior to 2006, the maintenance and upkeep of local park and recreation areas in the Twain Harte community were funded by a very small amount of property taxes allocated to the District. Since its formation the District's costs for maintaining park services, such as insurance, fuel, electricity, supplies and maintenance, had increased significantly and the available revenues for park maintenance had actually declined. The District simply did not have sufficient revenues to properly maintain Twain Harte park and recreation facilities and to handle the repairs of aging facilities. Therefore, in absence of a new local revenue source, the baseline level of park and recreation facilities in the District (the "Baseline Service") was poorly maintained park and recreation facilities.

As a result, the District proposed the establishment of a benefit assessment district that would allow property owners, in an assessment ballot proceeding, to decide if funding should be increased to:

- Improve Park Maintenance
- Improve Safety and Security
- Improve Children's Playground Equipment
- Maintain Sports Fields
- Maintain the Twain Harte Community Center

The Assessments fund the continued improvements listed above that are provided throughout the District, extending above and beyond the baseline level of service.

ASSESSMENT PROCESS

In 2006, the Twain Harte Community Service District Board of Directors (the "Board") conducted an assessment ballot proceeding pursuant to the requirements of Article XIID of the California Constitution ("The Taxpayer's Right to Vote on Taxes Act") and the Landscaping and Lighting Act of 1972. During this ballot proceeding, property owners in the District were provided with a notice and ballot for the proposed Park and Recreation Maintenance District (the "Assessment District"). A 45-day period was provided for balloting

and a public hearing was conducted on June 20, 2006. After the close of the public input portion of the public hearing, the returned ballots were tabulated. The results of the tabulation were announced at 7 p.m. the same evening.

It was determined at the public hearing that the assessment ballots submitted in opposition to the proposed assessments did not exceed the assessment ballots submitted in favor of the assessments (with each ballot weighted by the proportional financial obligation of the property for which ballot was submitted). The final weighted ballot result was 59.28% support for the proposed assessments.

As a result, the District Board (the "Board") gained the authority to approve the levy of the assessments for fiscal year 2006-07 and to continue to levy them in future years. The authority granted by the ballot proceeding includes an annual adjustment in the assessment levies equal to the annual change in the Consumer Price Index for the San Francisco Bay Area as of January of each succeeding year, with the maximum annual adjustment not to exceed 3%. In the event that the annual change in the CPI exceeds 3%, any percentage change in excess of 3% can be cumulatively reserved and can be added to the annual change in the CPI for years in which the CPI change is less than 3%.

In each subsequent year for which the assessments will be continued, the Board must direct the preparation of an Engineer's Report ("Report"), budgets and proposed assessments for the upcoming fiscal year. After the Report is completed, the Board may preliminarily approve the Report and proposed assessments and establish the date for a noticed public hearing on the continuation of the assessments.

This Engineer's Report ("Report") was prepared to establish the budget for the improvements, installation, and maintenance and servicing costs that would be funded by the proposed 2020-21 assessments, determine the benefits received by property from such improvements within the Assessment District and apportion the assessments to lots and parcels within the District. This Report and the proposed assessments have been made pursuant to the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code (the "Act") and Article XIID of the California Constitution (the "Article").

If the Board approves this Engineer's Report and the continuation of the assessments by resolution, a notice of public hearing must be published in a local paper at least 10 days prior to the date of the public hearing. The resolution preliminarily approving the Engineer's Report and establishing the date for a public hearing is used for this notice.

Following the minimum 10-day time period after publishing the notice, a public hearing must be held for the purpose of allowing public testimony about the proposed continuation of the assessments. This hearing is currently scheduled for June 10, 2020. At this hearing, the Board would consider approval of a resolution confirming the continuation of the assessments for fiscal year 2020-21. If so confirmed and approved, the assessments would

be submitted to the County Auditor for inclusion on the property tax rolls for fiscal year 2020-21.

LEGAL ANALYSIS

PROPOSITION 218

This assessment was formed consistent with Proposition 218, The Right to Vote on Taxes Act, which was approved by the voters of California on November 6, 1996, and is now codified as Articles XIII C and XIII D of the California Constitution. Proposition 218 provides for benefit assessments to be levied to fund the cost of providing services, improvements, as well as maintenance and operation expenses to a public improvement which benefits the assessed property.

Proposition 218 describes a number of important requirements, including property-owner balloting, for the imposition, increase and extension of assessments, and these requirements were satisfied by the process used to establish this assessment.

SILICON VALLEY TAXPAYERS ASSOCIATION, INC. V SANTA CLARA COUNTY OPEN SPACE AUTHORITY

In July of 2008, the California Supreme Court issued its ruling on the Silicon Valley Taxpayers Association, Inc. v. Santa Clara County Open Space Authority ("SVTA vs. SCCOSA"). This ruling is the most significant legal document in further legally clarifying Proposition 218. Several of the most important elements of the ruling included further emphasis that:

- Benefit assessments are for special, not general, benefit
- The services and/or improvements funded by assessments must be clearly defined
- Special benefits are directly received by and provide a direct advantage to property in the assessment district

This Engineer's Report is consistent with the SVTA vs. SCCOSA decision and with the requirements of Article XIII C and XIII D of the California Constitution because the improvements to be funded are clearly defined; the benefiting property in the Assessment District enjoys close and unique proximity, access and views to the Improvements; the Improvements serve as an extension of usable land area for benefiting properties in the Assessment District and such special benefits provide a direct advantage to property in the Assessment District that is not enjoyed by the public at large or other property. There have been a number of clarifications made to the analysis, findings and supporting text in this Report to ensure that this consistency is well communicated.

DAHMS V. DOWNTOWN POMONA PROPERTY

On June 8, 2009, the 4th Court of Appeal amended its original opinion upholding a benefit assessment for property in the downtown area of the City of Pomona. On July 22, 2009, the California Supreme Court denied review. On this date, Dahms became good law and binding precedent for assessments. In Dahms the court upheld an assessment that was

100% special benefit (i.e. 0% general benefit) on the rationale that the services and improvements funded by the assessments were directly provided to property in the assessment district. The Court also upheld discounts and exemptions from the assessment for certain properties.

BONANDER V. TOWN OF TIBURON

On December 31, 2009, the 1st District Court of Appeal overturned a benefit assessment approved by property owners to pay for placing overhead utility lines underground in an area of the Town of Tiburon. The Court invalidated the assessments on the grounds that the assessments had been apportioned to assessed property based in part on relative costs within sub-areas of the assessment district instead of proportional special benefits.

BEUTZ V. COUNTY OF RIVERSIDE

On May 26, 2010 the 4th District Court of Appeal issued a decision on the Steven Beutz v. County of Riverside ("Beutz") appeal. This decision overturned an assessment for park maintenance in Wildomar, California, primarily because the general benefits associated with improvements and services were not explicitly calculated, quantified and separated from the special benefits.

GOLDEN HILL NEIGHBORHOOD ASSOCIATION V. CITY OF SAN DIEGO

On September 22, 2011, the San Diego Court of Appeal issued a decision on the Golden Hill Neighborhood Association v. City of San Diego appeal. This decision overturned an assessment for street and landscaping maintenance in the Greater Golden Hill neighborhood of San Diego, California. The court described two primary reasons for its decision. First, like in Beutz, the court found the general benefits associated with services were not explicitly calculated, quantified and separated from the special benefits. Second, the court found that the City had failed to record the basis for the assessment on its own parcels.

COMPLIANCE WITH CURRENT LAW

This Engineer's Report is consistent with the requirements of Article XIIIC and XIID of the California Constitution and with the *SVTA* decision because the Improvements to be funded are clearly defined; the Improvements are directly available to and will directly benefit property in the Assessment District; and the Improvements provide a direct advantage to property in the Assessment District that would not be received in absence of the Assessments.

This Engineer's Report is consistent with *Beutz*, *Dahms* and *Greater Golden Hill* because the Improvements will directly benefit property in the Assessment District and the general benefits have been explicitly calculated and quantified and excluded from the Assessments. The Engineer's Report is consistent with *Bonander* because the Assessments have been apportioned based on the overall cost of the Improvements and proportional special benefit to each property.

PLANS AND SPECIFICATIONS

DEFINITIONS AND DESCRIPTIONS

The improvements to be funded by the Assessment District (the "Improvements") provide special benefit to parcels within the Assessment District as defined in the Method of Assessment herein. Improvements are legally defined by the Act (Streets & Highways Code §22525) and include, but are not limited to the following:¹

Acquisition, installation, maintenance and servicing of public areas and public facilities, property owned or property rights, easements and/or rights of entry, leases or dedications including, but not limited to, parks, recreation facilities, open space lands, greenbelts, playground equipment, trails, hillsides, viewsheds and watersheds, utility right-of-ways, signage, fencing, fire breaks, picnic areas, restrooms, lighting and other improvements and land preparation such as grading, irrigation or drainage on (1) real property owned by, or encumbered by property rights held by, or maintained by, the Assessment District; or (2) on real property owned by, or encumbered by property rights held by, or maintained by any local agency or non-profit entity within the jurisdictional area of the Assessment District that participates with the Twain Harte Community Services District in any of the installations, maintenance and servicing described herein.

Maintenance means the furnishing of services and materials for the ordinary and usual maintenance, operation and servicing of any Improvement, including (a) repair, removal, or replacement of all or part of any Improvement; (b) providing for the life, growth, health and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or injury; (c) the removal of trimmings, rubbish, debris, and other solid waste; and (d) the cleaning, sandblasting and painting of walls and other Improvements to remove or cover graffiti. (Streets & Highways Code §22531)

Servicing means the furnishing of (a) electric current or energy, gas or other illuminating agent for any public lighting facilities or for the lighting or operation of any other Improvements; and (b) water for irrigation of any landscaping, the operation of any fountains, or the maintenance of any other Improvements. (Streets & Highways Code §22538)

Incidental expenses include all of the following: (a) The costs of preparation of the report, including plans, specifications, estimates, diagram, and assessment; (b) the costs of printing, advertising, and the giving of published and posted notices; (c) compensation payable to the County for collection of assessments; (d) compensation of any engineer or attorney employed to render services in proceedings pursuant to this part; (e) any other expenses incidental to the construction, installation, or maintenance and servicing of the Improvements; (f) any expenses incidental to the issuance of bonds or notes pursuant to

¹. Any Plans and specifications for the Improvements will be filed with the Twain Harte Community Services District and are incorporated herein by reference.

Streets & Highways Code Section 22662.5; and (g) costs associated with any elections held for the approval of a new or increased assessment. (Streets & Highways Code §22526)

The assessment proceeds will be exclusively used for Improvements within the District plus Incidental expenses. Reference is made to the plans and specifications, including specific expenditure and improvement plans by park/recreation site, which are on file with the District.

ESTIMATE OF COSTS AND BUDGET

INTRODUCTION

Following are the proposed Improvements, and resulting level of improved park and recreation facilities, for the Assessment District. As previously noted, the baseline level of service included minimal and inadequate maintenance of local park and recreation facilities due to shortages of funds for the District. Improvements funded by the assessments are over and above this baseline level of service. The formula below describes the relationship between the final level of Improvements, the existing baseline level of service, and the enhanced level of Improvements to be funded by the proposed assessment.

Final Level of Improvements	=	Baseline Level of Improvements	+	Enhanced Level of Improvements
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ESTIMATE OF COSTS

The following is an estimate of the cost of the Improvements that would be funded by the Assessment District in Fiscal Year 2020-21. The expenditures would be governed by the policies and criteria established within this Report.

TABLE 1 - ESTIMATE OF COSTS

Twain Harte Community Services District Parks and Recreation Maintenance District Estimate of Cost Fiscal Year 2020-21			
			<i>Total Budget</i>
Beginning Fund Balance			\$0
Installation, Maintenance & Servicing Costs			
Services Costs			\$83,351
Salaries and Employee Benefits	\$15,732		
Maintenance and Repairs	\$41,700		
Materials and Supplies	\$1,600		
Outside and Debt Services	\$4,250		
Utilities, Prop/Liab Ins, TUD, etc.	\$20,070		
Administrative Cost			\$59,162
Capital Expenses/Outlay			\$66,800
Total Service, Administrative and Capital Expenditures			\$209,313
Additional Expenditures			
Allowance for Uncollectable Assessments			\$0
County Collection, Levy Administration, and Other Incidentals			\$4,000
Total Additional Expenditures			\$4,000
Total Service, Administrative, Capital and Additional Expenditures			\$213,313
Total Benefit of Services and Related Expenses			\$213,313
SFE Units			1614.42
Benefit received per Single Family Equivalent Unit			\$132.13
Less:			
District Contribution for General Benefits			(\$76,793)
District Contribution toward Special Benefits			\$40,607
Transfers to (from) reserves			(\$63,407)
Total Revenue from Other Sources			(\$99,593)
Net Cost of Installation, Maintenance and Servicing to Assessment District			\$113,720
Total Installation, Maintenance and Servicing to Assessment District (Net Amount to be Assessed)			\$113,720
Budget Allocation to Property			
	Total SFE Units	Assessment per SFE	Total Assessment
	1,614.42	\$70.44	\$113,720

METHOD OF ASSESSMENT APPORTIONMENT

METHOD OF APPORTIONMENT

This section of the Engineer's Report explains the special benefits to be derived from the Improvements, the criteria for the expenditure of assessment funds to ensure equal levels of benefit for properties of similar type and the methodology used to apportion the total assessments to properties within the Assessment District.

The Assessment District area consists of all Assessor Parcels within the District as defined by the State Board of Equalization tax rate areas. The method used for apportioning the assessments is based upon the proportional special benefits conferred to the properties over and above the general benefits conferred to real property in the Assessment District or to the public at large. Special benefit is calculated for each parcel in the Assessment District using the following process.

1. Identification of all benefit factors derived from the Improvements
1. Calculation of the proportion of these benefits that are general
2. Determination of the relative special benefit within different areas within the Assessment District
3. Determination of the relative special benefit per property type
4. Calculation of the specific assessment for each individual parcel based upon special vs. general benefit; location, property type, property characteristics, improvements on property and other supporting attributes

DISCUSSION OF BENEFIT

Assessments can only be levied based on the special benefit to property. Any and all general benefit, including benefit that is indirect or derivative, must be funded from another source. This special benefit is received by property over and above any general benefits from the Improvements. With reference to the requirements for assessments, Section 22573 of the Landscaping and Lighting Act of 1972 states:

"The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements."

Proposition 218 (Article XIID of the California Constitution), has confirmed that assessments must be based on the special benefit to property and that the value of the special benefits must reasonably exceed the cost of the assessment:

"No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel."

Since assessments are levied on the basis of special benefit, they are not a tax and are not governed by Article XIII A of the California Constitution.

The SVTA v. SCCOSA decision also clarifies that a special benefit is a service or improvement that provides a direct advantage to a parcel and that indirect or derivative advantages resulting from the overall public benefits from a service or improvement are general benefits. The SVTA v. SCCOSA decision also provides specific guidance that park improvements are a direct advantage and special benefit to property that is proximate to a park that is improved by an assessment:

The characterization of a benefit may depend on whether the parcel receives a direct advantage from the improvement (e.g. proximity to a park) or receives an indirect, derivative advantage resulting from the overall public benefits of the improvement (e.g. general enhancement of the district's property values).

Finally, Proposition 218 twice uses the phrase "over and above" general benefits in describing special benefit. (Art. XIID, sections 2(i) & 4(f).)

BENEFIT FACTORS

EXTENSION OF A PROPERTY'S OUTDOOR AREAS AND GREEN SPACES FOR PROPERTIES WITHIN CLOSE PROXIMITY TO THE IMPROVEMENTS

The park and recreation facilities in the Assessment District provide larger outdoor areas that serve as an effective extension of the land area for proximate properties because the Improvements are uniquely proximate and accessible to property in the Assessment District. The Improvements, therefore, provide an important, valuable and desirable extension of usable land area for the direct advantage and special benefit of properties with good and close proximity to the Improvements.

According to the industry-standard guidelines established by the National Park and Recreation Association (the "NPRA"), neighborhood parks in urban areas have a service area radius of generally one-half mile and community parks have a service area radius of approximately two miles. The service radii for parks were specifically established to give all properties within this service radii close proximity and easy access to such public land areas. Eproson Park within the Assessment District is more similar to a community park, since it is larger and has a parking lot and restroom. However, given the somewhat enclosed nature of the properties and roads within the Assessment District, the service area radius for Eproson Park is determined to be approximately one mile. Since proximate and accessible parks serve as an extension of the usable land area for property in the service radii and since the service radii was specifically designed to provide close proximity and access, the parcels within this service area clearly receive a direct advantage and special benefit from the Improvements - and this advantage is not received by many other properties or the public at large. The parcels that are outside of the Assessment District but may also have good proximity and assess the Improvements are addressed in the following general versus special benefit section.

An analysis of the service radii for the Improvements finds that all properties in the Assessment District enjoy the distinct and direct advantage of being close and proximate to a park and recreation facilities within the Assessment District. The benefiting properties in the Assessment District therefore uniquely and specially benefit from the Improvements.

PROXIMITY TO IMPROVED PARK AND RECREATIONAL FACILITIES

Only the specific properties within close proximity to the Improvements are included in the Assessment District. Therefore, property in the Assessment District enjoys unique and valuable proximity and access to the Improvements that the public at large and property outside the Assessment District do not share.

In absence of the assessments, the Improvements would not be provided and Eproson Park would be degraded due to insufficient funding for maintenance, upkeep and repair. Therefore, the assessments provide Improvements that are over and above what otherwise would be provided. Improvements that are over and above what otherwise would be provided do not by themselves translate into special benefits but when combined with the unique proximity and access enjoyed by parcels in the Assessment District, they provide a direct advantage and special benefit to property in the Assessment District.

ACCESS TO IMPROVED PARK, OPEN SPACE AND RECREATIONAL AREAS

Since the parcels in the Assessment District are nearly the only parcels that enjoy close access to the Improvements, they directly benefit from the unique close access to improved park, open space and recreation areas that are provided by the Assessments. This is a direct advantage and special benefit to property in the Assessment District.

IMPROVED VIEWS

The District, by maintaining the landscaping at its park, recreation and open space facilities provides improved views to properties with direct line-of-sight as well as other local properties which benefit from improved views when property is accessed. Therefore, the improved and protected views provided by the Assessments are another direct and tangible advantage that is uniquely conferred upon property in the Assessment District.

BENEFIT FINDING

In summary, real property located within the boundaries of the Assessment District distinctly and directly benefits from closer proximity, access and views of the Improvements funded by the Assessments. The Improvements are specifically designed to serve local properties in the Assessment District, not other properties or the public at large. The public at large and other properties outside the Assessment District receive only limited benefits from the Improvements because they do not have proximity, good access or views of the Improvements. These are special benefits to property in the Assessment District in much the same way that sewer and water facilities, sidewalks and paved streets enhance the utility and desirability of property and make them more functional to use, safer and easier to access.

CRITERIA AND POLICIES

This sub-section describes the criteria that shall govern the expenditure of assessment funds and ensure equal levels of benefit for properties of similar type. The criteria established in this Report, as finally confirmed, cannot be substantially modified; however, the Board may adopt additional criteria to further clarify certain criteria or policies established in this Report or establish additional criteria or policies that do not conflict with this Report.

ASSESSMENT FUNDS MUST BE EXPENDED WITHIN THE ASSESSMENT DISTRICT

The net available assessment funds, after incidental, administrative, financing and other costs, shall be expended exclusively for Improvements within the boundaries of the Assessment District.

CITIZEN'S OVERSIGHT COMMITTEE

A Citizens' Oversight Committee (the "Citizens' Oversight Committee") will be established for the Assessment District. The Citizens' Oversight Committee shall review potential projects that may be funded by the assessments and shall make recommendations on the expenditure of assessment funds. Members of the Citizen's Oversight Committee will be nominated by Twain Harte homeowners and/or other recognized organized citizen's groups and appointed by the Twain Harte Community Services District Board. All members of the Citizens' Oversight Committee shall own property within Twain Harte Community Services District and shall not have conflicts of interest with the Assessment District or the Improvements and Services funded by the Assessments.

MATCHING FUNDS

Matching funds and contributions from other sources are required, thereby maximizing the special benefits from the Assessment District and offsetting any general benefits from the Improvements funded by the Assessments. The District will continue its annual fundraising drives, seek grant funding and special donations towards projects.

GENERAL VERSUS SPECIAL BENEFIT

Article XIII C of the California Constitution requires any local agency proposing to increase or impose a benefit assessment to "separate the general benefits from the special benefits conferred on a parcel." The rationale for separating special and general benefits is to ensure that property owners subject to the benefit assessment are not paying for general benefits. The assessment can fund special benefits but cannot fund general benefits. Accordingly, a separate estimate of the special and general benefit is given in this section.

In other words:

Total Benefit	=	General Benefit	+	Special Benefit
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There is no widely-accepted or statutory formula for general benefit. General benefits are benefits from improvements or services that are not special in nature, are not “particular and distinct” and are not “over and above” benefits received by other properties. SVTA vs. SCCOSA provides some clarification by indicating that general benefits provide “an indirect, derivative advantage” and are not necessarily proximate to the improvements.

In this report, the general benefit is conservatively estimated and described, and then budgeted so that it is funded by sources other than the assessment.

The starting point for evaluating general and special benefits is the current, baseline level of service. The assessment will fund Improvements “over and above” this general, baseline level and the general benefits estimated in this section are over and above the baseline.

A formula to estimate the general benefit is listed below:

General Benefit	=	Benefit to real property outside of improvement district	+	Benefit to real property inside of improvement district	+	Benefit to public at large
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Special benefit, on the other hand, is defined in the state constitution as “a particular and distinct benefit over and above general benefits conferred on real property located in the district or to the public at large.” The SVTA v. SCCOSA decision indicates that a special benefit is conferred to a property if it “receives a direct advantage from the improvement (e.g., proximity to a park).” In this assessment, as noted, properties in the Assessment District have close and unique proximity, views and access to the Improvements and uniquely improved desirability from the Improvements and other properties and the public at large do not receive significant benefits because they do not have proximity, access or views of the Improvements. Therefore, the overwhelming proportion of the benefits conferred to property is special, and is only minimally received by property outside the Assessment District or the public at large.

In the 2009 Dahms case, the court upheld an assessment that was 100% special benefit on the rationale that the services funded by the assessments were directly provided within the assessment district. It is also important to note that the improvements and services funded by the assessments in Pomona are similar to the improvements and services funded by the Assessments described in this Engineer’s Report and the Court found these improvements and services to be 100% special benefit. Also similar to the assessments in Pomona, the Assessments described in this Engineer’s Report fund improvements and services directly provided within the Assessment District and every benefiting property in the Assessment

District enjoys proximity and access to the Improvements. Therefore, Dahms establishes a basis for minimal or zero general benefits from the Assessments. However, in this Report, the general benefit is more conservatively estimated and described, and then budgeted so that it is funded by sources other than the Assessment.

CALCULATING GENERAL BENEFIT

In this section, the general benefit is conservatively estimated and described, and then budgeted so that it is funded by sources other than the assessment.

BENEFIT TO PROPERTY OUTSIDE THE ASSESSMENT DISTRICT

Properties within the Assessment District receive almost all of the special benefits from the Improvements because properties in the Assessment District enjoy unique close proximity and access to the Improvements that is not enjoyed by other properties or the public at large. However, certain properties within the proximity/access radius of the Improvements, but outside of the boundaries of the Assessment District, may receive some benefit from the Improvements. Since this benefit is conferred to properties outside the Assessment District boundaries, it contributes to the overall general benefit calculation and will not be funded by the Assessments.

The properties outside the Assessment District and within the proximity/access radii for park and recreation facilities in the Assessment District may receive benefits from the Improvements. Since these properties are not assessed for their benefits because they are outside of the area that can be assessed by the District, this is a form of general benefit to the public at large and other property. A 50% reduction factor is applied to these properties because they are over twice the average distance from the Improvements compared to properties in the Assessment District. The general benefit to property outside of the Assessment District is calculated as follows with the parcel and data analysis performed by SCI Consulting Group.

ASSUMPTIONS:

450 PARCELS OUTSIDE THE DISTRICT BUT WITH GOOD PROXIMITY/ACCESS OF THE IMPROVEMENTS WITHIN THE ASSESSMENT DISTRICT

1,863 PARCELS IN THE ASSESSMENT DISTRICT

50% RELATIVE BENEFIT COMPARED TO PROPERTY WITHIN THE ASSESSMENT DISTRICT

CALCULATION

GENERAL BENEFIT TO PROPERTY OUTSIDE THE ASSESSMENT DISTRICT = $450/2,313 \times .5 = 9.7\%$

Although it can reasonably be argued that Improvements inside, but near the District boundaries are offset by similar park and recreational improvements provided outside, but

near the District's boundaries, we use the more conservative approach of finding that 9.7% of the Improvements may be of general benefit to property outside the Assessment District.

BENEFIT TO PROPERTY *INSIDE* THE DISTRICT THAT IS *INDIRECT AND DERIVATIVE AND TO THE PUBLIC AT LARGE*

The "indirect and derivative" benefit to property within the Assessment District is particularly difficult to calculate. A solid argument can be presented that all benefit within the Assessment District is special, because the Improvements are clearly "over and above" and "particular and distinct" when compared with the baseline level of service and the unique proximity, access and views of the Improvements enjoyed by benefiting properties in the Assessment District.

Nevertheless, the SVTA vs. SCCOSA decision indicates there may be general benefit "conferred on real property located in the district". A measure of the general benefits to property within the Assessment area and/or to the public at large is the percentage of land area within the Assessment District that is publicly owned and used for regional purposes such as major roads, rail lines and other regional facilities because such properties used for regional purposes could provide general benefits. Approximately 5.8% of the land area in the Improvement District is used for such regional purposes, so this is a measure of the general benefits to property within the Improvement District and/or to the public at large.

The general benefit to the public at large can also be estimated by the proportionate amount of time that the District's park and recreational facilities are used and enjoyed by individuals who are not residents, employees, customers or property owners in the District². Research conducted by SCI Consulting Group of the park use in similar communities in California has found that between 5% and 10% of park and recreational facility usage in similar rural communities is by those who do not live, work or shop within the jurisdiction's boundaries. For this Report, we shall use the average of 7.5%. When people outside the Assessment District use the park and recreation facilities, they diminish the availability of the park for people within the Assessment District. Therefore, another 5% of general benefits are allocated for people within the Assessment District.

Combining these measures of general benefits, we find that 18.3% of the benefits from the Improvements may be general benefits to the public at large and property in the Assessment District.

². When District facilities are used by those individuals, the facilities are not providing benefit to property within the District. Use under these circumstances is a measure of general benefit. For example, a non-resident who is drawn to utilize the District facilities and shops at local businesses while in the area would provide special benefit to business properties as a result of his or her use of the Improvements. Conversely, one who uses District facilities but does not reside, work, shop or own property within the District boundaries does not provide special benefits to any property and is considered to be a measure of the general benefits.

TOTAL GENERAL BENEFITS

Using a sum of these three measures of general benefit, we find that approximately 30% of the benefits conferred by the Improvements may be general in nature and should be funded by sources other than the assessment.

<p>GENERAL BENEFIT =</p> <p>9.7% (OUTSIDE THE DISTRICT)</p> <p>+ 18.3% (INSIDE THE DISTRICT - INDIRECT AND DERIVATIVE AND PUBLIC AT LARGE)</p> <p>= 28% (TOTAL GENERAL BENEFIT)</p>
--

Although this analysis finds that 28% of the assessment may provide general benefits, the Assessment Engineer establishes a requirement for a minimum contribution from sources other than the assessments of 36%. This minimum contribution above the measure of general benefits will serve to provide additional coverage for any other general benefits.

The proposed Assessment District's total budget for installation, maintenance and servicing of the Improvements is \$213,313. Of this total budget amount, the District and other partner agencies and contributors will contribute \$99,593 from sources other than the assessments. This contribution equates to approximately 46% of the total budget for installation, maintenance and servicing and constitutes more than the 36% calculated above for general benefits.

ZONES OF BENEFIT

The Assessment District is coterminous with the District boundaries. Eproson Park is centrally located so all parcels in the Assessment District are within close proximity to the Improvements. It therefore is appropriate to provide a District-wide Assessment District because all parcels benefit similarly.

In *SVTA v. SCCOSA*, the court noted that a local agency-wide assessment district is appropriate under the right conditions: "Thus, if an assessment district is narrowly drawn, the fact that a benefit is conferred throughout the district does not make it general rather than special. In that circumstance, the characterization of a benefit may depend on whether the parcel receives a direct advantage from the improvement (e.g., proximity to a park) or receives an indirect, derivative advantage resulting from the overall public benefits of the improvement (e.g., general enhancement of the district's property values)." The court therefore acknowledged the appropriateness of a District-wide assessment so long as each parcel receives a direct advantage from the assessment-funded improvement or service. As demonstrated in this engineer's report, in light of the small District size and the central location of the Improvements in the District, each parcel in the Assessment District receives a direct advantage and special benefit from the Improvements.

METHOD OF ASSESSMENT

As previously discussed, the assessments provide specific Improvements that confer direct and tangible special benefits to properties in the District. These benefits can partially be measured by the occupants on property in the District because such parcel population density is a measure of the relative benefit a parcel receives from the Improvements. Therefore, the apportionment of benefit is partially based the population density of parcels.

It should be noted that many other types of "traditional" assessments also use parcel population densities to apportion the assessments. For example, the assessments for sewer systems, roads and water systems are typically allocated based on the population density of the parcels assessed. Moreover, assessments have a long history of use in California and are in large part based on the principle that benefits from a service or improvement funded by assessments that is enjoyed by tenants and other non-property owners ultimately is conferred directly to the underlying property.³

The next step in apportioning assessments is to determine the relative special benefit for each property. This process involves determining the relative benefit received by each property in relation to a "benchmark" property, a single family detached dwelling on one parcel (one "Single Family Equivalent Benefit Unit" or "SFE"). This SFE methodology is commonly used to distribute assessments in proportion to estimated special benefits and is generally recognized as providing the basis for a fair and appropriate distribution of assessments. For the purposes of this Engineer's Report, all properties are designated a SFE value, which is each property's relative benefit in relation to a single family home on one parcel.

In the process of determining the appropriate method of assessment, the Engineer considered various alternatives. For example, an assessment only for residential improved property was considered but was determined to be inappropriate because commercial, industrial and other property also receive direct benefits from the Improvements.

Moreover, a fixed or flat assessment for all properties of similar type was deemed to be inappropriate because larger properties receive a higher degree of benefit than other similarly used properties that are significantly smaller. (For two properties used for commercial purposes, there is clearly a higher benefit provided to the larger property in comparison to a smaller commercial property because the larger property generally supports a larger building and has higher numbers of employees, customers and guests that would

³ For example, in *Federal Construction Co. v. Ensign* (1922) 59 Cal.App. 200 at 211, the appellate court determined that a sewer system specially benefited property even though the direct benefit was to the people who used the sewers: "Practically every inhabitant of a city either is the owner of the land on which he resides or on which he pursues his vocation, or he is the tenant of the owner, or is the agent or servant of such owner or of such tenant. And since it is the inhabitants who make by far the greater use of a city's sewer system, it is to them, as lot owners or as tenants, or as the servants or agents of such lot owners or tenants, that the advantages of actual use will redound. But this advantage of use means that, in the final analysis, it is the lot owners themselves who will be especially benefited in a financial sense."

benefit from proximity and improved access to well maintained and improved parks and recreational facilities. So the potential population of employees or residents is a measure of the special benefits received by the property.) Larger parcels, therefore, receive an increased benefit from the assessments.

Finally, the special benefits derived from the assessments are conferred on property and are not based on a specific property owner's use of the improvements, or a specific property owner's occupancy of property or the property owner's demographic status such as age or number of dependents. However, it is ultimately people who value the special benefits described above and use and enjoy the District's park and recreational facilities. In other words, the benefits derived to property are related to the average number of people who could potentially live on, work at, or otherwise could use a property, not how the property is currently used by the present owner. Therefore, the number of people who could or potentially live on, work at or otherwise use a property is one indicator of the relative level of benefit received by a property.

In conclusion, the Assessment Engineer determined that the appropriate method of assessment apportionment should be based on the type and use of property, the relative size of the property, its relative population and usage potential and its proximity to park and recreational facilities. This method is further described below.

RESIDENTIAL PROPERTIES

Residential properties in the District that contain a single residential dwelling unit are assigned one Single Family Equivalent or 1.0 SFE. Detached or attached houses, zero-lot line houses and town homes are included in this category of single family residential property.

Properties with more than one residential unit are designated as multi-family residential properties. These properties benefit from the improvements in proportion to the number of dwelling units that occupy each property, the average number of people who reside in multi-family residential units versus the average number of people who reside in a single family home and the relative size of each type of residential dwelling unit. The population density factors for District, as depicted below, provide the basis for determining the SFE factors for residential properties. Using the total population in a certain property type in the area of the District from the 2000 Census and dividing it by the total number of such households, finds that approximately 2.50 persons occupy each single family residence, whereas an average of 2.33 persons occupy each condominium, 2.29 people per dwelling unit in a multi-family unit, and 2.06 persons per mobile home. These averages, shown in the table below, result in population density equivalent factors for each. Next the relative building areas are factored into the analysis because special benefits are related average size of a property, in addition to average population densities. For example, this calculation results in an SFE factor of 0.85 per dwelling unit for condominiums. As shown in Table 2 on the following page, a similar calculation is used for the SFE Rates for other the residential property types.

TABLE 2 – RESIDENTIAL POPULATION FACTORS

	Total Population	Occupied Households	Persons per Household	Pop. Density Equivalent	SqFt Factor	SFE Rate
Single Family Residential	14,428	5,777	2.50	1.00	1.00	1.000
Condominium	543	233	2.33	0.93	0.92	0.8500
Multi-Family Residential	934	412	2.29	0.92	0.71	0.6500
Mobile Homes	1,737	844	2.06	0.82	0.50	0.4100

Source: 2000 Census, Tuolumne County Assessor

COMMERCIAL/INDUSTRIAL PROPERTIES

Commercial and industrial properties are generally open and operated for more limited times, relative to residential properties. Therefore, the relative hours of operation can be used as a measure of benefits, since employee density also provides a measure of the relative benefit to property. Since commercial and industrial properties are typically open and occupied by employees approximately one-half the time of residential properties, it is reasonable to assume that commercial land uses receive one-half of the special benefit on a land area basis relative to single family residential property.

The average size of a single family home with 1.0 SFE factor in the District is 0.40 acres. Therefore, a commercial property with 0.40 acres receives one-half the relative benefit of a single family home, or a 0.50 SFE factor.

The SFE values for various commercial and industrial land uses are further defined by using average employee densities because the special benefit factors described previously are also related to the average number of people who work at commercial/industrial properties.

To determine employee density factors, this Report utilizes the findings from the San Diego County Association of Governments Traffic Generators Study (the "SANDAG Study") because these findings were approved by the State Legislature which determined the SANDAG Study to be a good representation of the average number of employees per acre of land area for commercial and industrial properties. As determined by the SANDAG Study, the average number of employees per acre for commercial and industrial property is 24. As presented in Table 2, the SFE factors for other types of businesses are determined relative to their typical employee density in relation to the average of 24 employees per acre of commercial property.

Commercial and industrial properties in excess of 5 acres generally involve uses that are more land intensive relative to building areas and number of employees (lower coverage ratios). As a result, the benefit factors for commercial and industrial property land area in excess of 5 acres is determined to be the SFE rate per .40 acres for the first 5 acres and the

relevant SFE rate per each additional acre over 5 acres. Institutional properties that are used for residential, commercial or industrial purposes are also assessed at the appropriate residential, commercial or industrial rate.⁴

TABLE 3 - COMMERCIAL/INDUSTRIAL DENSITY AND ASSESSMENT FACTORS

Type of Commercial/Industrial Land Use	Average Employees Per Acre ¹	SFE Units per Fraction Acre ²	SFE Units per Acre After 5
Commercial	24	0.500	0.500
Office	68	1.420	1.420
Shopping Center	24	0.500	0.500
Industrial	24	0.500	0.500
Self Storage or Parking Lot	1	0.021	0.021
Golf Course	3	0.063	0.063

Notes:

¹ Source: San Diego Association of Governments Traffic Generators Study

² The SFE factors for commercial and industrial parcels are applied by 0.40 acre of commercial / industrial use land area or portion thereof. (Therefore, the minimum assessment for any assessable parcel in these categories is the SFE Units listed herein.)

VACANT/UNDEVELOPED PROPERTIES

The benefit to vacant properties is determined to be proportional to the corresponding benefits for similar type developed properties; however, at a lower rate due to the lack of Improvements on the property. A measure of the benefits accruing to the underlying land value of land in relation to Improvements for developed property. An analysis of the assessed valuation data from the County of Tuolumne found that approximately 30% of the assessed value of improved properties is classified as the land value. It is reasonable to assume, therefore, that approximately 30% of the benefits are related to the underlying land and 70% are related to the Improvements and the day-to-day use of the property. Using this ratio, the SFE factor for vacant/undeveloped parcels is 0.30 per parcel.

OTHER PROPERTIES

Article XIID, Section 4 of the California Constitution states that publicly owned properties shall not be exempt from assessment unless there is clear and convincing evidence that those properties receive no special benefit.

⁴. Benefits to commercial and industrial properties are deemed to be related to the area of parcels that are used for such purposes. In the event that a business/industrial parcel includes undeveloped land area that is clearly not related to the business/industrial use of the parcel, such unused land area shall not be included in the SFE benefit unit calculation.

All public properties that are specially benefited are assessed. Public right-of-way parcels, well, reservoir or other water rights parcels that cannot be developed into other improved uses offer similar public resource and open space benefits and/or typically do not generate employees, residents, customers or guests. Moreover, many of these parcels have limited economic value and, therefore, do not benefit from specific enhancement of property value. Such parcels are, therefore, not specially benefited and are not assessed.

Open space parcels, watershed parcels, parks, properties used for educational purposes, greenbelt lands without improvements and common areas typically offer open space and recreational areas on the property that serve to offset the benefits from the Assessment District. Therefore, these parcels receive minimal benefit and are assessed an SFE factor of 0. If such parcels are converted to residential or commercial use they shall be classified to such new use category and shall be assessed as previously described in this Report.

Other publicly owned property that is used for purposes similar to private residential, commercial, industrial or institutional uses is benefited and assessed at the same rate as such privately owned property.

APPEALS OF ASSESSMENTS LEVIED TO PROPERTY

Any property owner who feels that the assessment levied on the subject property is in error as a result of incorrect information being used to apply the foregoing method of assessment may file a written appeal with the General Manager of the Twain Harte Community Services District or his or her designee. Any such appeal is limited to correction of an assessment during the then current fiscal year. Upon the filing of any such appeal, the General Manager or his or her designee will promptly review the appeal and any information provided by the property owner. If the General Manager or his or her designee finds that the assessment should be modified, the appropriate changes shall be made to the assessment roll. If any such changes are approved after the assessment roll has been filed with the County for collection, the General Manager or his or her designee is authorized to refund to the property owner the amount of any approved reduction. Any dispute over the decision of the General Manager or his or her designee shall be referred to the Board and the decision of the Board shall be final.

ASSESSMENT

WHEREAS, this Engineer's Report (the "Report") has been prepared pursuant to the provisions of the Landscaping and Lighting Act of 1972 (the "Act") and Article XIID of the California Constitution;

WHEREAS, the undersigned Engineer of Work has prepared and filed a report presenting an estimate of costs, a diagram for the assessment district and an assessment of the estimated costs of the Improvements upon all assessable parcels within the assessment district;

NOW, THEREFORE, the undersigned, by virtue of the power vested in me under the Act, Article XIID of the California Constitution and the order of the Board of the Twain Harte Community Services District, hereby make the following assessment to cover the portion of the estimated cost of the Improvements, and the costs and expenses incidental thereto to be paid by the assessment district.

The amount to be paid for the Improvements and the expenses incidental thereto, to be paid by the Assessment District for the fiscal year 2020-21 is generally as follows:

SUMMARY COST ESTIMATES	
	FY 2020-21 Budget
Services Costs	\$83,351
Administrative Cost Allocation	\$59,162
Capital Expenses/Outlay	\$66,800
Incidental Expenses	\$4,000
TOTAL BUDGET	\$213,313
Less: District Contribution	(\$36,186)
Transfer To/(From) Reserve	(\$63,407)
NET AMOUNT TO ASSESSMENTS	\$113,720

As required by the Act, an Assessment Diagram showing the exterior boundaries of the Assessment District is hereto attached and incorporated herein by reference. The distinctive number of each parcel or lot of land in the Assessment District is its Assessor Parcel Number appearing on the Assessment Roll.

I do hereby assess and apportion the net amount of the cost and expenses of the Improvements, including the costs and expenses incident thereto, upon the parcels and lots of land within the Assessment District, in accordance with the special benefits to be received

by each parcel or lot, from the Improvements, and more particularly set forth in the Estimate of Cost and Method of Assessment in the Report.

The assessment is subject to an annual adjustment tied to the Consumer Price Index-U for the San Francisco Bay Area as of December of each succeeding year (the "CPI"), with a maximum annual adjustment not to exceed 3%. Any change in the CPI in excess of 3% shall be cumulatively reserved as the "Unused CPI" and shall be used to increase the maximum authorized assessment rate in years in which the CPI is less than 3%. The maximum authorized assessment rate is equal to the maximum assessment rate in the first fiscal year the assessment was levied adjusted annually by the minimum of 1) 3% or 2) the change in the CPI plus any Unused CPI as described above.

The change in the CPI from December 2018 to December 2019 was 2.45% and the Unused CPI carried forward from the previous fiscal year is 2.13%. Therefore, the maximum authorized assessment rate for fiscal year 2020-21 is increased by 3% which equates to \$70.44 per single family equivalent benefit unit. The estimate of cost and budget in this Engineer's Report proposes assessments for fiscal year 2020-21 at the rate of \$70.44, which is equal to the maximum authorized assessment rate.

The assessment is made upon the parcels or lots of land within the Assessment District in proportion to the special benefits to be received by the parcels or lots of land, from the Improvements.

Each parcel or lot of land is described in the Assessment Roll by reference to its parcel number as shown on the Assessor's Maps of the County of Tuolumne for the fiscal year 2020-21. For a more particular description of the property, reference is hereby made to the deeds and maps on file and of record in the office of the County Recorder of the County.

I hereby place opposite the Assessor Parcel Number for each parcel or lot within the Assessment Roll, the amount of the assessment for the fiscal year 2020-21 for each parcel or lot of land within the Assessment District.

Dated: April 30, 2020

Engineer of Work



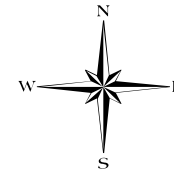
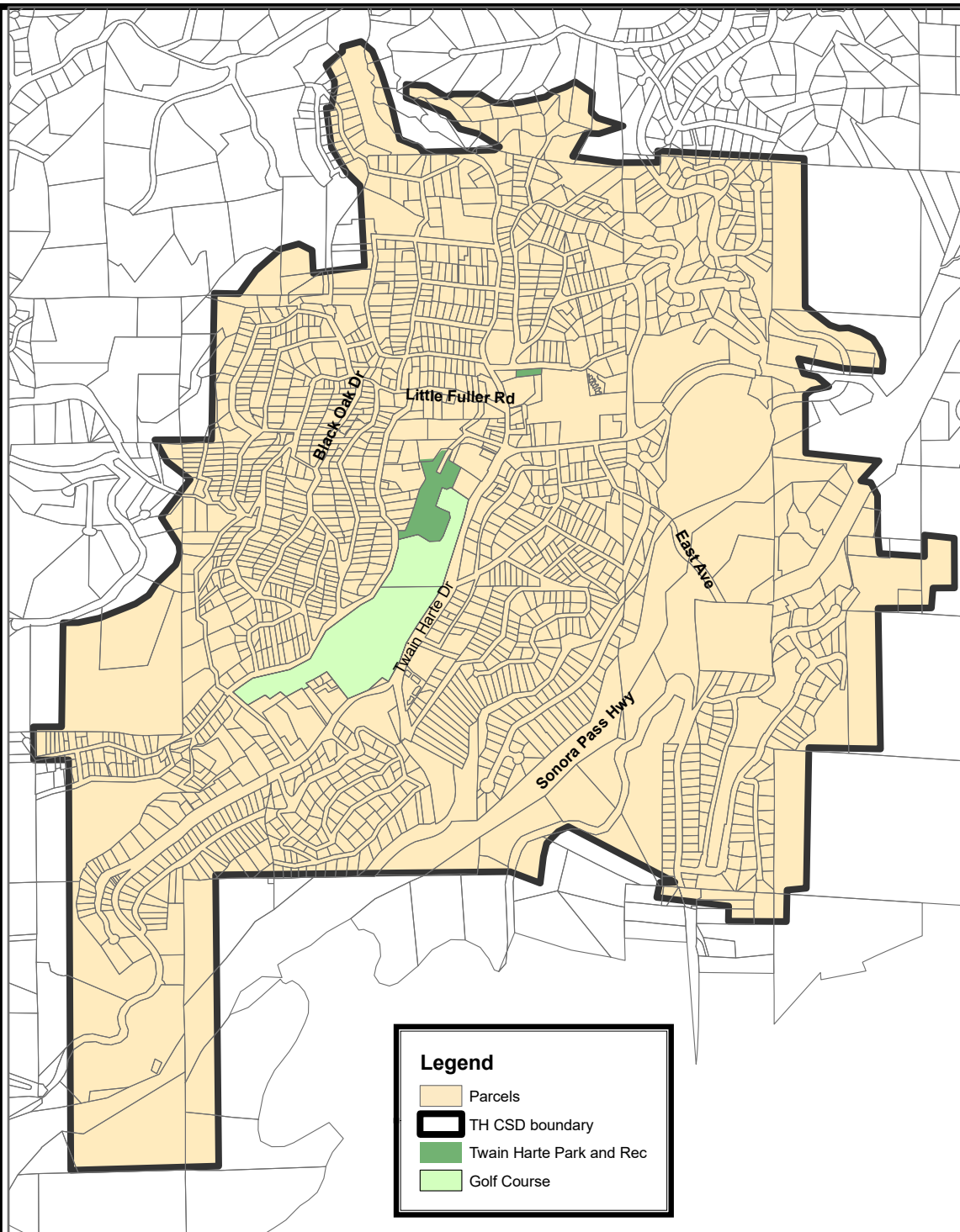
By

A handwritten signature in blue ink, appearing to read "John W. Bliss".

John W. Bliss, License No. C52091

EXHIBIT A - ASSESSMENT DIAGRAM

The Assessment District includes all properties within the boundaries of Twain Harte Community Services District, as defined by County Tax Rate Areas. The boundaries of the Assessment District are displayed on the following Assessment Diagram. The lines and dimensions of each lot or parcel within the Assessment District are those lines and dimensions as shown on the maps of the Assessor of the County of Tuolumne, for fiscal year 2020-21, and are incorporated herein by reference, and made a part of this Diagram and this Report.



FILED IN THE OFFICE OF THE SECRETARY OF THE BOARD
OF THE TWAIN HARTE COMMUNITY SERVICES DISTRICT,
COUNTY OF TUOLUMNE, CALIFORNIA, THIS _____ DAY
OF _____, 2020.

SECRETARY OF THE BOARD

RECORDED IN THE OFFICE OF THE SECRETARY OF THE
BOARD OF THE TWAIN HARTE COMMUNITY SERVICES
DISTRICT, COUNTY OF TUOLUMNE, CALIFORNIA, THIS
_____ DAY OF _____, 2020.

SECRETARY OF THE BOARD

AN ASSESSMENT WAS CONFIRMED AND LEVIED BY THE
BOARD OF THE TWAIN HARTE COMMUNITY SERVICES
DISTRICT ON THE LOTS, PIECES AND PARCELS OF LAND ON
THIS ASSESSMENT DIAGRAM ON THE _____ DAY OF
_____, 2020 FOR THE FISCAL YEAR 2020-21
AND SAID ASSESSMENT DIAGRAM AND THE ASSESSMENT
ROLL FOR SAID FISCAL YEAR WERE FILED IN THE OFFICE OF
THE COUNTY AUDITOR OF THE COUNTY OF TUOLUMNE ON
THE _____ DAY OF _____, 2020
REFERENCE IS HEREBY MADE TO SAID RECORDED
ASSESSMENT ROLL FOR THE EXACT AMOUNT OF EACH
ASSESSMENT LEVIED AGAINST EACH PARCEL OF LAND.

SECRETARY OF THE BOARD

FILED THIS _____ DAY OF _____,
2020 AT THE HOUR OF _____ O'CLOCK _____ M. IN
THE COUNTY AUDITOR OF THE COUNTY OF TUOLUMNE,
STATE OF CALIFORNIA, AT THE REQUEST OF THE BOARD
OF DIRECTORS OF THE TWAIN HARTE COMMUNITY
SERVICES DISTRICT.

COUNTY AUDITOR, COUNTY OF TUOLUMNE

Note:
REFERENCE IS HEREBY MADE TO THE MAPS AND DEEDS OF
RECORD IN THE OFFICE OF THE ASSESSOR OF THE COUNTY
OF TUOLUMNE FOR A DETAILED DESCRIPTION OF THE
LINES AND DIMENSIONS OF ANY PARCEL SHOWN HEREIN.
THOSE MAPS SHALL GOVERN FOR ALL DETAILS
CONCERNING THE LINES AND DIMENSIONS OF SUCH
PARCELS. EACH PARCEL IS IDENTIFIED IN SAID MAPS BY
ITS DISTINCTIVE ASSESSOR'S PARCEL NUMBER.

EXHIBIT B - ASSESSMENT ROLL

An Assessment Roll (a listing of all parcels assessed within the Assessment District and the amount of the assessment) will be filed with the Secretary of the Board and is, by reference, made part of this Report and is available for public inspection during normal office hours.

Each lot or parcel listed on the Assessment Roll is shown and illustrated on the latest County Assessor records and these records are, by reference made part of this Report. These records shall govern for all details concerning the description of the lots or parcels.

**TWAIN HARTE COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 20-11**

**DESIGNATING THE POSITION OF ADMINISTRATIVE COORDINATOR / BOARD
SECRETARY AS THE SECRETARY OF THE BOARD OF DIRECTORS**

WHEREAS, California Government Code and Twain Harte Community Services District (District) policy set forth regulatory requirements that must be performed by a secretary of the board of directors (Board Secretary); and

WHEREAS, to fulfill these requirements, the District adopted Resolution #13-25 on December 12, 2013, designating the position of Finance Officer as the Board Secretary; and

WHEREAS, the District's organizational structure has been revised to create efficiencies and the position of Finance Officer no longer includes Board Secretary tasks; and

WHEREAS, the District created and filled the position of Administrative Coordinator / Board Secretary to ensure the District employs a qualified individual to fulfill the statutory and policy requirements to be performed by the Board Secretary; and

WHEREAS, appointment of Board Secretary.

NOW, THEREFORE, BE IT RESOLVED, by the District Board of Directors that:

1. Resolution #13-25 is rescinded in its entirety; and
2. The position of Administrative Coordinator / Board Secretary is designated as the District's Board Secretary.

PASSED AND ADOPTED, by the Board of Directors of Twain Harte Community Services District on May 13, 2020, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

ATTEST:

Eileen Mannix, Board President

Carolyn Higgins, Board Secretary

Twain Harte Community Services District
FIRE PROJECTIONS
SUMMARY

	19/20	20/21	21/22	22/23	23/24	24/25
	Budget	Budget	Projections	Projections	Projections	Projections
Revenue						
Service Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fees	-	-	-	-	-	-
Taxes & Assessments	1,129,565	1,149,468	1,172,458	1,195,907	1,219,825	1,244,221
Grants & Donations	59,075	-	-	-	-	-
Other Operating Revenue	108,058	16,500	8,400	8,400	8,400	8,400
Total Program Revenue	\$ 1,296,698	\$ 1,165,968	\$ 1,180,858	\$ 1,204,307	\$ 1,228,225	\$ 1,252,621
Administrative Cost Allocation	180	180	185	191	197	203
GRAND TOTAL REVENUE	\$ 1,296,878	\$ 1,166,148	\$ 1,181,043	\$ 1,204,498	\$ 1,228,422	\$ 1,252,824
Expenses						
Salaries	\$ 548,736	\$ 515,151	\$ 522,529	\$ 539,058	\$ 548,801	\$ 563,736
Benefits	233,151	245,142	255,105	267,775	276,713	287,313
Equip, Auto, Maint, & Repairs	151,800	101,800	104,854	108,000	111,240	114,577
Materials & Supplies	10,900	11,600	11,948	12,306	12,675	13,055
Outside Services	23,450	23,250	23,948	24,666	25,406	26,168
Other	62,750	70,950	73,079	75,271	77,529	79,855
Debt Service	42,365	42,365	42,365	42,365	-	-
Total Program Expenses	\$ 1,073,152	\$ 1,010,259	\$ 1,033,828	\$ 1,069,441	\$ 1,052,364	\$ 1,084,703
Administrative Cost Allocation	101,159	108,255	108,254	111,495	115,165	118,495
TOTAL OPERATING EXPENSES	\$ 1,174,311	\$ 1,118,514	\$ 1,142,082	\$ 1,180,936	\$ 1,167,529	\$ 1,203,198
Total Operating Balance	\$ 122,567	\$ 47,635	\$ 38,961	\$ 23,562	\$ 60,892	\$ 49,626
Capital Expenses						
Capital Outlay	163,195	311,680	60,000	20,000	-	100,000
Admin Capital Transfer	-	-	-	-	-	-
Total Capital Expenses	163,195	311,680	60,000	20,000	-	100,000
GRAND TOTAL EXPENSES	\$ 1,337,506	\$ 1,430,194	\$ 1,202,082	\$ 1,200,936	\$ 1,167,529	\$ 1,303,198
TRANSFER TO/(FROM) RESERVE	\$ (40,628)	\$ (264,045)	\$ (21,039)	\$ 3,562	\$ 60,892	\$ (50,374)
Capital Reserve Balance	\$ 512,290	\$ 248,245	\$ 227,206	\$ 230,768	\$ 291,660	\$ 241,286

Twain Harte Community Services District
FIRE PROJECTIONS with no 20/21 CPI Assessment Increase - Full Assessment Make-up in 21/22
SUMMARY

	19/20	20/21	21/22	22/23	23/24	24/25
	Budget	Budget	Projections	Projections	Projections	Projections
Revenue						
Service Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fees	-	-	-	-	-	-
Taxes & Assessments	1,129,565	1,135,367	1,172,458	1,195,907	1,219,825	1,244,221
Grants & Donations	59,075	-	-	-	-	-
Other Operating Revenue	108,058	16,500	8,400	8,400	8,400	8,400
Total Program Revenue	\$ 1,296,698	\$ 1,151,867	\$ 1,180,858	\$ 1,204,307	\$ 1,228,225	\$ 1,252,621
Administrative Cost Allocation	180	180	185	191	197	203
GRAND TOTAL REVENUE	\$ 1,296,878	\$ 1,152,047	\$ 1,181,043	\$ 1,204,498	\$ 1,228,422	\$ 1,252,824
Expenses						
Salaries	\$ 548,736	\$ 515,151	\$ 522,529	\$ 539,058	\$ 548,801	\$ 563,736
Benefits	233,151	245,142	255,105	267,775	276,713	287,313
Equip, Auto, Maint, & Repairs	151,800	101,800	104,854	108,000	111,240	114,577
Materials & Supplies	10,900	11,600	11,948	12,306	12,675	13,055
Outside Services	23,450	23,250	23,948	24,666	25,406	26,168
Other	62,750	70,950	73,079	75,271	77,529	79,855
Debt Service	42,365	42,365	42,365	42,365	-	-
Total Program Expenses	\$ 1,073,152	\$ 1,010,259	\$ 1,033,828	\$ 1,069,441	\$ 1,052,364	\$ 1,084,703
Administrative Cost Allocation	101,159	108,255	109,062	112,313	115,984	119,310
TOTAL OPERATING EXPENSES	\$ 1,174,311	\$ 1,118,514	\$ 1,142,890	\$ 1,181,754	\$ 1,168,348	\$ 1,204,013
Total Operating Balance	\$ 122,567	\$ 33,533	\$ 38,153	\$ 22,744	\$ 60,073	\$ 48,811
Capital Expenses						
Capital Outlay	163,195	311,680	60,000	20,000	-	100,000
Admin Capital Transfer	-	-	-	-	-	-
Total Capital Expenses	163,195	311,680	60,000	20,000	-	100,000
GRAND TOTAL EXPENSES	\$ 1,337,506	\$ 1,430,194	\$ 1,202,890	\$ 1,201,754	\$ 1,168,348	\$ 1,304,013
TRANSFER TO/(FROM) RESERVE	\$ (40,628)	\$ (278,147)	\$ (21,847)	\$ 2,744	\$ 60,073	\$ (51,189)
Capital Reserve Balance	\$ 512,290	\$ 234,143	\$ 212,296	\$ 215,041	\$ 275,114	\$ 223,925

Twain Harte Community Services District
FIRE PROJECTIONS with no 20/21 CPI Assessment Increase
SUMMARY

	19/20	20/21	21/22	22/23	23/24	24/25
	Budget	Budget	Projections	Projections	Projections	Projections
Revenue						
Service Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fees	-	-	-	-	-	-
Taxes & Assessments	1,129,565	1,135,367	1,162,723	1,190,927	1,214,746	1,239,040
Grants & Donations	59,075	-	-	-	-	-
Other Operating Revenue	108,058	16,500	8,400	8,400	8,400	8,400
Total Program Revenue	\$ 1,296,698	\$ 1,151,867	\$ 1,171,123	\$ 1,199,327	\$ 1,223,146	\$ 1,247,440
Administrative Cost Allocation	180	180	185	191	197	203
GRAND TOTAL REVENUE	\$ 1,296,878	\$ 1,152,047	\$ 1,171,308	\$ 1,199,518	\$ 1,223,343	\$ 1,247,643
Expenses						
Salaries	\$ 548,736	\$ 515,151	\$ 522,529	\$ 539,058	\$ 548,801	\$ 563,736
Benefits	233,151	245,142	255,105	267,775	276,713	287,313
Equip, Auto, Maint, & Repairs	151,800	101,800	104,854	108,000	111,240	114,577
Materials & Supplies	10,900	11,600	11,948	12,306	12,675	13,055
Outside Services	23,450	23,250	23,948	24,666	25,406	26,168
Other	62,750	70,950	73,079	75,271	77,529	79,855
Debt Service	42,365	42,365	42,365	42,365	-	-
Total Program Expenses	\$ 1,073,152	\$ 1,010,259	\$ 1,033,828	\$ 1,069,441	\$ 1,052,364	\$ 1,084,703
Administrative Cost Allocation	101,159	108,255	108,254	111,495	115,165	118,495
TOTAL OPERATING EXPENSES	\$ 1,174,311	\$ 1,118,514	\$ 1,142,082	\$ 1,180,936	\$ 1,167,529	\$ 1,203,198
Total Operating Balance	\$ 122,567	\$ 33,533	\$ 29,226	\$ 18,582	\$ 55,813	\$ 44,445
Capital Expenses						
Capital Outlay	163,195	311,680	60,000	20,000	-	100,000
Admin Capital Transfer	-	-	-	-	-	-
Total Capital Expenses	163,195	311,680	60,000	20,000	-	100,000
GRAND TOTAL EXPENSES	\$ 1,337,506	\$ 1,430,194	\$ 1,202,082	\$ 1,200,936	\$ 1,167,529	\$ 1,303,198
TRANSFER TO/(FROM) RESERVE	\$ (40,628)	\$ (278,147)	\$ (30,774)	\$ (1,418)	\$ 55,813	\$ (55,555)
Capital Reserve Balance	\$ 512,290	\$ 234,143	\$ 203,370	\$ 201,952	\$ 257,765	\$ 202,210

**TWAIN HARTE COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 20-12**

**INTENTION TO CONTINUE ASSESSMENTS FOR FISCAL YEAR 2020-21, APPROVAL OF
PRELIMINART ENGINEER'S REPORT AND NOTICE OF HEARING FOR THE FIRE AND RESCUE
ASSESSMENT DISTRICT**

WHEREAS, on April 16, 2002, by its Resolution No. 02-13, after receiving a weighted majority of 90% of ballots in support of the proposed assessment, this Board ordered the formation of and levied the first assessment of the Twain Harte Community Services District Fire Suppression District within the Twain Harte Community Services District (the "District") pursuant to the provisions of Article XIID of the California Constitution, and Government Code Sections 50078 et. Seq.; and

WHEREAS, the first Engineer's Report for Fiscal Year 2002-03 described how the assessment district would be established, determined the uses of the assessment funds, established the methodology by which the assessments would be applied to properties in the District, established that the assessment is subject to an annual adjustment tied to the annual change in the Consumer Price Index for the San Francisco Bay Area, and stated that the assessment would continue year-to-year until terminated by the District Board of Directors; and

WHEREAS, although the methodology by which the assessments are applied to properties in the District does not change from year to year, a new Engineer's Report is prepared each year in order to establish the CPI adjustment for that year; the new maximum authorized assessment rate for that year; the budget for that year; and the amount to be charged to each parcel in the District that year, subject to that year's assessment rate and any changes in the attributes of the properties in the District, including but not limited to use changes, parcel subdivisions, and/or parcel consolidations; and

WHEREAS, SCI Consulting Group has filed with secretary of the Board of Directors of the Twain Harte Community Services District, a Preliminary Engineer's Report which contains: (a) a calculation of the portion of the services to be provided by the Assessment District that constitute a special benefit to the parcels in the District; (b) a methodology for assigning fire suppression assessments to individual parcels; (c) a listing of each lot or parcel of property that would be subject to the fire suppression assessment including public parcels; (d) the amount of the proposed assessment for each lot or parcel for the 2020-21 fiscal year; and (e) an assessment diagram depicting the boundary of the Assessment District.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Twain Harte Community Services District, County of Tuolumne, State of California, that:

1. The Preliminary Engineer's Report is hereby received and filed; and
2. The intention of this Board to continue and to collect assessments within the District for fiscal year 2020-21.
3. The authorized maximum assessment rate for the District includes an annual adjustment by an amount equal to the annual change in the San Francisco Bay Area Consumer Price Index, not to exceed 3% per year. In the event that the annual change in the CPI exceeds 3%, any percentage change in excess of 3% can be cumulatively reserved and can be added to the annual change in the CPI for years in which the CPI change is less than 3%. The annual Bay Area CPI change as of

December 2020 is 2.45%, and the Unused CPI carried forward from the previous fiscal year is 2.13%. Therefore, the maximum authorized increase that may be levied in fiscal year 2020-21 is 3.00%.

4. The estimated fiscal year 2020-21 cost of providing the Services is \$151,353. This cost results in a proposed assessment rate of NINTY DOLLARS AND FIFTY CENTS (\$90.50) per single-family equivalent benefit unit for fiscal year 2020-21. Therefore, the maximum authorized assessment rate is \$90.50; and the assessment rate proposed to be continued for fiscal year 2020-21 is \$90.50, which is the same as the maximum authorized rate.
5. A Public Hearing regarding the continuation of the Assessment District shall be held on June 10, 2020 at 9:00 a.m. or as soon after as practical, at the Twain Harte Community Services District offices located at 22912 Vantage Pointe Drive, Twain Harte, California, 95383. In the event that the Stay in Place order is still in effect, the Twain Harte CSD Board meeting will be held remotely in accordance with Governor Gavin Newsom's Executive Order N-25-20, issued March 12, 2020, and Government Code Section 54954(e). In an effort to improve access to public information, residents may access meetings remotely, by accessing the link in the meeting agenda.

PASSED AND ADOPTED by the Governing Board of the Twain Harte Community Services District this 13th day of May 2020 by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Eileen Mannix, Board President

Carolyn Higgins, Board Secretary

**TWAIN HARTE COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 20-12**

**INTENTION TO CONTINUE ASSESSMENTS FOR FISCAL YEAR 2020-21, APPROVAL OF
PRELIMINARY ENGINEER'S REPORT AND NOTICE OF HEARING
FOR THE FIRE AND RESCUE ASSESSMENT DISTRICT**

WHEREAS, on April 16, 2002, by its Resolution No. 02-13, after receiving a weighted majority of 90% of ballots in support of the proposed assessment, this Board ordered the formation of and levied the first assessment of the Twain Harte Community Services District Fire Suppression District within the Twain Harte Community Services District (the "District") pursuant to the provisions of Article XIID of the California Constitution, and Government Code Sections 50078 et. Seq.; and

WHEREAS, the first Engineer's Report for Fiscal Year 2002-03 described how the assessment district would be established, determined the uses of the assessment funds, established the methodology by which the assessments would be applied to properties in the District, established that the assessment is subject to an annual adjustment tied to the annual change in the Consumer Price Index for the San Francisco Bay Area, and stated that the assessment would continue year-to-year until terminated by the District Board of Directors; and

WHEREAS, although the methodology by which the assessments are applied to properties in the District does not change from year to year, a new Engineer's Report is prepared each year in order to establish the CPI adjustment for that year; the new maximum authorized assessment rate for that year; the budget for that year; and the amount to be charged to each parcel in the District that year, subject to that year's assessment rate and any changes in the attributes of the properties in the District, including but not limited to use changes, parcel subdivisions, and/or parcel consolidations; and

WHEREAS, SCI Consulting Group has filed with secretary of the Board of Directors of the Twain Harte Community Services District, a Preliminary Engineer's Report which contains: (a) a calculation of the portion of the services to be provided by the Assessment District that constitute a special benefit to the parcels in the District; (b) a methodology for assigning fire suppression assessments to individual parcels; (c) a listing of each lot or parcel of property that would be subject to the fire suppression assessment including public parcels; (d) the amount of the proposed assessment for each lot or parcel for the 2020-21 fiscal year; and (e) an assessment diagram depicting the boundary of the Assessment District.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Twain Harte Community Services District, County of Tuolumne, State of California, that:

1. the Preliminary Engineer's Report is hereby received and filed; and
2. It is the intention of this Board to continue and to collect assessments within the District for fiscal year 2020-21.
3. The authorized maximum assessment rate for the District includes an annual adjustment by an amount equal to the annual change in the San Francisco Bay Area Consumer Price Index, not to exceed 3% per year. In the event that the annual change in the CPI exceeds 3%, any percentage change in excess of 3% can be cumulatively reserved and can be added to the annual change in the CPI for years in which the CPI change is less than 3%. The annual Bay Area CPI change as of

December 2020 is 2.45%, and the Unused CPI carried forward from the previous fiscal year is 2.13%. Therefore, the maximum authorized increase that may be levied in fiscal year 2020-21 is 3.00%.

4. The estimated fiscal year 2020-21 cost of providing the Services is \$146,928. This cost results in a proposed assessment rate of EIGHTY-SEVEN DOLLARS AND EIGHTY-SIX CENTS (\$87.86) per single-family equivalent benefit unit for fiscal year 2020-21. Therefore, the assessment rate proposed to be continued for fiscal year 2020-21 is \$87.86, which is the less than the maximum authorized rate. The maximum authorized assessment rate for 2020-21 is 90.50 per single family equivalent benefit unit.
5. A Public Hearing regarding the continuation of the Assessment District shall be held on June 10, 2020 at 9:00 a.m. or as soon after as practical, at the Twain Harte Community Services District offices located at 22912 Vantage Pointe Drive, Twain Harte, California, 95383. In the event that the Stay in Place order is still in effect, the Twain Harte CSD Board meeting will be held remotely in accordance with Governor Gavin Newsom's Executive Order N-25-20, issued March 12, 2020, and Government Code Section 54954(e). In an effort to improve access to public information, residents may access meetings remotely, by accessing the link in the meeting agenda.

PASSED AND ADOPTED by the Governing Board of the Twain Harte Community Services District this 13th day of May 2020 by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Eileen Mannix, Board President

Carolyn Higgins, Board Secretary



TWAIN HARTE COMMUNITY SERVICES DISTRICT

FIRE AND RESCUE ASSESSMENT DISTRICT

ENGINEER'S REPORT

MAY 2020

PREPARED FOR:

**BOARD OF DIRECTORS TWAIN HARTE COMMUNITY SERVICES
DISTRICT**

PURSUANT TO GOVERNMENT CODE SECTION 50078 ET. SEQ. AND
ARTICLE XIID OF THE CALIFORNIA CONSTITUTION

ENGINEER OF WORK:

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TWAIN HARTE COMMUNITY SERVICES DISTRICT

BOARD OF DIRECTORS

Eileen Mannix, President
Gary Sipperley, Vice President
Kathryn deGroot, Director
Richard Knudson, Director
Bill McManus, Director

GENERAL MANAGER

Tom Trott

FIRE CHIEF

Todd McNeal

SECRETARY OF THE BOARD

Carolyn Higgins

ASSESSMENT ENGINEER

SCI Consulting Group

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INTRODUCTION

The Twain Harte Community Services District ("District") currently provides fire suppression services for approximately 1,756 properties within its boundaries.

This Engineer's Report (the "Report") was prepared to:

- Describe the fire suppression, safety and emergency response services and equipment that would be funded by the assessments (the "Services")
- Establish a budget for the Services that would be funded by the proposed 2020-21 assessments
- Determine the benefits received from the Services by property within the Twain Harte Community Services District Fire and Rescue Assessment (the "Assessment District") and
- Determine and assign a method of assessment apportionment to lots and parcels within the Assessment District.

This Report and the proposed assessments have been made pursuant to the California Government Code Section 50078 et seq. (the "Code") and Article XIID of the California Constitution (the "Article").

The Assessment District is narrowly drawn to include only properties that will benefit from the additional fire protection services that are provided by the assessment funds. The Assessment Diagram included in this report shows the boundaries of the Assessment District.

LEGAL ANALYSIS

PROPOSITION 218

This assessment is formed consistent with Proposition 218, The Right to Vote on Taxes Act, which was approved by the voters of California on November 6, 1996 and is now Article XIIC and XIID of the California Constitution. Proposition 218 provides for benefit assessments to be levied to fund the cost of providing services, improvements, as well as maintenance and operation expenses to a public improvement which benefits the assessed property.

Proposition 218 describes a number of important requirements, including a property-owner balloting, for the formation and continuation of assessments, and these requirements are satisfied by the process used to establish this assessment.

SILICON VALLEY TAXPAYERS ASSOCIATION, INC. v SANTA CLARA COUNTY OPEN SPACE AUTHORITY

In July of 2008, the California Supreme Court issued its ruling on the Silicon Valley Taxpayers Association, Inc. v. Santa Clara County Open Space Authority ("SVTA vs. SCCOSA"). This ruling is the most significant legal document in further legally clarifying

Proposition 218. Several of the most important elements of the ruling included further emphasis that:

- Benefit assessments are for special, not general benefit
- The services and/or improvements funded by assessments must be clearly defined
- Special benefits are directly received by and provide a direct advantage to property in the Assessment District

This Engineer's Report is consistent with the SVTA vs. SCCOSA decision and with the requirements of Article XIIC and XIID of the California Constitution because the Services to be funded are clearly defined; the Services are available to all benefiting property in the Assessment District, the benefiting property in the Assessment District will directly and tangibly benefit from improved protection from fire damage, increased safety of property and other special benefits and such special benefits provide a direct advantage to property in the Assessment District that is not enjoyed by the public at large or other property. There have been a number of clarifications made to the analysis, findings and supporting text in this Report to ensure that this consistency is well communicated

DAHMS V. DOWNTOWN POMONA PROPERTY

On June 8, 2009, the 4th Court of Appeal amended its original opinion upholding a benefit assessment for property in the downtown area of the City of Pomona. On July 22, 2009, the California Supreme Court denied review. On this date, Dahms became good law and binding precedent for assessments. In Dahms the court upheld an assessment that was 100% special benefit (i.e. 0% general benefit) on the rationale that the services and improvements funded by the assessments were directly provided to property in the assessment district. The Court also upheld discounts and exemptions from the assessment for certain properties.

BONANDER V. TOWN OF TIBURON

On December 31, 2009, the 1st District Court of Appeal overturned a benefit assessment approved by property owners to pay for placing overhead utility lines underground in an area of the Town of Tiburon. The Court invalidated the assessments on the grounds that the assessments had been apportioned to assessed property based in part on relative costs within sub-areas of the assessment district instead of proportional special benefits.

BEUTZ V. COUNTY OF RIVERSIDE

On May 26, 2010, the 4th District Court of Appeal issued a decision on the Steven Beutz v. County of Riverside ("Beutz") appeal. This decision overturned an assessment for park maintenance in Wildomar, California, primarily because the general benefits associated with improvements and services were not explicitly calculated, quantified and separated from the special benefits.

GOLDEN HILL NEIGHBORHOOD ASSOCIATION V. CITY OF SAN DIEGO

On September 22, 2011, the San Diego Court of Appeal issued a decision on the Golden Hill Neighborhood Association v. City of San Diego appeal. This decision overturned an assessment for street and landscaping maintenance in the Greater Golden Hill

neighborhood of San Diego, California. The court described two primary reasons for its decision. First, like in *Beutz*, the court found the general benefits associated with services were not explicitly calculated, quantified and separated from the special benefits. Second, the court found that the City had failed to record the basis for the assessment on its own parcels.

COMPLIANCE WITH CURRENT LAW

This Engineer's Report is consistent with the requirements of Article XIIC and XIID of the California Constitution and with the *SVTA* decision because the Services to be funded are clearly defined; the Services are available to and will be directly provided to all benefiting property in the Assessment District; and the Services provide a direct advantage to property in the Assessment District that would not be received in absence of the Assessments.

This Engineer's Report is consistent with *Dahms* because, similar to the Downtown Pomona assessment validated in *Dahms*, the Services will be directly provided to property in the Assessment District. Moreover, while *Dahms* could be used as the basis for a finding of 0% general benefits, this Engineer's Report establishes a more conservative measure of general benefits.

The Engineer's Report is consistent with *Bonander* because the Assessments have been apportioned based on the overall cost of the Services and proportional special benefit to each property. Finally, the Assessments are consistent with *Beutz* because the general benefits have been explicitly calculated and quantified and excluded from the Assessments.

ASSESSMENT PROCESS

In 2002, to address the District's shortfall in fire suppression services funding and the need for improved fire protection and suppression services, the Board proposed an assessment for the Assessment District. In October 2001, the Board conducted an assessment ballot proceeding pursuant to the requirements of Article XIID of the California Constitution ("The Taxpayer's Right to Vote on Taxes Act") and the Government Code Section 50078 et. seq. During this ballot proceeding, property owners in the Assessment District were provided with a notice and ballot for the proposed fire assessment ("the Twain Harte Fire and Rescue Assessment District"). A 45-day period was provided for balloting and a public hearing was conducted March 19, 2002. At the public hearing, all ballots returned within the 45-day balloting period were tabulated.

It was determined at the public hearing that the assessment ballots submitted in opposition to the proposed assessments did not exceed the assessment ballots submitted in favor of the assessments (with each ballot weighted by the proportional financial obligation of the property for which ballot was submitted). In fact, the final balloting result was 90% support for the "Assessment District").

As a result, the Board gained the authority to approve the levy of the assessments for fiscal year 2002-03 and to continue to levy them in future years. The authority granted by the ballot proceeding includes an annual adjustment in the assessment levies equal to the annual change in the Consumer Price Index for the San Francisco Bay Area, not to exceed 3%.

In each subsequent year for which the assessments will continue to be levied, the Board must direct the preparation of an Engineer's Report, budgets and proposed assessments for the upcoming fiscal year. After the Engineer's Report is completed, the Board may preliminarily approve the Engineer's Report and proposed assessments and establish the date for a public hearing on the continuation of the assessments.

This Engineer's Report ("Report") was prepared to establish the budget for the services that would be funded by the proposed 2020-21 assessments, determine the benefits received from the fire suppression services by property within the District and the method of assessment apportionment to lots and parcels within the District. This Report and the proposed assessments have been made pursuant to the California Government Code Section 50078 et. seq. (the "Code") and Article XIID of the California Constitution (the "Article").

If the Board approves this Engineer's Report and the proposed assessments by resolution, a notice of assessment levies must be published in a local paper at least 10 days prior to the date of the public hearing. The resolution preliminarily approving the Engineer's Report and establishing the date for a public hearing is used for this notice.

Following the minimum 10-day time period after publishing the notice, a public hearing is held for the purpose of allowing public testimony about the proposed continuation of the assessments. This hearing is currently scheduled for June 10, 2020. At this hearing, the Board will consider approval of a resolution confirming the assessments for fiscal year 2020-21. If so confirmed and approved, the assessments will be submitted to the County Auditor/Controller for inclusion on the property tax rolls for fiscal year 2020-21.

DESCRIPTION OF SERVICES

Following is a description of the Services that are provided for the direct benefit of property in the Assessment District. With the passage of this assessment, the fire protection and fire suppression services within the Assessment District were enhanced significantly and such Services are all over and above what otherwise would be provided. The formula below describes the relationship between the final level of services, the baseline level of service had the assessment not been instituted, and the enhanced level of services funded by the assessment.

Final Level of Improvements	=	Baseline Level of Improvements	+	Enhanced Level of Improvements
--	----------	---	----------	---

The budget to be financed from the Assessment District levies is based on the needs of the Twain Harte Community Services District as well as the results of an independent survey conducted for the District, which indicated the community's priorities for various Services. The Assessment District is responsible for obtaining, furnishing, operating, and maintaining fire suppression equipment or apparatus and for the purpose of paying the salaries and benefits of firefighting personnel who provide fire suppression services to parcels, improvements or property in the Assessment District, or both, whether or not fire suppression services are actually used by or upon a parcel, improvement, or property. Other services include, but are not limited to, fire prevention and fire education.

In addition to the definitions provided by the Code, the Services to be funded by the Assessment District are generally described as follows: obtaining, furnishing, operating, and maintaining fire suppression, protection and emergency services equipment and apparatus; payment of salaries, benefits and other compensation to fire fighting and fire prevention personnel; training and administration of volunteer personnel performing fire suppression, protection and emergency services; hazardous material response; disaster preparedness; community fire prevention education and fire inspection.

The Assessment District will also contribute to cover the general costs of administering the District, its facilities and operations, as well as the salaries and benefits of firefighting personnel who provide fire suppression, protection and emergency services to parcels, improvements or property in the Assessment District.

COST AND BUDGET

BUDGET FOR FISCAL YEAR 2020-21

The following budget lists the elements proposed to be funded by the Assessment District in Fiscal Year 2020-21.

FIGURE 1 – ESTIMATE OF COST

Twain Harte Community Services District Fire and Rescue Assessment District Estimate of Cost Fiscal Year 2020-21			Total Budget
Beginning Fund Balance			\$0
Fire and Rescue Expenses Services Expenditures			
Services Costs			\$1,010,259
Salaries and Employee Benefits	\$760,293		
Maintenance and Repairs	\$101,800		
Materials and Supplies	\$11,600		
Outside and Debt Services	\$23,250		
Utilities, Prop/Liab Ins, TUD, etc.	\$70,950		
Debt Service	\$42,365		
Administrative Cost Allocation			\$106,492
Capital Expenses/Outlay			\$311,680
Total Service, Administrative and Capital Expenditures			\$1,428,431
Additional Expenditures			
Allowance for Uncollectable Assessments			\$0
County Collection, Levy Administration, and Other Incidentals			\$4,000
Total Additional Expenditures			\$4,000
Total Service, Administrative, Capital and Additional Expenditures			\$1,432,431
Total Benefit of Services and Related Expenses			\$1,432,431
SFE Units			1672.30
Benefit received per Single Family Equivalent Unit			\$856.56
Less:			
District Contribution for General Benefits			(\$130,351)
District Contribution toward Special Benefits			(\$884,454)
Transfers to (from) reserves			(\$266,283)
Total Revenue from Other Sources			(\$1,281,088)
Net Cost of Fire and Rescue Costs			\$151,343
Total Fire and Rescue Assessment District Budget (Net Amount to be Assessed)			\$151,343
Budget Allocation to Property			
	Total SFE Units	Assessment per SFE	Total Assessment
	1,672.30	\$90.50	\$151,343

METHOD OF APPORTIONMENT

METHOD OF APPORTIONMENT

This section of the Engineer's Report includes an explanation of the benefits to be derived from providing the Services throughout the Assessment District, and the methodology used to apportion the total assessment to properties within the Assessment District.

The Assessment District consists of all Assessor Parcels within the boundaries of the Twain Harte Community Services District as defined by the County of Tuolumne, and the attached assessment diagram. The method used for apportioning the assessment is based upon the proportional special benefits to be derived by the properties in the Assessment District over and above general benefits conferred on real property or to the public at large. Special benefit is calculated for each parcel in the Assessment District using the following process:

1. Identification of all benefit factors derived from the Improvements
1. Calculation of the proportion of these benefits that are general
2. Determination of the relative special benefit within different areas within the Assessment District
3. Determination of the relative special benefit per property type
4. Calculation of the specific assessment for each individual parcel based upon special vs. general benefit; location, property type, property characteristics, improvements on property and other supporting attributes

DISCUSSION OF BENEFIT

California Government Code Section 50078 et. seq. allows agencies which provide fire suppression services, such as Twain Harte Community Services District of Tuolumne County to levy assessments for fire suppression services. Section 50078 states the following:

"Any local agency which provides fire suppression services directly or by contract with the state or a local agency may, by ordinance or by resolution adopted after notice and hearing, determine and levy an assessment for fire suppression services pursuant to this article."

In addition, California Government Code Section 50078.1 defines the term "fire suppression" as follows:

"(c) 'Fire suppression' includes firefighting and fire prevention, including, but not limited to, vegetation removal or management undertaken, in whole or in part, for the reduction of a fire hazard."

Therefore, the Services to be provided by the Assessment District fall within the scope of services that may be funded by assessments under the Code

The assessments can only be levied based on the special benefit to property. This benefit is received by property over and above any general benefits. Moreover, such benefit is not based on any one property owner's use of the District's services or a property owner's specific demographic status. With reference to the requirements for assessments, Section 50078.5 of the Government Code states:

"(b) The benefit assessment shall be levied on a parcel, class of improvement to property, or use of property basis, or a combination thereof, within the boundaries of the local agency, zone, or area of benefit."

"The assessment may be levied against any parcel, improvement, or use of property to which such services may be made available whether or not the service is actually used."

Proposition 218, as codified in Article XIID of the California Constitution, has confirmed that assessments must be based on the special benefit to property:

"No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel."

Since assessments are levied on the basis of special benefit, they are not a tax and are not governed by Article XIII A of the California Constitution.

The following section describes how and why the Services specially benefit properties. This benefit is particular and distinct from its effect on property in general or the public at large.

BENEFIT FACTORS

In order to allocate the assessments, the Engineer identified the types of special benefit arising from the Services that will be provided to property in the Assessment District. These benefit factors must confer a direct advantage to the assessed properties; otherwise they would be general benefit.

The following benefit categories have been established that represent the types of special benefit to residential, commercial, industrial, institutional and other lots and parcels resulting from the fire suppression services to the District with the assessment proceeds. These categories of special benefit are derived from the statutes passed by the California Legislature and other studies, which describe the types of special benefit received by property from fire suppression services such as those provided by the District. These types of special benefit are summarized as follows:

INCREASED SAFETY AND PROTECTION OF HEALTH FOR REAL PROPERTY ASSETS FOR ALL PROPERTY OWNERS WITHIN THE DISTRICT

The Assessments will fund improved emergency, educational and prevention services, and thereby can reduce significantly the risk of property damage associated with fires. Clearly, fire mitigation helps to protect and specifically benefits both improved properties and vacant properties in the Assessment District.

"Fire is the largest single cause of property loss in the United States. In the last decade, fires have caused direct losses of more than \$120 billion and countless billions more in related costs."

*"Over 140,000 wildfires occurred on average each year, burning a total of almost 14.5 million acres. And since 1990, over 900 homes have been destroyed each year by wildfires."*ⁱⁱ

*"A reasonably disaster-resistant America will not be achieved until there is greater acknowledgment of the importance of the fire service and a willingness at all levels of government to adequately fund the needs and responsibilities of the fire service."*ⁱⁱⁱ

"The strategies and techniques to address fire risks in structures are known. When implemented, these means have proven effective in the reduction of losses."^{iv}

"Statistical data on insurance losses bears out the relationship between excellent fire protection...and low fire losses."^v

PROTECTION OF VIEWS, SCENERY AND OTHER RESOURCE VALUES FOR PROPERTY IN THE DISTRICT

The Assessment District will provide funding for improved fire protection and suppression services to protect public and private resources in the Assessment District. This benefits even those properties that are not directly damaged by fire by maintaining and improving the aesthetics and attractiveness of public and private resources in the community, as well as ensuring that such resources remain safe and well maintained.

"Smoke affects people...for example, in producing haze that degrades the visual quality of a sunny day...The other visual quality effect is that of the fire on the landscape. To many people, burned landscapes are not attractive and detract from the aesthetic values of an area."^{vi}

"A visually preferred landscape can be the natural outcome of fuels treatments."^{vii}

ENHANCED ACCESS TO PROPERTIES IN THE ASSESSMENT DISTRICT, AND UTILITY AND DESIRABILITY OF SUCH PROPERTIES

The Assessments will fund improved fire suppression services in the District. In addition to preventing damage to property from fires, the assessments will also protect access to property, because fires can impede or prevent access to property. In addition, the Services will enhance the utility and desirability of the properties in the Assessment District. This is a benefit to residential, commercial, industrial and other properties.

"A Community committed to saving lives and property needs trained firefighters, proper equipment, and adequate supplies of water. Insurance companies consider it good public policy and good business to promote and encourage the efforts of individual communities to improve their fire-protection services."^{viii}

STATE RESPONSIBILITY AREA

The boundaries of the Twain Harte Fire and Rescue Assessment District fall within a State Responsibility Area (SRA). The Twain Harte Fire and Rescue Division responds to all calls within the District regardless of a parcels inclusion in a SRA. Government Code Section 50078.2 (b) states:

"A benefit assessment shall not be levied for wildland or watershed fire suppression on land located in a state responsibility area as defined in Section 4102 of the Public Resources Code."

Therefore, the assessments are not being levied for wildland or watershed fire protection. Those parcels within the State Responsibility Area zoned for development, which receive a special benefit from the services will be assessed according to the use of the parcel, while parcels designated as "wildland or watershed" will not be assessed.

SUMMARY OF BENEFITS

In summary, real property located within the boundaries of the Assessment District distinctly and directly benefits from increased safety and protection of real property, increased protection of scenery and views, and enhanced access and utility of properties in the Assessment District. These are special benefits to property in much the same way that sewer and water facilities, sidewalks and paved streets enhance the utility and desirability of property and make them more functional to use, safer and easier to access.

GENERAL VERSUS SPECIAL BENEFIT

Article XIIC of the California Constitution requires any local agency proposing to increase or impose a benefit assessment to "separate the general benefits from the special benefits conferred on a parcel." The rationale for separating special and general benefits is to ensure that property owners subject to the benefit assessment are not paying for general benefits. The assessment can fund special benefits but cannot fund general benefits. Accordingly, a separate estimate of the special and general benefit is given in this section.

In other words:

Total Benefit	=	General Benefit	+	Special Benefit
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There is no widely-accepted or statutory formula for general benefit. General benefits are benefits from improvements or services that are not special in nature, are not "particular and distinct" and are not "over and above" benefits received by other properties. SVTA vs. SCCOSA provides some clarification by indicating that general benefits provide "an indirect, derivative advantage" and are not necessarily proximate to the improvements.

In this report, the general benefit is conservatively estimated and described, and then budgeted so that it is funded by sources other than the assessment.

The starting point for evaluating general and special benefits is the 2002 baseline level of service, had the assessment not been approved by the community. The assessment will fund Services “over and above” this general, baseline level and the general benefits estimated in this section are over and above the baseline.

A formula to estimate the general benefit is listed below:

General Benefit	=	Benefit to real property outside of improvement district	+	Benefit to real property inside of improvement district	+	Benefit to public at large
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Special benefit, on the other hand, is defined in the state constitution as “a particular and distinct benefit over and above general benefits conferred on real property located in the district or to the public at large.” The SVTA v. SCCOSA decision indicates that a special benefit is conferred to a property if it “receives a direct advantage from the improvement (e.g., proximity to a park).” In this assessment, as noted, the improved Services are available when needed to all properties in the Assessment District, so the overwhelming proportion of the benefits conferred to property is special, and are only minimally received by property outside the Assessment District or the public at large.

Proposition 218 twice uses the phrase “over and above” general benefits in describing special benefit. (Art. XIID, sections 2(i) & 4(f).) Arguably, all of the Services being funded by the assessment would be a special benefit because the Services would particularly and distinctly benefit the properties in the Assessment District over and above the baseline benefits.

Nevertheless, arguably some of the Services would benefit the public at large and properties outside the Assessment District. In this report, the general benefit is conservatively estimated and described, and then budgeted so that it is funded by sources other than the assessment.

CALCULATING GENERAL BENEFIT

This section provides a measure of the general benefits from the assessments

BENEFIT TO PROPERTY OUTSIDE THE ASSESSMENT DISTRICT

Properties within the Assessment District receive almost all of the special benefits from the Services because the Services will be provided solely in the Assessment District boundaries. (It should be noted that this Services may, at times, be used outside the District boundaries. However, this use is part of a mutual aid agreement and should be exactly offset by use of Services from other agencies within the District boundaries.) Properties proximate to, but outside of, the proposed boundaries of the Assessment District receive some benefit from the proposed Services due to some degree of indirectly reduced fire risk to their property. These parcels that are proximate to the boundaries of the Assessment District are estimated to receive less than 50% of the benefits relative to parcels within the Assessment District

because they do not directly receive the improved fire protection resulting from the Services funded by the Assessments.

At the time the Assessment District was formed, there were approximately 130 of these "proximate" properties.

CRITERIA:

130 parcels outside the district but proximate to the District Boundaries
 1,863 parcels in the Assessment District
 50% relative benefit compared to property within the Assessment district

CALCULATION:

General benefit to property outside the Assessment District =
 $130/1,993 \times .5 = 3.3\%$

Although it can reasonably be argued that properties protected inside, but near the Assessment District boundaries are offset by similar fire protection provided outside, but near the Assessment District's boundaries, we use the more conservative approach of finding that 3.3% of the Services may be of general benefit to property outside the Assessment District.

BENEFIT TO PROPERTY *INSIDE* THE DISTRICT THAT IS *INDIRECT AND DERIVATIVE*

The "indirect and derivative" benefit to property within the Assessment District is particularly difficult to calculate. A solid argument can be presented that all benefit within the Assessment District is special, because the Services are clearly "over and above" and "particular and distinct" when compared with the 2002 baseline level of Services, had the assessment district not passed.

In determining the proposed Assessment District area, the District has been careful to limit it to an area of parcels that will directly receive the benefit of the improved Services. All parcels will directly benefit from the use of the improved Services throughout the Assessment District in order to maintain the same improved level of fire suppression and protection throughout the area. Fire protection and suppression will be provided as needed throughout the area. The shared special benefit - reduced severity and number of fires - will be received on an equivalent basis by all parcels in the Assessment District. Furthermore, all parcels in the Assessment District will directly benefit from the ability to request service from the District and to have a District firefighter promptly respond directly to the parcel and address the owner's or resident's service need.

The SVTA vs. SCCOSA decision indicates that the fact that a benefit is conferred throughout the Assessment District area does not make the benefit general rather than special, so long as the Assessment District is narrowly drawn and limited to the parcels directly receiving shared special benefits from the service. We therefore conclude that, other than the small general benefit to properties outside the Assessment District (discussed above) and to the

public at large (discussed below), all of the benefits of the Services to the parcels within the Assessment District are special benefits and it is not possible or appropriate to separate any general benefits from the benefits conferred on parcels in the Assessment District.

BENEFIT TO THE PUBLIC AT LARGE

With the type and scope of Services to be provided to the Assessment District, it is very difficult to calculate and quantify the scope of the general benefit conferred on the public at large. Because the Services directly serve and benefit all of the property in the Assessment District, any general benefit conferred on the public at large would be small. Nevertheless, there may be some indirect general benefit to the public at large.

The public at large uses the public highways, streets and sidewalks, and when traveling in and through the Assessment District and they may benefit from the services without contributing to the assessment. Although the protection of this critical infrastructure is certainly a benefit to all the property within the district, it is arguably "indirect and derivative" and possibly benefits people rather than property. A fair and appropriate measure of the general benefit to the public at large therefore is the amount of highway, street and sidewalk area within the Assessment District relative to the overall land area. An analysis of maps of the Assessment District shows that approximately 5.8% of the land area in the Assessment District is covered by highways, streets and sidewalks. This 5.8% therefore is a fair and appropriate measure of the general benefit to the public at large within the Assessment District.

SUMMARY OF GENERAL BENEFITS

Using a sum of the measures of general benefit for the public at large and land outside the Assessment Area, we find that approximately 9.3% of the benefits conferred by the Fire and Rescue Assessment may be general in nature and should be funded by sources other than the assessment.

General Benefit =

<p>3.3% (Outside the district)</p> <p>+ 0.0 % (Inside the district - indirect and derivative)</p> <p>+ 5.8 % (Public at Large)</p> <p>=9.1 % (Total General Benefit)</p>
--

The Assessment District's total budget for 2020-21 is \$1,432,431. Of this total budget amount, the District will contribute approximately \$1,281,088 or almost 89% of the total budget from sources other than this assessment. This contribution constitutes significantly more than 9.1% percent general benefits measured by the Assessment Engineer.

BENEFIT FINDING

As noted, the assessment funds will be used to improve fire protection and suppression services throughout the Assessment District. This Engineer's Report finds that the Services are a significant, tangible benefit that should reasonably and rationally confer more special

benefit to properties in the Assessment District than the assessment cost of \$87.86 per benefit unit.

ZONES OF BENEFIT

As noted, the assessments will fund improved fire suppression and protection services relatively uniformly throughout the Assessment District and the Assessment District boundaries have been narrowly drawn to only include the parcels that directly receive the Services. It therefore is appropriate to provide a District-wide Assessment District without zones of benefit because all parcels of similar type and features benefit similarly.

In *SVTA v. SCCOSA*, the court noted that a local agency-wide assessment district is appropriate under the right conditions: "Thus, if an assessment district is narrowly drawn, the fact that a benefit is conferred throughout the district does not make it general rather than special. In that circumstance, the characterization of a benefit may depend on whether the parcel receives a direct advantage from the improvement (e.g., proximity to a park) or receives an indirect, derivative advantage resulting from the overall public benefits of the improvement (e.g., general enhancement of the district's property values)." The court therefore acknowledged the appropriateness of a District-wide assessment so long as each parcel receives a direct advantage from the assessment-funded improvement or service. As demonstrated in this engineer's report, each parcel in the Assessment District receives a direct advantage and special benefit from the Services.

ASSESSMENT APPORTIONMENT

In the process of determining the appropriate method of assessment, the Engineer considered various alternatives. For example, an assessment exclusively for residential improved property was considered but was determined to be inappropriate because commercial, industrial and other properties also receive benefits from the assessments.

Moreover, a fixed or flat assessment for all properties of similar type was deemed to be inappropriate because larger properties receive a higher degree of benefit than other similarly used properties that are significantly smaller. For two properties used for commercial purposes, there is clearly a higher benefit provided to the larger property in comparison to a smaller commercial property because the larger property generally supports a larger building and has higher numbers of employees, customers and guests that would benefit from fire suppression services. This benefit ultimately flows to the property. Larger parcels, therefore, receive an increased benefit from the assessments.

As stated previously, the special benefits derived from the assessments are conferred on property and are not based on a specific property owner's use of the improvements, or a specific property owner's occupancy of property or the property owner's demographic status such as age or number of dependents. However, it is ultimately people who value the special benefits described above, use the community's services, and control property values by placing a value on the special benefits to be provided by the services.¹ In other words, the

benefits derived to property are related to the average number of people who could potentially live on, work at, or otherwise could use a property, not how the property is currently used by the present owner. Therefore, the number of people who could or potentially live on, work at or otherwise use a property is an indicator of the relative level of benefit received by a property.

The Assessment Engineer determined that the appropriate method of assessment should be based on the type of property, the relative size of the property, and the potential use of property by residents and employees. This method is further described below.

METHOD OF ASSESSMENT

The next step in apportioning assessments is to determine the relative special benefit for each property. This process involves determining the relative benefit received by each property in relation to a "benchmark" property, a single family detached dwelling on one parcel (one "Single Family Equivalent Benefit Unit" or "SFE"). This SFE methodology is commonly used to distribute assessments in proportion to estimated special benefits and is generally recognized as providing the basis for a fair and appropriate distribution of assessments. In this Engineer's Report, all properties are assigned an SFE value, which is each property's relative benefit in relation to a single family home on one parcel.

The relative benefit to properties from fire related services is:

RESIDENTIAL PROPERTIES

All improved residential properties that represent a single residential dwelling unit are assigned one Single Family Equivalent or 1.0 SFE. Detached or attached houses, zero-lot line houses and townhomes are included in this category.

Properties with more than one residential unit are designated as multi-family residential properties. These properties benefit from the improvements in proportion to the number of dwelling units that occupy each property. The relative benefit for multi-family properties with two units receives twice the benefit of a single family home, and would receive 2 Single family equivalents (2 SFE). Likewise, each condominium unit receives 1.00 SFE and each mobile home receives 1.00 SFE. Single-family residences and mobile homes on parcels greater than one acre receive greater benefit from the services than do such properties on parcels equal to or less than one acre. Therefore the benefits are deemed to be 1.00 SFE for the first acre and 0.10 SFE per each additional acre over 1 acre.

The single family equivalency factor of 1.00 per dwelling unit for multifamily residential properties applies to such properties with 5 or fewer units. Moreover, the Engineer's experience with property owners of larger multifamily units has consistently found these owners place a lower level of benefit per dwelling unit to their property from the services relative to owners of single family residences. Therefore the benefits for multi-family properties are deemed to reach a maximum benefit of 5.0 SFE.

COMMERCIAL/INDUSTRIAL PROPERTIES

SFE values for commercial and industrial land uses are based on the equivalence of special benefit on a land area basis between single family residential property and the average commercial/industrial property. The SFE values for various commercial and industrial land uses are further defined by using average employee densities because the special benefit factors described previously are also related to the average number of people who work at commercial/industrial properties.

In order to determine employee density factors, the findings from the San Diego Association of Governments Traffic Generators Study (the "SANDAG Study") are used because these findings were approved by the State Legislature as being a good representation of the average number of employees per acre of land area for commercial and industrial properties. As determined by the SANDAG Study, the average number of employees per acre for commercial and industrial property is 24.

In comparison, the average number of people residing in a single family home in the area is 2.53. Since the average lot size for a single family home in the Assessment district is approximately 0.50 acres, the average number of residents per acre of residential property is 5.06.

The employee density per acre is generally 4.70 times the population density of single family residential property per acre (24 employees per acre / 5.06 residents per acre). Therefore, the average employee density can be used as the basis for allocating benefit to commercial or industrial property since a commercial/industrial property with 4.7 employees receives generally similar special benefit to a residential property with 1 resident. This factor of equivalence of benefit between 1 resident to 4.7 employees is the basis for allocating commercial/industrial benefit. Figure 2 shows the average employees per acre of land area or portion thereof for commercial and industrial properties and lists the relative SFE factors per half acre for properties in each land use category.

Commercial and industrial properties in excess of 5 acres generally involve uses that are more land intensive relative to building areas and number of employees (lower coverage ratios). As a result, the benefit factors for commercial and industrial property land area in excess of 5 acres is determined to be the SFE rate per half acre for the first 5 acres and the relevant SFE rate per each additional acre over 5 acres.

Institutional properties that are used for residential, commercial or industrial purposes are also assessed at the appropriate residential, commercial or industrial rate.

FIGURE 2 – COMMERCIAL/INDUSTRIAL DENSITY AND ASSESSMENT FACTORS

Type of Commercial/Industrial Land Use	Average Employees Per Acre ¹	SFE Units per 1/2 Acre ²
Commercial	24	1.00
Office	68	2.83
Shopping Center	24	1.00
Industrial	24	1.00
Self Storage or Parking Lot	1	0.04

¹ Source: San Diego Association of Governments Traffic Generators Study.

² The SFE factors for commercial and industrial parcels are applied by the half acre of land area or portion thereof. Therefore, the minimum assessment for any assessable parcel in these categories is the SFE Units listed herein.

VACANT PROPERTIES

The benefit to vacant properties is determined to be proportional to the corresponding benefits for similar type developed properties; however, at a lower rate due to the minimal improvements that can be damaged by fire on vacant properties. Using Assessor data, the average value of improvements on developed properties is approximately 70% of the total value, with land value comprising the remaining 30%. Since land has intrinsic value or utility that is unaffected by fire, it is estimated that a fire could reduce land value or utility by approximately 1/3rd. Therefore, the SFE factor for vacant parcels is deemed to be 0.10 SFE per acre (1 SFE * 30% * 33%).

OTHER PROPERTIES

Article XIID stipulates that publicly owned properties must be assessed unless there is clear and convincing evidence that those properties receive no special benefit from the assessment.

All properties that are specially benefited are assessed. Public right-of-way parcels, well, reservoir or other water rights parcels that cannot be developed into other improved uses, limited access open space parcels, wildland parcels, watershed parcels and common area parcels typically do not generate employees, residents, customers or guests. Moreover, many of these parcels have limited economic value and, therefore, do not benefit from specific enhancement of property value. Such parcels are, therefore, not specially benefited and are not assessed.

Other publicly owned property that is used for purposes similar to private residential, commercial, industrial or institutional uses is benefited and assessed at the same rate as such privately owned property.

APPEALS AND INTERPRETATION

Any property owner who feels that the assessment levied on the subject property is in error as a result of incorrect information being used to apply the foregoing method of assessment, may file a written appeal with the Twain Harte Community Services District or her or his

designee. Any such appeal is limited to correction of an assessment during the then-current fiscal year or, if before July 1, the upcoming fiscal year. Upon the filing of any such appeal, the District or his or her designee will promptly review the appeal and any information provided by the property owner. If the District or her or his designee finds that the assessment should be modified, the appropriate changes shall be made to the assessment roll. If any such changes are approved after the assessment roll has been filed with the County for collection, the District or his or her designee is authorized to refund to the property owner the amount of any approved reduction. Any dispute over the decision of the District or her or his designee, shall be referred to the Board of Directors and the decision of the Board shall be final.

ASSESSMENT

WHEREAS, the Board of Directors of the Twain Harte Community Services District formed the Fire and Rescue Assessment District and is proceeding with the continuation of assessments under California Government Code sections 50078 et seq. (the "Code") and Article XIID of the California Constitution (the "Article");

WHEREAS, the undersigned Engineer of Work has prepared and filed a report presenting an estimate of costs, a diagram for the Assessment District and an assessment of the estimated costs of the Services upon all assessable parcels within the Assessment District;

NOW, THEREFORE, the undersigned, by virtue of the power vested in me under said Act and the order of the Board of the District, hereby makes the following assessment to cover the portion of the estimated cost of the improvements, and the costs and expenses incidental thereto to be paid by the Assessment District.

The amount to be paid for the improvements and the expense incidental thereto, to be paid by the Assessment District for the fiscal year 2020-21 is generally as follows:

FIGURE 3 – SUMMARY OF COST ESTIMATE

	FY 2020-21 Budget
Fire and Rescue Expenses	\$1,010,259
Administrative Cost Allocation	\$106,492
Capital Expenses/Outlay	\$311,680
Incidental Expenses	\$4,000
TOTAL BUDGET	\$1,432,431
Less: District Contribution	(\$1,014,805)
Transfer To/(From) Reserve	(\$266,283)
NET AMOUNT TO ASSESSMENTS	\$151,343

As required by the Article, an Assessment Diagram is hereto attached and made a part hereof showing the exterior boundaries of the Assessment district. The distinctive number of each parcel or lot of land in the Assessment district is its Assessor Parcel Number appearing on the Assessment Roll.

I do hereby assess and apportion the net amount of the cost and expenses of the improvements, including the costs and expenses incident thereto, upon the parcels and lots of land within the Assessment district, in accordance with the special benefits to be received by each parcel or lot, from the improvements, and more particularly set forth in the Cost Estimate and Method of Assessment hereto attached and by reference made a part hereof.

The assessment is subject to an annual adjustment tied to the Consumer Price Index-U for the San Francisco Bay Area as of December of each succeeding year (the "CPI"), with a maximum annual adjustment not to exceed 3%. Any change in the CPI in excess of 3% shall be cumulatively reserved as the "Unused CPI" and shall be used to increase the maximum authorized assessment rate in years in which the CPI is less than 3%. The maximum authorized assessment rate is equal to the maximum assessment rate in the first fiscal year the assessment was levied adjusted annually by the minimum of 1) 3% or 2) the change in the CPI plus any Unused CPI as described above.

The change in the CPI from December 2018 to December 2019 was 2.45% and the Unused CPI carried forward from the previous fiscal year is 2.13%. Therefore, the maximum authorized assessment rate for fiscal year 2020-21 is increased by 3% which equates to \$90.50 per single family equivalent benefit unit. The estimate of cost and budget in this Engineer's Report proposes assessments for fiscal year 2020-21 at the rate of \$90.50, which is equal to the maximum authorized assessment rate.

Since property owners in the Assessment District, in an assessment ballot proceeding, approved the initial fiscal year benefit assessment for special benefits to their property including the CPI adjustment schedule, the assessment may continue to be levied annually and may be adjusted by up to the maximum annual CPI adjustment without any additional assessment ballot proceeding. In the event that in future years the assessments are levied at a rate less than the maximum authorized assessment rate, the assessment rate in a subsequent year may be increased up to the maximum authorized assessment rate without any additional assessment ballot proceeding.

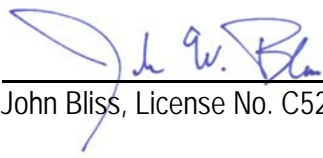
Each parcel or lot of land is described in the Assessment Roll by reference to its parcel number as shown on the Assessor's Maps of the County of Tuolumne for the fiscal year 2020-21. For a more particular description of the property, reference is hereby made to the deeds and maps on file and of record in the office of the County Recorder of the County.

I hereby place opposite the Assessor Parcel Number for each parcel or lot within the Assessment Roll, the amount of the assessment for the fiscal year 2020-21 for each parcel or lot of land within the Assessment District.

Dated: April 30, 2020

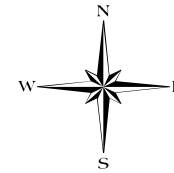
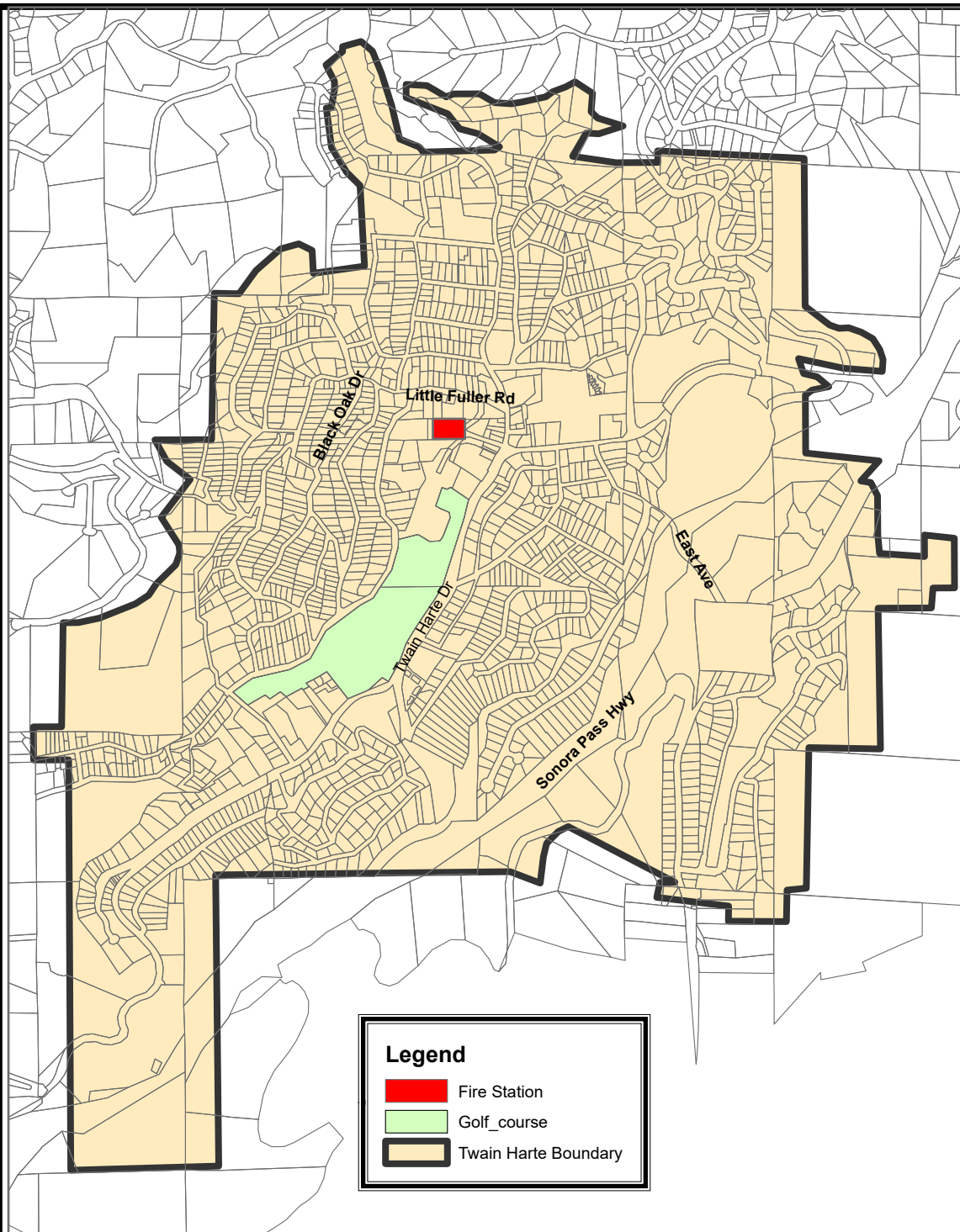
Engineer of Work



By 
John Bliss, License No. C52091

ASSESSMENT DIAGRAM

The Assessment District includes all properties within the boundaries of Twain Harte Community Services District. The boundaries of the Assessment District are displayed on the following Assessment Diagram. The lines and dimensions of each lot or parcel within the Assessment District are those lines and dimensions as shown on the maps of the Assessor of the County of Tuolumne, for fiscal year 2020-21, and are incorporated herein by reference, and made a part of this Diagram and this Report.



FILED IN THE OFFICE OF THE SECRETARY OF THE BOARD
OF THE TWAIN HARTE COMMUNITY SERVICES DISTRICT,
COUNTY OF TUOLUMNE, CALIFORNIA, THIS _____ DAY
OF _____, 2020.

SECRETARY OF THE BOARD

RECORDED IN THE OFFICE OF THE SECRETARY OF THE
BOARD OF THE TWAIN HARTE COMMUNITY SERVICES
DISTRICT, COUNTY OF TUOLUMNE, CALIFORNIA, THIS
_____ DAY OF _____, 2020.

SECRETARY OF THE BOARD

AN ASSESSMENT WAS CONFIRMED AND LEVIED BY THE
BOARD OF THE TWAIN HARTE COMMUNITY SERVICES
DISTRICT ON THE LOTS, PIECES AND PARCELS OF LAND ON
THIS ASSESSMENT DIAGRAM ON THE _____ DAY OF
_____, 2020 FOR THE FISCAL YEAR 2020-21
AND SAID ASSESSMENT DIAGRAM AND THE ASSESSMENT
ROLL FOR SAID FISCAL YEAR WERE FILED IN THE OFFICE OF
THE COUNTY AUDITOR OF THE COUNTY OF TUOLUMNE ON
THE _____ DAY OF _____, 2020
REFERENCE IS HEREBY MADE TO SAID RECORDED
ASSESSMENT ROLL FOR THE EXACT AMOUNT OF EACH
ASSESSMENT LEVIED AGAINST EACH PARCEL OF LAND.

SECRETARY OF THE BOARD

FILED THIS _____ DAY OF _____,
2020 AT THE HOUR OF _____ O'CLOCK _____ M. IN
THE COUNTY AUDITOR OF THE COUNTY OF TUOLUMNE,
STATE OF CALIFORNIA, AT THE REQUEST OF THE BOARD
OF DIRECTORS OF THE TWAIN HARTE COMMUNITY
SERVICES DISTRICT.

COUNTY AUDITOR, COUNTY OF TUOLUMNE

Note:
REFERENCE IS HEREBY MADE TO THE MAPS AND DEEDS OF
RECORD IN THE OFFICE OF THE ASSESSOR OF THE COUNTY
OF TUOLUMNE FOR A DETAILED DESCRIPTION OF THE
LINES AND DIMENSIONS OF ANY PARCEL SHOWN HEREIN.
THOSE MAPS SHALL GOVERN FOR ALL DETAILS
CONCERNING THE LINES AND DIMENSIONS OF SUCH
PARCELS. EACH PARCEL IS IDENTIFIED IN SAID MAPS BY
ITS DISTINCTIVE ASSESSOR'S PARCEL NUMBER.

TWAIN HARTE COMMUNITY SERVICES DISTRICT FIRE AND RESCUE SERVICES ASSESSMENT DISTRICT ASSESSMENT DIAGRAM

ASSESSMENT ROLL

An Assessment Roll (a listing of all parcels assessed within the Assessment district and the amount of the assessment) will be filed with the Secretary of the Board and is, by reference, made part of this report and is available for public inspection during normal office hours.

Each lot or parcel listed on the Assessment Roll is shown and illustrated on the latest County Assessor records and these records are, by reference made part of this report. These records shall govern for all details concerning the description of the lots or parcels.

i Insurance Services Offices Inc.
<http://www.rockwall.com/FireDepartment/Insurance%20Services%20Office%20Rating%20Information.pdf>

ii Institute for Business & Home Safety, "Protect Your Home Against Wildfire Damage,"
<http://www.ibhs.org/publications/view.asp?id=125>

iii U.S. Fire Administration, Department of Homeland Security, "America Burning, Recommissioned: Principal Findings and Recommendations," p.1,
<http://www.usfa.fema.gov/downloads/pdf/abr-rep.PDF>

iv U.S. Fire Administration, Department of Homeland Security, "America Burning, Recommissioned: Principal Findings and Recommendations," p.2,
<http://www.usfa.fema.gov/downloads/pdf/abr-rep.PDF>

v Insurance Services Offices Inc., p. 1,
<http://www.rockwall.com/FireDepartment/Insurance%20Services%20Office%20Rating%20Information.pdf>

vi Weldon, Leslie A. C., "Dealing with Public Concerns in Restoring Fire to the Forest," General Technical Report INT-GTR-341 The Use of Fire in Forest Restoration, U.S. Forest Service, June 1996, p. 3

vii U.S. Forest Service, Department of Agriculture, "Social Science to Improve Fuels Management: A Synthesis of Research on Aesthetics and Fuels Management," p. 1,
http://ncrs.fs.fed.us/pubs/gtr/gtr_nc261.pdf

viii Insurance Services Offices Inc., p. 1,
<http://www.rockwall.com/FireDepartment/Insurance%20Services%20Office%20Rating%20Information.pdf>

**TWAIN HARTE COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 20-13**

**INTENTION TO CONTINUE ASSESSMENTS FOR FISCAL YEAR 2020-21, APPROVAL OF
PRELIMINARY ENGINEER'S REPORT AND NOTICE OF HEARING FOR THE FIRE PROTECTION AND
EMERGENCY RESPONSE SERVICES ASSESSMENT DISTRICT**

WHEREAS, on July 14, 2011, by its Resolution No. 11-18, after receiving a weighted majority of 54.85% of ballots in support of the proposed assessment, this Board ordered the formation of and levied the first assessment of the Twain Harte Community Services District Fire Protection and Emergency Response Assessment District within the Twain Harte Community Services District (the "District") pursuant to the provisions of Article XIID of the California Constitution, and Government Code Sections 50078 et. Seq.; and

WHEREAS, the first Engineer's Report for Fiscal Year 2011-12 described how the assessment district would be established, determined the uses of the assessment funds, established the methodology by which the assessments would be applied to properties in the District, established that the assessment is subject to an annual adjustment tied to the annual change in the Consumer Price Index for the San Francisco Bay Area, and stated that the assessment would continue year-to-year until terminated by the District Board of Directors; and

WHEREAS, although the methodology by which the assessments are applied to properties in the District does not change from year to year, a new Engineer's Report is prepared each year in order to establish the CPI adjustment for that year; the new maximum authorized assessment rate for that year; the budget for that year; and the amount to be charged to each parcel in the District that year, subject to that year's assessment rate and any changes in the attributes of the properties in the District, including but not limited to use changes, parcel subdivisions, and/or parcel consolidations; and

WHEREAS, SCI Consulting Group has filed with secretary of the Board of Directors of the Twain Harte Community Services District, a Preliminary Engineer's Report which contains: (a) a calculation of the portion of the services to be provided by the Assessment District that constitute a special benefit to the parcels in the District; (b) a methodology for assigning fire suppression, fire protection, fire prevention, emergency response and emergency services, basic hazardous materials response, and other services relating to the protection of lives and property ("Fire Services") to individual parcels; (c) a listing of each lot or parcel of property that would be subject to the Fire Services assessment including public parcels; (d) the amount of the proposed assessment for each lot or parcel for the 2020-21 fiscal year; and (e) an assessment diagram depicting the boundary of the Assessment District.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Twain Harte Community Services District, County of Tuolumne, State of California, that:

1. The Preliminary Engineer's Report is hereby received and filed; and:
2. SCI Consulting Group, the Engineer of Work, has prepared an engineer's report in accordance with Article XIID of the California Constitution. The Report has been made, filed with the secretary of the board and duly considered by the Board and is hereby deemed sufficient and preliminarily approved. The Report shall stand as the Engineer's Report for all subsequent proceedings under and pursuant to the foregoing resolution.

3. It is the intention of this Board to continue and to collect assessments for the Fire Protection and Emergency Response Services Assessment for fiscal year 2020-21. Within the Assessment District, the proposed services and equipment to be funded by the assessments ("Services") are generally described as including, but not limited to, the following: obtaining, furnishing, operating, and maintaining fire suppression, protection and emergency services equipment and apparatus; payment of salaries, benefits and other compensation to fire fighting and fire prevention personnel; training and administration of volunteer personnel performing fire suppression, protection and emergency services; hazardous material response; disaster preparedness; community fire prevention education and fire inspection.
4. The Assessments include a provision for an annual increase equal to the change in the San Francisco Bay Area Consumer Price Index ("CPI"), not to exceed 4% (four percent) per year without a further vote or balloting process. In the event that the annual change in the CPI exceeds 4.00%, any percentage change in excess of 4.00% can be cumulatively reserved and can be added to the annual change in the CPI for years in which the CPI change is less than 4.00%. The annual Bay Area CPI change as of December 2019 was 2.45% and the Unused CPI carried forward from the previous fiscal year is 0.49%. Therefore, the maximum authorized increase that may be levied in fiscal year 2020-21 is 2.94%.
5. The estimated fiscal year 2020-21 cost of providing the Services is \$338,383. This cost results in a proposed assessment rate of ONE HUNDRED NINETY-FIVE AND SIXTY-TWO CENTS (\$195.62) per single-family equivalent benefit unit for fiscal year 2020-21. Therefore, the maximum authorized assessment rate is \$195.62; and the assessment rate proposed to be continued for fiscal year 2020-21 is \$195.62, which is the same as the maximum authorized rate.
6. Notice is hereby given that on June 10, 2020, at 9:00 a.m. or as soon after as practical, at the Twain Harte Community Services District offices located at 22912 Vantage Pointe Drive, Twain Harte, California, 95383, the Board will hold a public hearing to consider the ordering of the continuation of the assessments for fiscal year 2020-21. In the event that the Stay in Place order is still in effect, the Twain Harte CSD Board meeting will be held remotely in accordance with Governor Gavin Newsom's Executive Order N-25-20, issued March 12, 2020, and Government Code Section 54954(e). In an effort to improve access to public information, residents may access meetings remotely, by accessing the link in the meeting agenda.
7. The secretary of the board shall cause a notice of the hearing to be given by publishing a notice, at least ten (10) days prior to the date of the hearing above specified, in a newspaper circulated in the District.

PASSED AND ADOPTED by the Governing Board of the Twain Harte Community Services District this 13th day of May 2020 by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Eileen Mannix, Board President

Carolyn Higgins, Board Secretary

**TWAIN HARTE COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 20-13**

**INTENTION TO CONTINUE ASSESSMENTS FOR FISCAL YEAR 2020-21, APPROVAL OF
PRELIMINARY ENGINEER'S REPORT AND NOTICE OF HEARING FOR THE FIRE PROTECTION AND
EMERGENCY RESPONSE SERVICES ASSESSMENT DISTRICT**

WHEREAS, on July 14, 2011, by its Resolution No. 11-18, after receiving a weighted majority of 54.85% of ballots in support of the proposed assessment, this Board ordered the formation of and levied the first assessment of the Twain Harte Community Services District Fire Protection and Emergency Response Assessment District within the Twain Harte Community Services District (the "District") pursuant to the provisions of Article XIID of the California Constitution, and Government Code Sections 50078 et. Seq.; and

WHEREAS, the first Engineer's Report for Fiscal Year 2011-12 described how the assessment district would be established, determined the uses of the assessment funds, established the methodology by which the assessments would be applied to properties in the District, established that the assessment is subject to an annual adjustment tied to the annual change in the Consumer Price Index for the San Francisco Bay Area, and stated that the assessment would continue year-to-year until terminated by the District Board of Directors; and

WHEREAS, although the methodology by which the assessments are applied to properties in the District does not change from year to year, a new Engineer's Report is prepared each year in order to establish the CPI adjustment for that year; the new maximum authorized assessment rate for that year; the budget for that year; and the amount to be charged to each parcel in the District that year, subject to that year's assessment rate and any changes in the attributes of the properties in the District, including but not limited to use changes, parcel subdivisions, and/or parcel consolidations; and

WHEREAS, SCI Consulting Group has filed with secretary of the Board of Directors of the Twain Harte Community Services District, a Preliminary Engineer's Report which contains: (a) a calculation of the portion of the services to be provided by the Assessment District that constitute a special benefit to the parcels in the District; (b) a methodology for assigning fire suppression, fire protection, fire prevention, emergency response and emergency services, basic hazardous materials response, and other services relating to the protection of lives and property ("Fire Services") to individual parcels; (c) a listing of each lot or parcel of property that would be subject to the Fire Services assessment including public parcels; (d) the amount of the proposed assessment for each lot or parcel for the 2020-21 fiscal year; and (e) an assessment diagram depicting the boundary of the Assessment District.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Twain Harte Community Services District, County of Tuolumne, State of California, that:

1. The Preliminary Engineer's Report is hereby received and filed; and:
2. SCI Consulting Group, the Engineer of Work, has prepared an engineer's report in accordance with Article XIID of the California Constitution. The Report has been made, filed with the secretary of the board and duly considered by the Board and is hereby deemed sufficient and preliminarily approved. The Report shall stand as the Engineer's Report for all subsequent proceedings under and pursuant to the foregoing resolution.
3. It is the intention of this Board to continue and to collect assessments for the Fire Protection and Emergency Response Services Assessment for fiscal year 2020-21. Within the Assessment District, the proposed services and equipment to be funded by the assessments ("Services") are generally described as including, but not limited to, the following: obtaining,

furnishing, operating, and maintaining fire suppression, protection and emergency services equipment and apparatus; payment of salaries, benefits and other compensation to fire fighting and fire prevention personnel; training and administration of volunteer personnel performing fire suppression, protection and emergency services; hazardous material response; disaster preparedness; community fire prevention education and fire inspection.

4. The Assessments include a provision for an annual increase equal to the change in the San Francisco Bay Area Consumer Price Index ("CPI"), not to exceed 4% (four percent) per year without a further vote or balloting process. In the event that the annual change in the CPI exceeds 4.00%, any percentage change in excess of 4.00% can be cumulatively reserved and can be added to the annual change in the CPI for years in which the CPI change is less than 4.00%. The annual Bay Area CPI change as of December 2019 was 2.45% and the Unused CPI carried forward from the previous fiscal year is 0.49%. Therefore, the maximum authorized increase that may be levied in fiscal year 2020-21 is 2.94%.
5. The estimated fiscal year 2020-21 cost of providing the Services is \$328,697. This cost results in a proposed assessment rate of ONE HUNDRED NINETY AND TWO CENTS (\$190.02) per single-family equivalent benefit unit for fiscal year 2020-21. Therefore, the assessment rate proposed to be continued for Fiscal Year 2020-21 is \$190.02 which is less than the maximum authorized rate. The maximum authorized assessment rate for Fiscal Year 2020-21 is \$195.62 per single family equivalent benefit unit.
6. Notice is hereby given that on June 10, 2020, at 9:00 a.m. or as soon after as practical, at the Twain Harte Community Services District offices located at 22912 Vantage Pointe Drive, Twain Harte, California, 95383, the Board will hold a public hearing to consider the ordering of the continuation of the assessments for fiscal year 2020-21. In the event that the Stay in Place order is still in effect, the Twain Harte CSD Board meeting will be held remotely in accordance with Governor Gavin Newsom's Executive Order N-25-20, issued March 12, 2020, and Government Code Section 54954(e). In an effort to improve access to public information, residents may access meetings remotely, by accessing the link in the meeting agenda.
7. The secretary of the board shall cause a notice of the hearing to be given by publishing a notice, at least ten (10) days prior to the date of the hearing above specified, in a newspaper circulated in the District.

PASSED AND ADOPTED by the Governing Board of the Twain Harte Community Services District this 13th day of May 2020 by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Eileen Mannix, Board President

Carolyn Higgins, Board Secretary



TWAIN HARTE COMMUNITY SERVICES DISTRICT

FIRE PROTECTION AND EMERGENCY RESPONSE SERVICES ASSESSMENT

ENGINEER'S REPORT

MAY 2020

PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 50078
ET SEQ. AND ARTICLE XIID OF THE CALIFORNIA CONSTITUTION

ENGINEER OF WORK:

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TWAIN HARTE COMMUNITY SERVICES DISTRICT

BOARD OF DIRECTORS

Eileen Mannix, President
Gary Sipperley, Vice President
Kathryn deGroot, Director
Richard Knudson, Director
Bill McManus, Director

GENERAL MANAGER

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FIRE CHIEF

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Carolyn Higgins

ASSESSMENT ENGINEER

SCI Consulting Group

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INTRODUCTION

The Twain Harte Community Services District (the "District") was formed in 1996 after the dissolution of the Tuolumne County Water District #1. The District maintains and operates one fire station, and currently has four full time employees and 17 volunteers. In addition to providing fire suppression and prevention, emergency response and emergency services, the District also provides basic hazardous materials response, and other services relating to the protection of lives and property.

The District is located in the rural foothills of Tuolumne County along Highway 108, and its service area encompasses approximately 3.6 square miles. The District includes the town of Twain Harte.

The District is governed by a five member Board of Directors that are elected by the general population within the District boundaries and serve four-year terms.

This Engineer's Report (the "Report") was prepared to:

- Describe the fire suppression, safety and emergency response services and equipment that would be funded by the assessments (the "Services")
- Establish a budget for the Services that would be funded by the proposed 2020-21 assessments
- Reiterate the benefits received from the Services by property within the Twain Harte Community Services District Fire Protection and Emergency Response Services Assessment (the "Assessment District") and
- Reiterate the method of assessment apportionment to lots and parcels within the Assessment District.

REAL PROPERTY ASSESSMENT UNDER PROPOSITION 218

In 1996, Proposition 218 limited local government's ability to impose real property assessments in two significant ways. An assessment can be imposed only for a "special benefit" conferred on real property (art. XIID, § 2, subd. (b)), and the assessment on any parcel must be in proportion to the special benefit conferred on the particular parcel. (Art. XIID, § 4, subd. (a)) (*Silicon Valley Taxpayers Association, Inc. v. Santa Clara County Open Space Authority* (2008) 44 Cal.4th 431, 437.)

The special benefit and proportionality requirements are perhaps best understood as being interrelated, not separate, requirements. The proportionality requirement ensures that the *aggregate* assessment imposed on *all* parcels is distributed *among* all assessed parcels *in proportion* to the special benefits conferred on *each parcel*. (See *Town of Tiburon v. Bonander* (2009) 180 Cal.App.4th 1057, 1080–1085, 103 Cal.Rptr.3d 485 (*Tiburon*) [varying amounts assessed on district parcels for the costs of undergrounding utility lines violated the proportionality requirement because the amounts individually assessed were not based on the special benefits the undergrounding project would confer on each assessed parcel].)

The special benefit requirement is thus part and parcel of the proportionality requirement. It is useful, however, to separately discuss special benefits in order to ascertain whether the public improvement or property related service underlying the assessment confers *any* special benefits on district parcels in the first place. (*Silicon Valley, supra*, 44 Cal.4th at pp. 450–456, 79 Cal.Rptr.3d 312, 187 P.3d 37 [discussing whether assessment to fund acquisition and maintenance of open space in County of Santa Clara conferred any special benefits on assessed properties].) (*Beutz v. County of Riverside* (2010) 184 Cal.App.4th 1516, 1522, 1523.)

SPECIAL BENEFITS

The services provide both general benefits to the community and special benefits to particular properties, and the agency imposed an assessment based only on the special benefits. It separated the general benefits from the special benefits and secured other funding for the general benefits. (Art. XIID, § 4, subd. (a). (*Silicon Valley Taxpayers v. Santa Clara County Open Space Authority, supra*, 44 Cal.4th 431, 450.))

The assessment district was narrowly drawn; the fact that a benefit was conferred throughout the district did not make it general rather than special. The characterization of a benefit depended on whether the parcel received a direct advantage from the improvement (e.g., proximity to a park) or received an indirect, derivative advantage resulting from the overall public benefits of the improvement (e.g., general enhancement of the district's property values). (*Silicon Valley Taxpayers v. Santa Clara County Open Space Authority, supra*, 44 Cal.4th 431, 452, fn. 8.)

The purpose of an assessment was to require the properties which received a special benefit from a “public improvement” “to pay the cost of that improvement,” and not to fund an agency's ongoing budget. (*Silicon Valley Taxpayers v. Santa Clara County Open Space Authority, supra*, 44 Cal.4th 431, 457.)

A project confers a special benefit when the affected property receives a “direct advantage” from the improvement funded by the assessment. (*Silicon Valley, supra*, 44 Cal.4th at p. 452, fn. 8, 79 Cal.Rptr.3d 312, 187 P.3d 37.) By contrast, general benefits are “derivative and indirect.” (*Id.* at p. 453, 79 Cal.Rptr.3d 312, 187 P.3d 37.) The key is whether the asserted special benefits can be tied to particular parcels based on proximity or other relevant factors that reflect a direct advantage enjoyed by the parcel. (*Id.* at pp. 455–456, 79 Cal.Rptr.3d 312, 187 P.3d 37.) (*Tiburon v. Bonander* (2010) 180 Cal.App.4th 1057, 1077.)

The mere fact that a project or service has the effect of enhancing property values in a community does not necessarily mean those properties enjoy a special benefit. On the other hand, the prohibition against basing assessments on *general* property value enhancements does not mean any benefit that enhances property values is a general benefit. Nearly every assessment that confers a particular and distinct advantage on a specific parcel will also enhance the overall value of that property in some respect. Such an effect does not transform a special benefit into a general benefit. An increase in property value attributable to a project that provides a direct advantage to a particular property—instead of an indirect

or derivative benefit—is a specific rather than a general enhancement in property value. Here, any enhancement in property values arises from specific benefits conferred on parcels in the Supplemental District. (*Tiburon v. Bonander, supra*, 180 Cal.App.4th 1057, 1079.)

When determining whether benefits are general or special, we must be mindful of the rationale for making the distinction. The purpose of limiting assessments to special benefits conferred on particular properties is to avoid having property owners in an assessment district pay for general benefits enjoyed by the public at large. Conversely, if a project confers particular and distinct benefits upon specific properties in an assessment district, it would be unfair to have taxpayers outside the assessment district pay for those benefits that specifically benefit only property owners within the district. (*Tiburon v. Bonander, supra*, 180 Cal.App.4th 1057, pp.1079-1080.)

Furthermore, the mere fact that properties throughout the District share the same special benefit does not render that benefit “general” and therefore an improper subject of an assessment. Section 2, subdivision (i) of article XIII D of the California Constitution specifies that a special benefit is a “particular and distinct benefit over and above general benefits conferred on real property located in the district...” As the court in *Silicon Valley* observed, in a properly drawn district—“limited to only parcels receiving special benefits from the improvement—every parcel within that district receives a shared special benefit.” (*Silicon Valley, supra*, 44 Cal.4th at p. 452, fn. 8, 79 Cal.Rptr.3d 312, 187 P.3d 37.) One might be tempted to characterize these shared special benefits as “general” because they are not “particular and distinct” or “over and above” the benefits conferred on other properties in the district. However, the Supreme Court stated it did not “believe that the voters intended to invalidate an assessment district that is narrowly drawn to include only properties directly benefitting from an improvement.” (*Ibid.*) As the court explained: “[I]f an assessment district is narrowly drawn, the fact that a benefit is conferred throughout the district does not make it general rather than special. In that circumstance, the characterization of a benefit may depend on whether the parcel receives a direct advantage from the improvement (e.g., proximity to a park) or receives an indirect, derivative advantage resulting from the overall public benefits of the improvement (e.g., general enhancement of the district's property values).” (*Ibid.*) (*Tiburon v. Bonander, supra*, 180 Cal.App.4th 1057, 1080.)

PROPORTIONALITY

“The proportionate special benefit derived by each identified parcel shall be determined in relationship to the entirety of the... property-related service being provided.” (*Silicon Valley Taxpayers v. Santa Clara County Open Space Authority, supra*, 44 Cal.4th 431, 443.)

Under subdivision (a) of section 4 of article XIII D, of the California Constitution, the assessment imposed on a parcel shall not “exceed the reasonable cost of the proportional special benefit conferred on that parcel.” But article XIII D does not require that the assessment *be no less than* the reasonable cost of the proportional special benefit conferred on that parcel. That is, article XIII D leaves local governments free to impose assessments that are less than the proportional special benefit conferred—in effect, to allow discounts. Moreover, nothing in article XIII D precludes local governments from allowing discounts

across the board for all parcels in the assessment district or from allowing them selectively, for certain parcels in the district but not for others. (*Dahms v. Downtown Pomona Property* (2009) 174, Cal.App.4th 708, 716.)

“[A public entity must] meet its burden under article XIII D, section 4, subdivision (f) to demonstrate that the amounts of the contested assessments are proportional to, and no greater than, the benefits conferred on the properties in question.” (*Tiburon v. Bonander, supra*, 180 Cal.App.4th 1057, 1080.)

For the sake of clarity, it must be emphasized that an assessment is not measured by the precise amount of special benefits enjoyed by the assessed property. (*White v. County of San Diego* (1980) 26 Cal.3d 897, 905, 163 Cal.Rptr. 640, 608 P.2d 728.) Instead, an assessment reflects costs allocated according to relative benefit received. As a general matter, an assessment represents the entirety of the cost of the improvement or property-related service, less any amounts attributable to general benefits (which may not be assessed), allocated to individual properties in proportion to the relative special benefit conferred on the property. (*Ibid.*; Art. XIII D, § 4, subd. (a).) Proportional special benefit is the “ ‘equitable, nondiscriminatory basis’ ” upon which a project’s assessable costs are spread among benefited properties. (*White v. County of San Diego, supra*, at p. 905, 163 Cal.Rptr. 640, 608 P.2d 728.) Thus, the “reasonable cost of the proportional special benefit,” which an assessment may not exceed, simply reflects an assessed property’s proportionate share of total assessable costs as measured by relative special benefits. (See Art. XIII D, § 4, subd. (a).) (*Tiburon v. Bonander, supra*, 180 Cal.App.4th 1057, 1081.)

The costs of an improvement project must be considered as a whole. A public improvement such as a utility undergrounding project is either undertaken in an entire district or not at all. In the hypothetical involving certain properties with higher construction costs, the neighboring properties enjoy the benefits of the undergrounding project *only* because the project was pursued in the entire assessment district, which necessarily includes the properties with higher construction costs. It is for this reason that the individual assessments for benefited properties must be apportioned in relation to the *entirety* of the project’s assessable costs, as article XIII D requires. (Art. XIII D, § 4, subd. (a).) To reiterate, proportionate special benefit is the basis upon which a project’s total assessable costs are apportioned among parcels within an assessment district. This method ensures that each property owner pays an equitable share of the overall assessable cost as measured by the relative special benefit conferred on the property. (*Tiburon v. Bonander, supra*, 180 Cal.App.4th 1057, 1083-1084.)

The court in *Dahms* stated that the formula for determining special benefit turned upon lot size and street frontage because some properties received “more special benefit than others.” (*Dahms v. Downtown Pomona Property* (2009) 174 Cal.App.4th 708, 720, 96 Cal.Rptr.3d 10.) Specifically rejecting an argument that the apportionment formula should have been based on the total length of streets bordering all sides of a business instead of the business’s front street footage, the court explained that “[i]t makes sense to use front footage rather than total street length to determine the *proportional special benefit* that a

parcel will derive from the services of the [business district] (e.g., increased security, litter removal, and graffiti removal). For example, a clean and safe front entrance to a commercial parcel is more likely to constitute a *special benefit* to that parcel than a clean and safe side or rear, where there may or may not be any entrance at all. At the same time, the City's formula also takes into account other measures (namely, building size and lot size) of each parcel's size and consequent *proportional special benefit*, and those other measures should compensate for any disproportionality that might have resulted from exclusive reliance on front footage." (*Id.* at p. 721, 96 Cal.Rptr.3d 10, italics added.) The apportionment formula in *Dahms* turned on special benefits and not upon costs. (*Tiburon v. Bonander, supra*, 180 Cal.App.4th 1057, 1085.)

On September 22, 2011, the San Diego Court of Appeal issued a decision on the Golden Hill Neighborhood Association v. City of San Diego appeal. This decision overturned an assessment for street and landscaping maintenance in the Greater Golden Hill neighborhood of San Diego, California. The court described two primary reasons for its decision. First, like in *Beutz*, the court found the general benefits associated with services were not explicitly calculated, quantified and separated from the special benefits. Second, the court found that the City had failed to record the basis for the assessment on its own parcels.

COMPLIANCE WITH CURRENT LAW

This assessment outlined in this Engineer's Report is consistent current law because of the following elements of its design:

- The Assessment District ("District") is narrowly drawn.
- Each parcel in the District receives a direct advantage from the improvement.
- The amount of the assessments has been calculated by and set at the amount of benefit to be received by each parcel.
- The special benefit derived by each identified parcel has been set as a proportional share of the entirety of the service being provided.
- General benefits (e.g., common roadways and indirect, derivative benefits to properties adjacent to but outside the District) have been segregated from special benefits to the parcels within the District, and specified other funding will be utilized for the general benefits.

BASELINE LEVEL OF SERVICE

The District has been faced with difficulties in delivering its fire and emergency services primarily due to declining revenues and increasing operational expenses. In response to its decreased revenues, the District took several steps to decrease expenses, including keeping firefighters' salaries below average and using part-time staff whenever possible. In addition, the District had not replaced old equipment and vehicles that were in need of repair, and deferred some facility maintenance.

Even after taking these steps to reduce costs, expenses were still projected to exceed revenues. Therefore, the District projected that it would need to make additional cuts to its firefighting capabilities to bring its operational costs in line with revenues. The additional cuts that would be necessary, absent a new revenue source, were eliminating one full-time professional firefighter position starting in fiscal year 2011-12, and a second one in fiscal year 2012-13. This reduced level of service after these cuts, would be the level of service the District would be able to provide in future years, absent approval of the new assessment. In this Report, this reduced level of service, absent the new assessment, was defined as the "Baseline" level of Service.

ASSESSMENT PROCESS

In Fiscal Year 2010-11, the Twain Harte Community Service District Board of Directors (the "Board") by Resolution No. 11-09 passed on April 14, 2011, called for an assessment ballot proceeding and public hearing on the proposed establishment of a fire protection and emergency services assessment district. The new assessment was proposed in order to fund the cost of the engine company and thereby improve Services for property in the Assessment District. The Report was prepared to quantify a new benefit assessment that would provide funding for Services within the Assessment District.

On April 14, 2011, the Board approved Resolution No. 11-09, and a notice of assessment and assessment ballot was mailed to property owners within the proposed Assessment District boundaries. Such notice included a description of the Services to be funded by the proposed assessments, a proposed assessment amount for each parcel owned, and an explanation of the method of voting on the assessments. Each notice also included a postage prepaid ballot on which the property owner could mark his or her approval or disapproval of the proposed assessments as well as affix his or her signature.

After the ballots were mailed to property owners in the Assessment District, the required minimum 45 day time period was provided for the return of the assessment ballots. Following this 45 day time period, a public hearing was held on July 14, 2011 for the purpose of allowing public testimony regarding the proposed assessments. At the public hearing, the public had the opportunity to speak on the issue.

It was determined that the assessment ballots submitted in opposition to the proposed assessments did not exceed the assessment ballots submitted in favor of the assessments (weighted by the proportional financial obligation of the property for which ballots were submitted). Of the ballots received, 54.85% were in support of the proposed assessments.

As a result, Board gained the authority to approve the levy of the assessments for fiscal year 2011-12 and to continue to levy them in future years. The Board took action, by Resolution No. 11-18 passed on July 14, 2011, to approve the first year levy of the assessments for fiscal year 2011-12.

The authority granted by the ballot proceeding was for a maximum assessment rate of \$150.00 per single family home, increased each subsequent year by the San Francisco Bay

Area Consumer Price Index (CPI) not to exceed 4% per year. In the event that the annual change in the CPI exceeds 4%, any percentage change in excess of 4% can be cumulatively reserved and can be added to the annual change in the CPI for years in which the CPI change is less than 4%.

In each subsequent year for which the assessments will be continued, the Board must preliminarily approve at a public meeting a budget for the upcoming fiscal year's costs and services, an updated annual Engineer's Report, and an updated assessment roll listing all parcels and their proposed assessments for the upcoming fiscal year. A new Engineer's Report is prepared each year in order to establish the CPI adjustment for that year; the new maximum authorized assessment rate for that year; the budget for that year; and the amount to be charged to each parcel in the District that year, subject to that year's assessment rate and any changes in the attributes of the properties in the District, including but not limited to use changes, parcel subdivisions, and/or parcel consolidations. At this meeting, the Board will also call for the publication in a local newspaper of a legal notice of the intent to continue the assessments for the next fiscal year and set the date for the noticed public hearing. At the annual public hearing, members of the public can provide input to the Board prior to the Board's decision on continuing the services and assessments for the next fiscal year.

If the assessments are so confirmed and approved, the assessments will be submitted to the Tuolumne County Auditor/Controller for inclusion on the property tax roll for Fiscal Year 2020-21. The assessments will continue year-to-year until terminated by the District Board of Directors.

The fiscal year 2020-21 assessment budget includes outlays for supplies, firefighter salaries, and other fire suppression and protection programs. If the Board approves this Engineer's Report for fiscal year 2020-21 and the assessments by Resolution, a notice of assessment must be published in a local paper at least 10 days prior to the date of the public hearing. Following the minimum 10-day time period after publishing the notice, a public hearing will be held for the purpose of allowing public testimony about the proposed continuation of the assessments for fiscal year 2020-21.

The public hearing is currently scheduled for June 10, 2020. At this hearing, the Board would consider approval of a resolution confirming the assessments for fiscal year 2020-21. If so confirmed and approved, the assessments would be submitted to the Tuolumne County Auditor/Controller for inclusion on the property tax rolls for Fiscal Year 2020-21.

DESCRIPTION OF SERVICES

The Twain Harte Community Services District provides a range of fire suppression, protection, prevention, and educational services to its residents. The Services to be undertaken by the District and the cost thereof paid from the continued levy of the annual assessment will provide special benefit to Assessor Parcels within the Assessment District as defined in the Method of Assessment herein.

Following is a description of the Services that are provided for the direct benefit of property in the Assessment District. With the passage of this assessment, the fire protection and emergency medical services within the Assessment District were enhanced significantly above the Baseline level of service, and such Services are all over and above what otherwise would be provided. The formula below describes the relationship between the final level of services, the Baseline level of service if the assessment is not instituted, and the enhanced level of services funded by the assessment.

Final Level of Improvements	=	Baseline Level of Improvements	+	Enhanced Level of Improvements
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In addition to the definitions provided by the Code, the Services to be funded by the Assessment District are generally described as follows: salaries and benefits of firefighting personnel, fire protection and emergency services equipment and apparatus; and direct costs, training and administration of volunteer firefighting personnel.

The Assessment District will also contribute to cover the general costs of administering the District, its facilities and operations, as well as the salaries and benefits of firefighting personnel who provide fire suppression, protection and emergency services to parcels, improvements or property in the Assessment District.

COST AND BUDGET

The following budget lists the expenditures to be funded by the Assessment District in Fiscal Year 2020-21.

TABLE 1 - COST AND BUDGET

Twain Harte Community Services District Improved Fire Protection and Emergency Response Assessment Estimate of Cost Fiscal Year 2020-21			Total Budget
Beginning Fund Balance			\$0
Fire and Emergency Response Services Expenditures			
Services Costs			\$1,010,258
Salaries and Employee Benefits	\$760,293		
Maintenance and Repairs	\$101,800		
Materials and Supplies	\$11,600		
Outside and Debt Services	\$23,250		
Utilities, Prop/Liab Ins, TUD, etc.	\$70,950		
Debt Service	\$42,365		
Administrative Cost			\$106,492
Capital Expenses/Outlay			\$311,680
Total Service, Administrative and Capital Expenditures			\$1,428,430
Additional Expenditures ¹			
Allowance for Uncollectable Assessments			\$3,907
County Collection, Levy Administration, and Other Incidentals			\$5,750
Total Additional Expenditures			\$9,657
Total Service, Administrative, Capital and Additional Expenditures			\$1,438,087
Total Benefit of Services and Related Expenses			\$1,438,087
SFE Units			1729.80
Benefit received per Single Family Equivalent Unit			\$831.36
Less:			
District Contribution for General Benefits			(\$130,866)
District Contribution toward Special Benefits			(\$696,899)
Transfers to (from) reserves			(\$271,938)
Total Revenue from Other Sources ²			(\$1,099,703)
Net Cost of Fire Suppression & Protection Costs			\$338,383
Total Fire Suppression & Protection Costs to Assessment (Net Amount to be Assessed)			\$338,383
Budget Allocation to Property			
	Total SFE Units ⁴	Assessment per SFE	Total Assessment
	1,729.80	\$195.62	\$338,383

METHOD OF APPORTIONMENT

METHOD OF APPORTIONMENT

This section includes an explanation of the special benefits to be derived from the Services, the criteria for the expenditure of assessment funds and the methodology used to apportion the total assessments to properties within the Assessment District.

The Assessment District area consists of all Assessor Parcels within the Twain Harte Community Services District, including all parcels within the Town of Twain Harte of Tuolumne County. The method used for apportioning the assessment is based upon the proportional special benefits from the Services to be received by the properties in the assessment area over and above general benefits conferred on real property not subject to assessment (such as public roads) or to the public at large. Special benefit is calculated for each parcel in the Assessment District using the following process:

1. Identification of all benefit factors derived from the Services
1. Calculation of the proportion of these benefits that are general
2. Determination of the relative special benefit within different areas within the Assessment District
3. Determination of the relative special benefit per property type
4. Calculation of the specific assessment for each individual parcel based upon special vs. general benefit; location, property type, property characteristics, improvements on property and other supporting attributes

DISCUSSION OF BENEFIT

California Government Code Section 50078 et. seq. allows agencies which provide fire suppression services, such as Twain Harte Community Services District of Tuolumne County to levy assessments for fire suppression services. Section 50078 states the following:

"Any local agency which provides fire suppression services directly or by contract with the state or a local agency may, by ordinance or by resolution adopted after notice and hearing, determine and levy an assessment for fire suppression services pursuant to this article."

In addition, California Government Code Section 50078.1 defines the term "fire suppression" as follows:

"(c) "Fire suppression" includes firefighting and fire prevention, including, but not limited to, vegetation removal or management undertaken, in whole or in part, for the reduction of a fire hazard."

Therefore, the Services to be provided by the Assessment District fall within the scope of services that may be funded by assessments under the Code.

The assessments can only be levied based on the special benefit to property. This benefit is received by property over and above any general benefits. Moreover, such benefit is not based on any one property owner's specific use of the Services or a property owner's specific demographic status. With reference to the requirements for assessments, Section 50078.5 of the California Government Code states:

*"(b) The benefit assessment shall be levied on a parcel, class of improvement to property, or use of property basis, or a combination thereof, within the boundaries of the local agency, zone, or area of benefit."
"The assessment may be levied against any parcel, improvement, or use of property to which such services may be made available whether or not the service is actually used."*

Proposition 218, as codified in Article XIID of the California Constitution, has confirmed that assessments must be based on the special benefit to property:

"No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel."

Since assessments are levied on the basis of special benefit, they are not a tax and are not governed by Article XIII A of the California Constitution.

The following section describes how and why the Services specially benefit properties. This benefit is particular and distinct from its effect on property in general or the public at large.

BENEFIT FACTORS

In order to allocate the assessments, the Engineer identified the types of special benefit arising from the Services that will be provided to property in the Assessment District. These benefit factors must confer a direct advantage to the assessed properties; otherwise they would be general benefit.

The following benefit categories have been established that represent the types of special benefit conferred to residential, commercial, industrial, institutional and other lots and parcels resulting from the improved fire protection and emergency response services that will be provided in the Assessment District. These types of special benefit, which clearly enhance the utility and desirability of property and make them more functional to use, are summarized as follows:

PROTECTION OF REAL PROPERTY ASSETS AND OCCUPANTS FROM FIRES, FIRE DAMAGE AND PROPERTY LOSS

The Assessments will fund improved fire protection and emergency response services, and thereby will reduce the risk of property damage associated with fires for property in the

Assessment District. This is a direct and tangible special benefit to property in the Assessment District.

"Over 140,000 wildfires occurred on average each year, burning a total of almost 14.5 million acres. And since 1990, over 900 homes have been destroyed each year by wildfires."^[i]

"Fire is the largest single cause of property loss in the United States. In the last decade, fires have caused direct losses of more than \$120 billion and countless billions more in related cost."^[ii]

"The strategies and techniques to address fire risks in structures are known. When implemented, these means have proven effective in the reduction of losses."^[iii]

"Statistical data on insurance losses bears out the relationship between excellent fire protection...and low fire losses."^[iv]

PROMPT RESPONSE TO FIRES AND EMERGENCIES DIRECTLY TO ANY PROPERTY IN THE ASSESSMENT DISTRICT AND DIRECT DELIVERY OF FIRE AND EMERGENCY SERVICES TO ANY PROPERTY IN THE ASSESSMENT DISTRICT

The Enhanced Services funded by the Assessments will be directly provided for and received by property in the Assessment District. These Enhanced Services will result in an improved and more effective response to fires and other emergencies, thereby enhancing the protection of property and reducing the risk of property damage associated with fires. Such improved fire protection services are a tangible and direct advantage that will be received by properties in the Assessment District.

"A reasonably disaster-resistant America will not be achieved until there is greater acknowledgment of the importance of the fire service and a willingness at all levels of government to adequately fund the needs and responsibilities of the fire service."^[v]

PROTECTION OF THE USE OF PROPERTY AND USE OF IMPROVEMENTS ON PROPERTY AND PROTECTION OF THE LIFE AND SAFETY OF OCCUPANTS OF PROPERTY

The Enhanced Services funded by the Assessments will allow the District to respond to fires and emergencies much more promptly and with more appropriate levels of firefighters and resources in comparison to the Baseline Level of Service. Prompter and more effective responses will better protect the use of property and the life and safety of occupants. This is another direct special benefit from the Assessments.

ENHANCED ACCESS TO PROPERTIES IN THE ASSESSMENT DISTRICT, AND UTILITY OF SUCH PROPERTIES.

As noted, the Assessments will fund improved fire protection and emergency response services in the Assessment District. In addition to preventing damage to property from fires, the Assessments will also protect access to property, because fires can impede or prevent access to property. Furthermore, the Enhanced Services will enhance the utility of the

properties in the Assessment District because safer properties are more functional, usable and desirable. These are additional direct benefits to property in the Assessment District that are not received by other properties or the public at large because the Enhanced Services will be provided for properties in the Assessment District.

BENEFIT FINDING

In summary, real property located within the boundaries of the Assessment District distinctly and directly benefits from the availability and delivery as needed of the Enhanced Services to any property from fire damage; the increased safety of real property, protection of the use and utility of property; and enhanced access and utility of properties in the Assessment District. These are special benefits to property in much the same way that sewer and water facilities, sidewalks and paved streets enhance the utility and desirability of property and make them more functional to use, safer and easier to access for occupants.

GENERAL VERSUS SPECIAL BENEFIT

Article XIII C of the California Constitution requires any local agency proposing to increase or impose a benefit assessment to “separate the general benefits from the special benefits conferred on a parcel.” The rationale for separating special and general benefits is to ensure that property owners subject to the benefit assessment are not paying for general benefits. The assessment can fund special benefits but cannot fund general benefits. Accordingly, a separate estimate of the special and general benefit is given in this section.

In other words:

Total Benefit	=	General Benefit	+	Special Benefit
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There is no widely-accepted or statutory formula for general benefit. General benefits are benefits from improvements or services that are not special in nature, are not “particular and distinct” and are not “over and above” benefits received by other properties. The decision in *SVTA vs. SCCOSA* provides some clarification by indicating that general benefits provide “an indirect, derivative advantage” and are not necessarily proximate to the improvements.

In this report, the general benefit is conservatively estimated and described, and then budgeted so that it is funded by sources other than the assessment.

The starting point for evaluating general and special benefits is the 2011 baseline level of service, if the assessment is not approved by the community. The assessment will fund Services “over and above” this general, baseline level and the general benefits estimated in this section are over and above the baseline.

A formula to estimate the general benefit is listed below:

General Benefit	=	Benefit to real property outside of improvement district	+	Benefit to real property inside of improvement district	+	Benefit to public at large
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Special benefit, on the other hand, is defined in the State Constitution as “a particular and distinct benefit over and above general benefits conferred on real property located in the district or to the public at large.” The *SVTA v. SCCOSA* decision indicates that a special benefit is conferred to a property if it “receives a direct advantage from the improvement (e.g., proximity to a park).” In this assessment, as noted, the improved Services will be available when needed to all properties in the Assessment District, so the overwhelming proportion of the benefits conferred to property is special, and there are only minimal benefits that will be received by property outside the Assessment District or the public at large.

It should be noted that in the 2009 *Dahms* case, the court ruled that an assessment was properly considered to be an 100% special benefit because the services funded by the assessments were directly provided only to property in the assessment district. Similar to the assessments in Pomona that were approved in *Dahms*, the Assessments described in this Engineer’s Report fund fire suppression services directly provided only to property in the assessment area. Moreover, every property within the Assessment District will receive the Services if and when a fire occurs. Although the court in *Dahms* found a zero general benefit determination to be acceptable, this report calculates the general benefit more conservatively and then that general benefit is budgeted so that it is funded by sources other than the Assessment.

In the 2010 *Beutz* Case, the Appellate Court overturned an assessment for parks in Wildomar, California based upon to the lack of a specific quantification of the general benefit(s) in the Engineer’s Report. As a part of this decision, the court indicated that “virtually all public improvement projects provide general benefits.” At first review, this statement and decision seem to contradict the 2009 *Dahms* decision which upheld an assessment with a 100% special benefit finding. However, the *Beutz* decision concludes by clarifying that the specific facts of *Dahms* are fundamentally different from *Beutz* – and the two decisions do not contradict one another. Essentially, in assessment(s), like in the *Dahms* case (and the Assessment described in this Report), the improvements and services provided within each District are specifically provided to and intended for the assessed parcels only. (The Wildomar assessment in the *Beutz* case, on the other hand, supports improvements and services for area parks only, which arguably have an inherent use by, and benefit to, the general public.)

Proposition 218 twice uses the phrase “over and above” general benefits in describing special benefit. (Art. XIID, sections 2(i) & 4(f).) Arguably, all of the Services being funded by the assessment would be a special benefit because the Services would particularly and distinctly benefit the properties in the Assessment District over an only to properties in the Assessment District.

Nevertheless, some of the Services could benefit the public at large and properties outside the Assessment District. In this report, the general benefit is conservatively estimated and described, and then budgeted so that it is funded by sources other than the assessment.

CALCULATING GENERAL BENEFIT

This section provides a measure of the general benefits from the assessments.

BENEFIT TO PROPERTY OUTSIDE THE ASSESSMENT DISTRICT

Properties within the Assessment District receive almost all of the special benefits from the Services because the Services will be provided solely in the Assessment District boundaries.¹ Properties proximate to, but outside of, the boundaries of the Assessment District receive some benefit from the Services due to some degree of indirectly reduced fire risk to their property. These parcels that are proximate to the boundaries of the Assessment District are estimated to receive less than 50% of the benefits relative to parcels within the Assessment District because they do not directly receive the improved fire protection resulting from the Services funded by the Assessments.

At the time the Assessment District was formed, the Assessment Engineer, using the Geographic Information System parcel map, counted the number of parcels proximate to the Assessment District boundary but outside the Assessment District, and thereby determined that there were approximately 130 of these “proximate” properties.

CRITERIA:

130 PARCELS OUTSIDE THE DISTRICT BUT PROXIMATE TO THE DISTRICT BOUNDARIES
1,863 PARCELS IN THE ASSESSMENT DISTRICT
50% RELATIVE BENEFIT COMPARED TO PROPERTY WITHIN THE ASSESSMENT DISTRICT

CALCULATION:

GENERAL BENEFIT TO PROPERTY OUTSIDE THE ASSESSMENT DISTRICT =
 $130 / (1,863 + 130) \times .5 = 3.3\%$

Although it can reasonably be argued that properties protected inside, but near the Assessment District boundaries are offset by similar fire protection provided outside the District boundaries, we use the more conservative approach of finding that 3.3% of the Services may be of general benefit to property outside the Assessment District.

¹ It should be noted that the Services may, at times, be used outside the District boundaries. However, this use is part of a mutual aid agreement and would be offset by the provision of Services by other agencies within the Assessment District boundaries.

BENEFIT TO PROPERTY *INSIDE* THE DISTRICT THAT IS *INDIRECT AND DERIVATIVE*

The “indirect and derivative” benefit to property within the Assessment District is particularly difficult to calculate. A solid argument can be presented that all benefit within the Assessment District is special, because the Services are clearly “over and above” and “particular and distinct” when compared with the baseline level of fire suppression and fire protection services had the Assessment District not passed.

In determining the Assessment District area, the District has been careful to limit it to an area of parcels that will directly receive the benefit of the improved Services. All parcels will directly benefit from the use of the improved Services throughout the Assessment District in order to maintain the same improved level of fire suppression and protection throughout the area. Fire protection and suppression will be provided as needed throughout the area. The shared special benefit - reduced severity and number of fires - will be received on an equivalent basis by all parcels in the Assessment District. Furthermore, all parcels in the Assessment District would directly benefit from the ability to request service from the District and to have a District firefighter promptly respond directly to the parcel and address the owner’s or resident’s service need.

The *SVTA vs. SCCOSA* decision indicates that the fact that a benefit is conferred throughout the Assessment District area does not make the benefit general rather than special, so long as the Assessment District is narrowly drawn and limited to the parcels directly receiving shared special benefits from the service. This concept is particularly applicable in situations involving a landowner-approved assessment-funded extension or improvement of a local government service to benefit lands. Therefore, other than the small general benefit to properties outside the Assessment District (discussed above) and to the public at large (discussed below), all of the benefits of the Services to the parcels within the Assessment District are special benefits.

BENEFIT TO THE PUBLIC AT LARGE

Because the Services will be available to and provide for all of the property in the Assessment District, the *Dahms* decision provides a clear basis for a finding of zero general benefit conferred on the public at large. Nevertheless, to establish a more conservative measure, any general benefit to the public at large is quantified in the following paragraph:

The public at large uses the public highways, streets and sidewalks, and when traveling in and through the Assessment District and they may benefit from the services without contributing to the assessment. Although the protection of this critical infrastructure is certainly a benefit to all the property within the district, it is arguably “indirect and derivative”. A reasonable and appropriate measure of the general benefit to the public at large therefore is the amount of highway, street and sidewalk area within the Assessment District relative to the overall land area. An analysis of maps of the Assessment District shows that approximately 5.8% of the land area in the Assessment District is covered by highways, streets and sidewalks. This 5.8% therefore is a reasonable quantified measure of the general benefit to the public at large within the Assessment District.

SUMMARY OF GENERAL BENEFITS

Using a sum of the measures of general benefit for the public at large and land outside the Assessment Area, we find that approximately 9.1% of the benefits conferred by the Fire Protection and Emergency Response Assessment may be general in nature and should be funded by sources other than the assessment.

GENERAL BENEFIT =

3.3 % (OUTSIDE THE DISTRICT)
 + 0.0 % (INSIDE THE DISTRICT - INDIRECT AND DERIVATIVE)
 + 5.8 % (PUBLIC AT LARGE)
 =9.1 % (TOTAL GENERAL BENEFIT)

Although this analysis supports the findings that 9.1% of the assessment may provide general benefits, this number is increased by the Assessment Engineer to 10% to conservatively ensure that no assessment revenue is used to support general benefit. This additional amount allocated to general benefit also covers general benefit to parcels in the Assessment Area if it is later determined that there is some general benefit conferred on those parcels.

The Assessment District's budget for 2020-21 is \$1,438,087. The District will contribute approximately \$1,099,703 for fire suppression, fire protection and emergency response services and administrative services costs from revenue sources other than this Fire Protection and Emergency Response Services Assessment. This contribution constitutes significantly more than the 10% calculated above for general benefits, plus an additional 10% allocation for time used on non-fire related services as estimated by the Assessment Engineer.

ZONES OF BENEFIT

The assessment area is small and is readily served by a single fire station. The National Fire Protection Association (NFPA) has adopted a standard of response time equal to six minutes. All parcels in the Assessment District will be served within this NFPA response standard. Therefore, all properties will receive substantially the same level of benefit and this Assessment District has been drawn to include the entire area; no zones within the district have been designated.

In *SVTA v. SCCOSA*, the court noted that a local agency-wide assessment district is appropriate under the right conditions: "Thus, if an assessment district is narrowly drawn, the fact that a benefit is conferred throughout the district does not make it general rather than special. In that circumstance, the characterization of a benefit may depend on whether the parcel receives a direct advantage from the improvement (e.g., proximity to a park) or receives an indirect, derivative advantage resulting from the overall public benefits of the improvement (e.g., general enhancement of the district's property values)." The court

therefore acknowledged the appropriateness of a District-wide assessment so long as each parcel receives a direct advantage from the assessment-funded improvement or service.

As demonstrated in this engineer's report, the assessments will fund improved fire suppression and protection services relatively uniformly throughout the Assessment District, and the Assessment District boundaries have been narrowly drawn to only include the parcels that directly receive the Services. It therefore is appropriate to provide a District-wide Assessment District without zones of benefit because all parcels of similar type and features benefit similarly and will receive a direct advantage from the Services.

ASSESSMENT APPORTIONMENT

In the process of determining the appropriate method of assessment, the Assessment Engineer considered various alternatives. For example, an assessment only for all residential improved property was considered but was determined to be inappropriate because vacant, commercial, industrial and other properties also receive special benefits from the assessments.

Moreover, a fixed or flat assessment for all properties of similar type was deemed to be inappropriate because larger commercial/industrial properties and residential properties with multiple dwelling units receive a higher degree of benefit than other similarly used properties that are significantly smaller. For properties used for commercial purposes, there clearly is a higher benefit provided to a larger commercial property than to a smaller commercial property because the larger property generally supports a larger building and has higher numbers of employees, customers and guests that would benefit from improved fire protection and emergency response services. This benefit ultimately flows to the property. Larger parcels, therefore, receive an increased benefit from the assessments.

The Assessment Engineer determined that the appropriate method of assessment should be based on the type of property, the relative risk of fire by type of property, the relative size of the property, and the relative damage value of fires by property type. This method is further described below.

METHOD OF ASSESSMENT

The next step in apportioning assessments is to determine the relative special benefit for each property. This process involves determining the relative benefit received by each property in relation to a "benchmark" property, a single family detached dwelling on one parcel (one "Single Family Equivalent Benefit Unit" or "SFE"). This SFE methodology is commonly used to distribute assessments in proportion to estimated special benefits and is generally recognized as providing the basis for a fair and appropriate distribution of assessments. In this Engineer's Report, all properties are assigned an SFE value, which is each property's relative benefit in relation to a single family home on one parcel.

The relative benefit to properties from fire related services is:

EQUATION 1 – RELATIVE BENEFIT TO PROPERTIES

$\text{Benefit} \approx \sum (\text{Fire Risk Factors}) * \sum (\text{Structure Value Factors})$
--

That is, the benefit conferred to property is the “sum” of the fire risk factors multiplied by the “sum” of the structure replacement factors, and then normalized by average areas.

FIRE RISK FACTORS

Typical fire assessments are evaluated based upon the fire risk of a certain property type. These evaluations consider factors such as use of structure (e.g. used for cooking), type of structure (centralized heating), etc.

In 2003, the National Fire Protection Association (“NFPA”), one of the pre-eminent authorities on fire protection in the United States, published the 2003 US Fire Problem Overview Report. This report comprehensively tabulates the number of fires for each property type within the United States in the year 1999, and serves as a reasonable and rational basis to determine fire risk.

The number of fires for each property type is then divided by the total number of that property type to determine un-normalized fire risk factor. Finally, the risk factors are normalized based upon a factor of 1.00 for a single family property. Table 2 below tabulates the Fire Risk Factors for each property type.

TABLE 2 – FIRE RISK FACTORS

Property Type	Normalized Fire Risk Factors
Single Family	1.0000
Multi-Family & Condo	1.8769
Mobile Home	0.6028
Commercial/Industrial	0.9982
Office	0.3571
Institutional	0.9675
Storage	2.8916
Vacant	0.2221
Agriculture - Orchards & Vineyards	0.3796
Agriculture - Rice & Flood Irrigation	0.3796
Agriculture - Pasture & Row Crops	0.3451
Agriculture - Dairy, Livestock, Animals	0.3106
Range Land & Open Space	0.0598

Analysis based upon: 2003 US Fire Problem Overview Report, NFPA

STRUCTURE REPLACEMENT FACTORS

The relative replacement factors of different property types were evaluated within the District area to determine the Structure Replacement Factors according to the following formula:

EQUATION 2 - STRUCTURE REPLACEMENT FACTORS

\sum (Structure Replacement Factors)	\approx	f	(Structure Weighting Factor, Average Improved Value, Structure Replacement Factor)
		$+f$	(Land Weighting Factor, Average Total Value)
		$*$	(Adjustment Factor)

Where:

- "Structure Weighting Factor" = 10 to "weight" relative importance of structure over land.
- "Structure Replacement Factor" is based upon the replacement cost per property type, and the adjusted structure square footage per property type, as provided by the County Assessor records.
- "Average Improved Value" is average of value of all improvements (e.g. structures), per property type, as provided by County Assessor records. It is used as a reference only and the Structure Replacement Value is not derived from it.
- Land Weighting Factor = 1
- "Average Total Value" is average of value of all land + improvements (e.g. structures), per property type, as provided by County Assessor records. County assessor land values were not used directly because experience has shown total values to be more comprehensive. It is used as a reference only and the Structure Replacement Value is not derived from it.
- "Adjustment Factor" may be applied including real estate data, demographic data, economic data and other relevant data.

Table 3 is a tabulation of the Structure Replacement Factors for each property type as defined by Equation 2, above.

TABLE 3 – STRUCTURE REPLACEMENT FACTORS

Property Type	Replacement Factor
Single Family	1.0000
Multi-Family & Condo	0.6400
Mobile Home	0.8000
Commercial/Industrial	0.6400
Office	1.6000
Institutional	0.6400
Storage	0.2400
Vacant	0.1000
Agriculture - Orchards & Vineyards	0.0500
Agriculture - Rice & Flood Irrigation	0.0500
Agriculture - Pasture & Row Crops	0.0500
Agriculture - Dairy, Livestock, Animals	0.0500
Range Land & Open Space	0.0100

AN EXAMPLE OF BENEFIT CALCULATION

Below is an example of the benefit calculation per Equation 1 for Commercial/Industrial parcels to illustrate the methodology. (A summary of the results of all calculations is given in Table 4):

Commercial/Industrial Example

The benefit is the normalized Fire Risk Factor times the normalized Structure Replacement Factor, then normalized per average square footage.

Benefit = ((Fire Risk Factor) * (Structure Replacement Factor)) * ((Average Structure Sqft by type / Avg Structure Sqft for single family home))

The fire risk of commercial/industrial parcels is determined by taking the percentage of all fires in commercial/industrial parcels, and dividing it by the percentage of square footage area that are commercial/industrial. The fire percentages are taken from the NFPA 2003 US Fire Problem Overview Report. The resulting figure is normalized relative to the risk of a single family home by taking the percentage of fires in single family homes over the percentage of square footage area that are single family homes, and dividing that figure into the commercial/industrial fire risk figure.

Fire Risk \approx ((% of all fires) / (% of square footage area)) / (normalization factor versus Single Family Homes)

% of all fires = 9.222% for commercial/industrial, and 53.846% for single family homes

% of area = 10.664% for commercial/industrial, and 62.157% for single family homes

Fire Risk Factor = ((9.222% of all fires) / (10.644% of all square footage area)) / ((53.846% of all fires) / (62.157% of all square footage area))

Fire Risk Factor = 0.9982

The Structure Replacement Factor is determined by analyzing the County Assessor's data including the average structure square footage area. Also, the local average structure replacement cost is established for each structure type. The local average structure replacement cost is normalized and multiplied by the average square footage area for each property type. These values are then compared against the weighted average improved value, weighted average total value, real estate data, etc. and an Adjustment Factor is applied if necessary.

Structure Replacement Factor \approx Normalized Local Average Replacement Costs * Adjustment Factor

Local Average Replacement Cost for commercial/industrial \approx \$80.00/sqft

Local Average Replacement Cost for single family homes \approx \$125.00/sqft

Structure Replacement Factor = $(80.00/125.00) * \text{Adjustment Factor (if needed)}$

Structure Replacement Factor = 0.6400

Since the Benefit is the Fire Risk Factor times the Structure Replacement Factor, then normalized by average square footage, the Commercial/Industrial benefit is 6.884:

Benefit = $(0.9982 * 0.6400) * (14,957/1,396) = 6.884/\text{acre}$

SUMMARY OF BENEFITS FOR EACH PROPERTY TYPE

Per Equation 1, the relative special benefit for each property type (the "SFE" or "Single Family Equivalent" Benefit Units) is determined as the product of the normalized Fire Risk Factors and the normalized Structure Replacement Factors. Table 4 below, summarizes the benefit for each property type.

TABLE 4 – BENEFIT SUMMARY PER PROPERTY TYPE

Property Type	Fire Risk Factors	Structure Replacement Factors	SFE Factors	Average Structure Sq Footage (From Previous Tab)	Fiat Rate Converted SFE	Unit
Single Family	1.0000	1.0000	1.000000	1,396	1.000	per each
Multi-Family & Condo	1.8769	0.6400	1.201190	857	0.737	per unit
Mobile Home	0.6028	0.8000	0.482240	1,440	0.497	per each
Commercial/Industrial	0.9982	0.6400	0.638879	14,957	6.844	per acre
Office	0.3571	1.6000	0.571387	10,000	6.670	per acre
Institutional	0.9675	0.6400	0.619212	3,543	1.523	per each
Storage	2.8916	0.2400	0.693982	10,000	0.464	per acre
Vacant	0.3451	0.1000	0.034511		0.173	per each
Agriculture - Orchards & Vineyards	0.3796	0.0500	0.018981		0.019	per acre
Agriculture - Rice & Flood Irrigation	0.3796	0.0500	0.018981		0.019	per acre
Agriculture - Pasture & Row Crops	0.3451	0.0500	0.017255		0.017	per acre
Agriculture - Dairy, Livestock, Animals	0.3106	0.0500	0.015530		0.016	per acre
Range Land & Open Space	0.3451	0.0100	0.003451		0.003	per acre

*SFE factor has been converted from "Per Acre" to "Per Each Parcel" by multiplying by effective average area.

RESIDENTIAL PROPERTIES

All improved residential properties with a single residential dwelling unit are assigned one Single Family Equivalent or 1.0 SFE. Residential properties on parcels that are larger than one acre receive additional benefit and are assigned additional SFEs on an

“Agricultural/Rangeland” basis. Detached or attached houses, zero-lot line houses and town homes are included in this category.

Properties with more than one residential unit are designated as multi-family residential properties. These properties benefit from the Services in proportion to the number of dwelling units that occupy each property. The relative benefit for multi-family properties was determined per Equation 1 to be 0.737 SFEs per residential unit. This rate applies to condominiums as well.

Mobile home properties are assigned 0.497 SFEs per residential unit. Parcels that are larger than one acre receive additional benefit and are assigned additional SFEs on an “Agricultural/Rangeland” basis.

COMMERCIAL/INDUSTRIAL & OFFICE PROPERTIES

Commercial and industrial properties are assigned benefit units per acre, since there is a relationship between effective parcel size, structure size and relative benefits. The relative benefit for commercial and industrial properties was determined per Equation 1 to be 6.844 SFEs per acre. The relative benefit for office properties was determined per Equation 1 to be 6.670 SFEs per acre.

VACANT AND UNDEVELOPED PROPERTIES

The relative benefit for vacant properties was determined per Equation 1 to be 0.173 SFEs per parcel.

RANGELAND, OPEN SPACE AND DUCK CLUB PROPERTIES

The relative benefit for range land & open space properties was determined per Equation 1 to be 0.003 SFEs per acre.

AGRICULTURAL PROPERTIES

The relative benefit for agricultural properties requires additional analysis, as required by Government Code 50078 and the unique agricultural properties within the boundaries. This analysis considered how agricultural operations may mitigate risk, onsite or proximate water availability, response time, capability of the fire suppression service, and any other factors which reflect the benefit to the land resulting from the fire suppression service provided. Agricultural properties have been categorized as Agriculture - Orchards & Vineyards; Agriculture - Rice & Flood Irrigation; Agriculture - Pasture & Row Crops; and Agriculture - Dairy, Livestock, Animals according to use and other attributes, and have been analyzed for fire risk and structure replacement per Equation 1. The relative benefit for agricultural properties was determined per Equation 1 to be 0.019 SFEs per parcel for Agriculture - Orchards & Vineyards; 0.019 SFEs per parcel for Agriculture - Rice & Flood Irrigation; 0.017 SFEs per parcel for Agriculture - Pasture & Row Crops; and 0.016 SFEs per parcel for Agriculture - Dairy, Livestock, Animals. These SFE rates are doubled for parcels between 50 acres and 100 acres and are tripled for parcels greater than 100 acres.

OTHER PROPERTIES

Institutional properties such as publicly owned properties are assessed 1.523 SFEs. The relative benefit for storage properties was determined per Equation 1 to be 0.464 SFEs per acre.

Article XIID, Section 4 of the California Constitution states that publicly owned properties shall not be exempt from an assessment unless there is clear and convincing evidence that those properties receive no special benefit. Here, all public properties that are specially benefited are assessed. Publicly owned property that is used for purposes similar to private residential, commercial, industrial or institutional uses is benefited and assessed at the same rate as such privately owned property.

Miscellaneous, small and other parcels such as roads, right-of-way parcels, and common areas typically do not generate significant numbers of employees, residents, customers or guests and have limited economic value. These miscellaneous parcels receive no special benefit from the fire suppression Apparatus and Equipment and are assessed an SFE benefit factor of 0.

CRITERIA AND POLICIES

This sub-section describes the criteria that shall govern the expenditure of assessment funds and ensures equal levels of benefit for properties of similar type. The criteria established in this Report, as finally confirmed, cannot be substantially modified; however, the Board may adopt additional criteria to further clarify certain criteria or policies established in this Report or to establish additional criteria or policies that do not conflict with this Report.

DURATION OF ASSESSMENT

The Assessment was levied for fiscal year 2011-12 and may be continued every year thereafter, so long as the risk of fire on property in the Assessment District remains in existence and the Twain Harte Community Services District requires funding from the Assessment for its fire suppression Services. As noted previously, if the Assessment and the duration of the Assessment are approved by property owners in an assessment ballot proceeding, the Assessment can be imposed and levied annually after the Twain Harte Community Services District Board of Directors approves an annually updated Engineer's Report, budget for the Assessment, Services to be provided, and other specifics of the Assessment. In addition, the District Board of Directors must hold an annual public hearing to continue the Assessment.

APPEALS OF ASSESSMENTS ON PROPERTY

Any property owner who feels that the assessment on the subject property is in error as a result of incorrect information being used to apply the foregoing method of assessment or for any other reason may file a written appeal with the General Manager of the Twain Harte Community Services District or his or her designee. Any such appeal is limited to correction of an assessment during the then current fiscal year. Upon the filing of any such appeal, the General Manager or his or her designee will promptly review the appeal and any information

provided by the property owner. If the General Manager or his or her designee finds that the assessment should be modified, the appropriate changes shall be made to the assessment roll. If any such changes are approved after the assessment roll has been filed with the County for collection, the General Manager or his or her designee is authorized to refund to the property owner the amount of any approved reduction. Any dispute over the decision of the General Manager or his or her designee shall be referred to the Twain Harte Community Services District Board of Directors and the decision of the Board shall be final.

ASSESSMENT

WHEREAS, the Board of Directors of the Twain Harte Community Services District is proceeding with the Fire Protection and Emergency Response Services Assessment District and continuation of assessments under California Government Code sections 50078 et seq. (the "Code") and Article XIID of the California Constitution (the "Article");

WHEREAS, the undersigned Engineer of Work has prepared and filed a report presenting an estimate of costs, a diagram for the Assessment District and an assessment of the estimated costs of the Services upon all assessable parcels within the Assessment District;

NOW, THEREFORE, the undersigned, by virtue of the power vested in me under said Code and Article and the order of the Board of said District, hereby make the following assessment to cover the portion of the estimated cost of said Services, and the costs and expenses incidental thereto to be paid by the Assessment District.

The amount to be paid for said Services and the expense incidental thereto, to be paid by the Assessment District for the fiscal year 2020-21 is generally as follows:

TABLE 5 – SUMMARY COST ESTIMATE

	FY 2020-21 Budget
Services Costs	\$1,010,258
Administrative Cost Allocation	\$106,492
Capital Expenses/Outlay	\$311,680
Incidental Expenses	\$9,657
TOTAL BUDGET	\$1,438,087
Less: District Contribution	(\$827,765)
Transfer To/(From) Reserve	(\$271,938)
NET AMOUNT TO ASSESSMENTS	\$338,383

An Assessment Diagram is hereto attached and made a part hereof showing the exterior boundaries of the Assessment District. The distinctive number of each parcel or lot of land in the Assessment District is its Assessor Parcel Number appearing on the Assessment Roll.

I do hereby assess and apportion the net amount of the cost and expenses of the Services, including the costs and expenses incident thereto, upon the parcels and lots of land within said Assessment District, in accordance with the special benefits to be received by each parcel or lot, from the Services, and more particularly set forth in the Cost Estimate and Method of Assessment hereto attached and by reference made a part hereof.

The assessment is subject to an annual adjustment tied to the Consumer Price Index-U for the San Francisco Bay Area as of December of each succeeding year (the "CPI"), with a maximum annual adjustment not to exceed 4%. Any change in the CPI in excess of 4% shall be cumulatively reserved as the "Unused CPI" and shall be used to increase the maximum authorized assessment rate in years in which the CPI is less than 4%. The maximum authorized assessment rate is equal to the maximum assessment rate in the first fiscal year the assessment was levied adjusted annually by the minimum of 1) 4% or 2) the change in the CPI plus any Unused CPI as described above.

The change in the CPI from December 2018 to December 2019 was 2.45% and the Unused CPI carried forward from the previous fiscal year is 0.49%. Therefore, the maximum authorized assessment rate for fiscal year 2020-21 is increased by 2.94% which equates to \$195.62 per single family equivalent benefit unit. The estimate of cost and budget in this Engineer's Report proposes assessments for fiscal year 2020-21 at the rate of \$195.62, which is equal to the maximum authorized assessment rate.

Since property owners in the Assessment District, in an assessment ballot proceeding, approved the initial fiscal year benefit assessment for special benefits to their property including the CPI adjustment schedule, the assessment may be continued annually and may be adjusted by up to the maximum annual CPI adjustment without any additional assessment ballot proceeding. In the event that in future years the assessments are assessed at a rate less than the maximum authorized assessment rate, the assessment rate in a subsequent year may be increased up to the maximum authorized assessment rate without any additional assessment ballot proceeding.

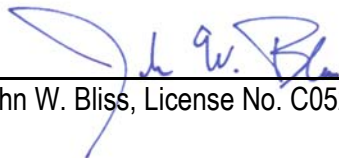
Each parcel or lot of land is described in the Assessment Roll by reference to its parcel number as shown on the Assessor's Maps of the County of Tuolumne for the fiscal year 2020-21. For a more particular description of said property, reference is hereby made to the deeds and maps on file and of record in the office of the County Recorder of Tuolumne County.

I hereby place opposite the Assessor Parcel Number for each parcel or lot within the Assessment Roll, the amount of the assessment for the fiscal year 2020-21 for each parcel or lot of land within the said Assessment District.

Dated: April 30, 2020

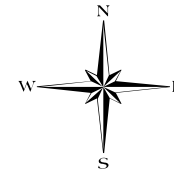
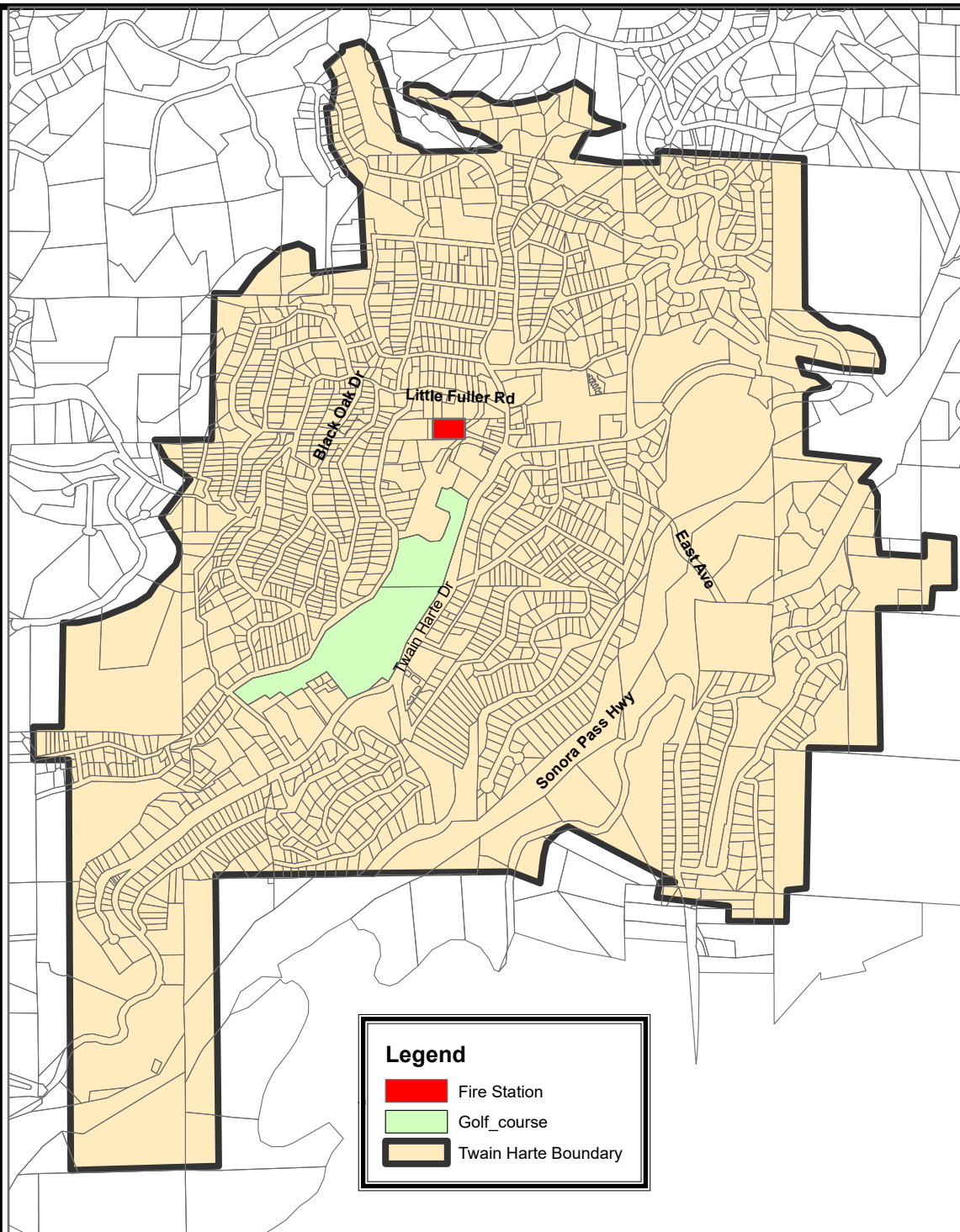
Engineer of Work



By  _____
John W. Bliss, License No. C052091

ASSESSMENT DIAGRAM

The Assessment District includes all properties within the boundaries of the Fire Protection and Emergency Response Services District. The boundaries of the Assessment District are displayed on the following Assessment Diagram. The lines and dimensions of each lot or parcel within the Assessment District are those lines and dimensions as shown on the maps of the Assessor of Tuolumne County, and are incorporated herein by reference, and made a part of this Diagram and this Report.



FILED IN THE OFFICE OF THE SECRETARY OF THE BOARD
OF THE TWAIN HARTE COMMUNITY SERVICES DISTRICT,
COUNTY OF TUOLUMNE, CALIFORNIA, THIS _____ DAY
OF _____, 2020.

SECRETARY OF THE BOARD

RECORDED IN THE OFFICE OF THE SECRETARY OF THE
BOARD OF THE TWAIN HARTE COMMUNITY SERVICES
DISTRICT, COUNTY OF TUOLUMNE, CALIFORNIA, THIS
_____ DAY OF _____, 2020.

SECRETARY OF THE BOARD

AN ASSESSMENT WAS CONFIRMED AND LEVIED BY THE
BOARD OF THE TWAIN HARTE COMMUNITY SERVICES
DISTRICT ON THE LOTS, PIECES AND PARCELS OF LAND ON
THIS ASSESSMENT DIAGRAM ON THE _____ DAY OF
_____, 2020 FOR THE FISCAL YEAR 2020-21
AND SAID ASSESSMENT DIAGRAM AND THE ASSESSMENT
ROLL FOR SAID FISCAL YEAR WERE FILED IN THE OFFICE OF
THE COUNTY AUDITOR OF THE COUNTY OF TUOLUMNE ON
THE _____ DAY OF _____, 2020
REFERENCE IS HEREBY MADE TO SAID RECORDED
ASSESSMENT ROLL FOR THE EXACT AMOUNT OF EACH
ASSESSMENT LEVIED AGAINST EACH PARCEL OF LAND.

SECRETARY OF THE BOARD

FILED THIS _____ DAY OF _____,
2020 AT THE HOUR OF _____ O'CLOCK _____ M. IN
THE COUNTY AUDITOR OF THE COUNTY OF TUOLUMNE,
STATE OF CALIFORNIA, AT THE REQUEST OF THE BOARD
OF DIRECTORS OF THE TWAIN HARTE COMMUNITY
SERVICES DISTRICT.

COUNTY AUDITOR, COUNTY OF TUOLUMNE

Note:
REFERENCE IS HEREBY MADE TO THE MAPS AND DEEDS OF
RECORD IN THE OFFICE OF THE ASSESSOR OF THE COUNTY
OF TUOLUMNE FOR A DETAILED DESCRIPTION OF THE
LINES AND DIMENSIONS OF ANY PARCEL SHOWN HEREIN.
THOSE MAPS SHALL GOVERN FOR ALL DETAILS
CONCERNING THE LINES AND DIMENSIONS OF SUCH
PARCELS. EACH PARCEL IS IDENTIFIED IN SAID MAPS BY
ITS DISTINCTIVE ASSESSOR'S PARCEL NUMBER.

APPENDICES

APPENDIX A – ASSESSMENT ROLL, FISCAL YEAR 2020-21

The Assessment Roll is made part of this report and is available for public inspection during normal office hours. Each lot or parcel listed on the Assessment Roll is shown and illustrated on the latest County Assessor records and these records are, by reference, made part of this report. These records shall govern for all details concerning the description of the lots of parcels.

End Notes

[i] Institute for Business & Home Safety, "Protect Your Home Against Wildfire Damage," <http://www.ibhs.org/publications/view.asp?id=125>

[ii] Insurance Services Offices Inc.
<http://www.rockwall.com/FireDepartment/Insurance%20Services%20Office%20Rating%20Information.pdf>

[iii] U.S. Fire Administration, Department of Homeland Security, "America Burning, Recommissioned: Principal Findings and Recommendations," p.2,
<http://www.usfa.fema.gov/downloads/pdf/abr-rep.PDF>

[iv] Insurance Services Offices Inc., p. 1,
<http://www.rockwall.com/FireDepartment/Insurance%20Services%20Office%20Rating%20Information.pdf>

[v] U.S. Fire Administration, Department of Homeland Security, "America Burning, Recommissioned: Principal Findings and Recommendations," p.1,
<http://www.usfa.fema.gov/downloads/pdf/abr-rep.PDF>

TWAIN HARTE COMMUNITY SERVICES DISTRICT
Policy and Procedure Manual

POLICY TITLE: Claims Policy
POLICY NUMBER: 1040
ADOPTED: November 15, 2005
AMENDED: May 09, 2013
AMENDED: August 14, 2014

1040.10 PURPOSE

The purpose of this policy is to provide the public, District staff and Board of Directors guidelines on how property damage, personal injury and leak claims are to be handled.

1040.20 PROPERTY DAMAGE/PERSONAL INJURY CLAIMS

1040.21 Receipt of Claim

When District staff is first notified of property damage or personal injury and describes a set of circumstances or facts as to how the District is responsible, staff receiving the information will do the following:

1. Record the time and date and document the information provided by the claimant.
2. Respond to questions in a cordial manner, but refrain from commenting on liability questions, including discussing who is at fault or making any other comments that may mistakenly implicate the District.
3. Ask the claimant to fill out a District Claim Form (Appendix A), which will always be available on request. Staff should not assist in filling out the claim form (indicated in a note on Appendix A). When completed and filed with the District, the claim form must be date stamped.
4. If District staff receives a letter or written request that appears to be a claim, a letter in response should be sent that asks for clarification and includes a Claim Form, with a request that it be filled out if the individual wishes to file a claim.
5. Submit all claim information to the General Manager, who will determine the proper person to investigate the claim.

1040.22 Timely Submittal

Claims must be presented in a timely manner, as specified in Government Code Section 911.2, in order to be considered. Claimants may appeal to the Board for permission to submit a late claim. Decisions to permit submittal of a late claim will be at the discretion of the District Board. The Board will grant late submittal of a claim if any of the reasons listed in Government Code Section 911.6 apply.

1040.23 Investigation

Investigation of the claim should be done as soon as possible after it is filed, according to the following:

1. Claims for personal injury/wrongful death should not be investigated by District staff but, instead, must be immediately forwarded to the District's insurance company.
2. Claims in excess of \$5,000 or the District's insurance deductible, whichever is higher, must ~~also~~ be submitted to the insurance company for investigation and final determination of fault.
3. Investigations should include photos, interviews, use of outside experts if appropriate, etc.
4. Board members may go with staff to observe the status of the claim and the investigation thereof; however, board members will not perform independent investigation of claims.

1040.24 Small Claims with Clear Fault

1. The General Manager is authorized to resolve claims when:

- a. Claims investigations ~~producing—produce~~ evidence that clearly indicates, in the opinion of the General Manager, whether or not the District is at fault, ~~shall be resolved by the General Manager in the most direct and efficient manner possible.~~

AND

- b. The amount of the claim is \$5,000 or less.

- ~~1.2.~~ The General Manager ~~is only authorized to~~ shall resolve claims in the most direct and efficient manner possible. ~~that are not in excess of the District's insurance deductible.~~

- ~~2.3.~~ If the claim is justified and the repair work is minor, a work order will be prepared and the work performed as soon as possible.

- a. Photos of the repair work should be taken when completed; "before"

and "after" pictures should be placed in the claim file.

- b. A signed release form (Appendix B) should be obtained from the property owner when the work is completed.

~~3.4.~~ If the claim is justified and the claimant, due to an immediate need to address damage, made payment to another party for repair, the District will reimburse the claimant for the portion of such payment that is directly attributable to damage which is determined to be the fault of the District.

- c. Prior to payment of the claim, the claimant must provide satisfactory documentation, which clearly describes the work performed, the cost to perform work and proof of payment for the work.
- d. The District will inspect all repair work performed by other parties. District approval is required prior to payment of the claim. District will not pay for work that it determines to be unacceptable.
- e. A signed release form (Appendix B) must be obtained from the property owner prior to payment of the claim.

~~4.5.~~ If the claim is determined to be unjustified, the District will provide written notification to the claimant, documenting its reason for denying the claim.

1040.25 Large Claims or Claims with Unclear Fault

1. The Board of Directors shall resolve claims when:

~~a. Claims where~~ The District's responsibility is questionable, in the opinion of the General Manager.

AND/OR

b. The amount of the claim is greater than \$5,000 and less than the District's insurance deductible.

~~4.2.~~ These claims will be referred to the appropriate Board Committee and the Board of Directors for a final decision as follows:-

~~2.a.~~ The Committee, in closed session, will review the information from the investigation and can make requests for additional information in order to make a recommendation to the full Board.

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~~3.b.~~ The Board will consider the claim in closed session and will vote to accept or reject the claim. The Board will not accept a claim in an amount in excess of the District's insurance deductible, without prior written approval of the District's insurance company.

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1040.26 Notification of Final Decision

1. The District will provide written notification of its decision to the claimant as soon as is practicable.
2. Written notification of denial of a claim shall include the following language:

“Subject to certain exceptions, you have only six months from the date this notice was personally delivered or deposited in the mail to file a court action on this claim (see Government Code Section 945.6). If you desire to do so, you may seek the advice of an attorney of your choice.”

1040.30 LEAK CLAIMS

1. When District staff is first notified of excessive water usage due to a leak, staff receiving the information will do the following:
 - a. Record the time and date and document the information provided by the property owner.
 - b. Ask the property owner to fill out a Leak Claim Form (Appendix C), which will always be available upon request. When completed and filed with the District, the claim form should be date stamped.
 - c. If an individual sends a letter or written request that appears to be a claim, the District will respond in writing, requesting clarification and providing a Leak Claim Form, with a request that it be filled out if the individual wishes to file a claim.
2. When the completed Leak Claim Form is received by the District, staff may credit up to 50% of the usage amount to the customer's water account, if the account has been kept current for not less than one year from the date of the claim.
3. Staff will inform the customer that this is a one-time adjustment; any future requests will be at the discretion of the General Manager. Staff will note this adjustment in the customer's account, indicating that it was communicated as a one-time adjustment.
4. If the customer is not in agreement or there are special circumstances, the determination will be made at the discretion of the General Manager as to the amount of the adjustment for excessive water usage.

APPENDIX A

CLAIM FORM

Claim Against Twain Hart Community Services District

IN THE MATTER OF THE CLAIM OF

_____, Claimant, this matter is hereby presented by Claimant to Twain Hart Community Services District, pursuant to Section 910 of the California Government Code.

1. The name and mailing address of Claimant is as follows:

2. The mailing address (if different than above) where Claimant desires notice of this claim be sent:

3. On _____, at _____,
(date) (location where injury or damage occurred)

Claimant received **personal injuries** under the following circumstances:

OR

Claimant's **personal/real property** was damaged by District under the following circumstances (attach receipts):

4. So far as it is known to Claimant at the date of filing this claim, Claimant has incurred damages in the amount of \$_____ due to personal injury or damage to personal or real property.

5. The name(s) of the District employee(s) who caused said damages to Claimant is (are) as follows (if you do not know their names, write "UNKNOWN"):

Date signed: _____
(Print or type name of Claimant)

(Signature of Claimant)

This form shall be completed by the claimant.

APPENDIX B
RELEASE OF ALL CLAIMS
(CALIFORNIA FORM)

KNOW ALL MEN BY THESE PRESENTS:

That the Undersigned, being of lawful age, for sole consideration of (\$ _____) to be paid to _____, do/does hereby and for my/our/its heirs, executors, administrators, successors and assigns release, acquit and forever discharge Twain Harte Community Services District and its agents, servants, successors, heirs, executors, administrators and all other persons, firms, corporations, associations or partnerships of any from any and all claims, actions, causes of action, demands, rights, damages, costs, loss of service, expenses and compensation whatsoever, which the undersigned now has/have or which may hereafter accrue on account of or in any way growing out of any and all known and unknown, foreseen and unforeseen bodily and personal injuries and property damage and the consequences thereof resulting or to result from the accident, casualty or event which occurred on or about the day of

_____, 20____, at or near _____, CA,

as described as _____.

It is understood and agreed that this settlement is the compromise of a doubtful and disputed claim, and that the payment made is not to be construed as an admission of liability on the part of the party or parties hereby released, and that said releases deny liability therefore and intend merely to avoid litigation and buy their peace.

Any and all claims against parties not specifically released herein, if any, are hereby assigned in full to the parties hereby released. The releases expressly reserve any and all claims they may have against the undersigned, or any others.

It is further understood and agreed that all rights under Section 1542 of the Civil Code of California and any similar law of any state or territory of the United States are hereby expressly waived. Said section reads as follows:

"1542. Certain claims not affected by general release. A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

The undersigned hereby declare(s) and represent(s) that the injuries sustained are or may be permanent and progressive and that recovery therefrom is uncertain and indefinite and in making this Release it is understood and agreed, that the undersigned rely(ies) wholly upon the undersigned's judgment, belief and knowledge of the nature, extent, effect and duration of said injuries and liability therefore and is made without reliance upon any statement or representation of the party or parties hereby released or their representatives or by any physician or surgeon by them employed.

The undersigned further declare(s) and represent(s) that no promise, inducement or agreement not herein expressed has been made to the undersigned, and this Release contains the entire agreement between the parties hereto and that the terms of this Release are contractual and not a mere recital.

THE UNDERSIGNED HAS READ THE FOREGOING RELEASE AND FULLY UNDERSTANDS IT.

Signed, sealed and delivered this day of _____, 20_____.

Claimant

WITNESS my hand and official seal.

**APPENDIX C
LEAK CLAIM FORM**

I, _____ hereby request relief of up to 50% of the water consumption charges on my water bill that I received from Twain Harte Community Services District for the period of: _____.

The service address where the water consumption charges were incurred is:

Contact phone number (to notify you of the decision): _____

OR

Mailing address (if different than above) where you would like the decision to be sent:

1. **Explanation for request** (when, how and where leak occurred):

2. **The following action(s) was taken to stop the leak:**

I understand that this request must be received within 30 days of receipt of billing. I also understand that the decision to grant relief of up to 50% of the water consumption charges (due to a leak) on my bill may be granted only if my account has been kept current for not less than one year from the date of this claim, and that the decision to grant or deny this request is solely at the discretion of the General Manager. In addition, I understand that relief from a similar leak in the future will be at the discretion of the General Manager.

Date signed: _____

(Print or type name of Claimant)

(Signature of Claimant)

TWAIN HARTE COMMUNITY SERVICES DISTRICT

Policy and Procedure Manual

POLICY TITLE: Catastrophic Leave Program
POLICY NUMBER: 2042
ADOPTED:
REVISIONS:

2042.10 PURPOSE

The Catastrophic Leave Program is to help employees who have exhausted their accrued leave balances due to a serious prolonged illness or injury (including that of an eligible family member). The Catastrophic Leave Program allows employees to donate time to any eligible District employee, so that he/she can remain in a paid status for a longer period of time, thus reducing the financial impact of the illness, injury, or condition.

2042.20 ELIGIBILITY CRITERIA

Participation in the Catastrophic Leave Program is subject to the approval of the General Manager. The following criteria, which is not all inclusive, may be used to determine if employees are eligible to receive sick leave through the Catastrophic Leave Program.

The receiving employee must:

1. Be a Regular Full-Time or Benefited Part-Time employee that has successfully completed the New Employee Introductory Period.
2. Have personally sustained, or have an immediate family member who has sustained a life threatening or debilitating illness, injury, or condition certified by a physician. An illness, injury or condition sustained by a family member must require the provision of significant personal care by the employee.

For the purposes of this Section, "immediate family member" is defined as:

- Spouse or Registered Domestic Partner
 - Child (including a biological, adopted, or foster child, stepchild, legal ward or a child to whom the employee has accepted the duties and responsibilities of raising.)
3. Have exhausted all accumulated paid leave (vacation, sick, comp time and any other paid leave provided by the District).

4. Be unable to work his/her normal work schedule, including telecommuting (if approved), as a result of the life threatening or debilitating condition sustained by the employee or employee's family member.
5. Have received approval to be on Medical Leave for a specific period of time.
6. Not be receiving workers' compensation payments.

2042.30 REQUESTING CATASTROPHIC LEAVE

The prospective recipient must submit a request to the General Manager (or designee), along with appropriate verification of the injury or illness for the requested leave. In cases where the potential recipient is unable to initiate the process, a family member or any District employee may act on the employee's behalf. If the request for Catastrophic Leave is approved by the General Manager (or designee), all District employees will be notified of the request and given the opportunity to voluntarily donate leave. The name of the employee making the request and the details of their catastrophic situation will not be disclosed in the notification.

If a request for Medical Leave has not already been submitted by the employee and approved by the General Manager (or designee), the employee shall submit such request prior to consideration of participation in the Catastrophic Leave Program.

2042.40 GUIDELINES FOR DONATING LEAVE

Any employee who accrues vacation, sick time or compensatory time off may donate portions of their accrued leave balances to an employee who is eligible for the Catastrophic Leave Program. Donation of accrued leave must comply with the following guidelines:

1. Donation of leave through the Catastrophic Leave Program is strictly voluntary and donor anonymity will be protected.
2. Leave donations can only be made in response to a notification requesting catastrophic leave.
3. Only the following accrued leave may be donated: vacation, sick, and compensatory time off.
4. Only employees who have successfully completed the New Employee Introductory Period are eligible to donate leave.
5. Leave donations must be in minimum increments of one hour.
6. An employee donating leave hours must maintain a minimum combined vacation and sick leave balance of three weeks, based on that employee's

normal work schedule.

7. Leave donations are irrevocable by the donor.

2042.50 GUIDELINES FOR USING DONATED LEAVE

Employees approved to participate in the Catastrophic Leave Program may receive and use donated leave according to the following guidelines:

1. Total donated leave received and used by the employee shall not exceed the amount of projected unpaid time needed to complete the employee's approved Medical Leave.
2. Donated leave may be used to supplement state disability pay or state family leave pay in order to make the employee's wages whole.
3. For as long as the receiving employee remains in a paid status, seniority, and all other benefits will continue.
4. Donated leave will be made available on an as-needed basis and not in a lump sum. All other forms of paid leave accrued while participating in the Catastrophic Leave Program shall be exhausted before donated leave is applied.
5. If an employee chooses to retire or sever employment while participating in the Catastrophic Leave Program, donated leave is not eligible to be cashed out or used toward retirement.
6. Donated leave cannot be cashed out under any incentive or other program offered by the District.

2042.60 ADDITIONAL GUIDELINES

1. Taxability of leave donated or received under this program is governed by Internal Revenue Service guidelines.
2. The General Manager may grant exceptions to the guidelines in this policy on a case-by-case basis, if the General Manager deems appropriate due to extenuating and extraordinary circumstances. Such exceptions shall be made at the sole discretion of the General Manager and shall not establish practice nor precedence.

2042.70 GENERAL PROGRAM OPERATION

Leave donations will be on a dollar-for-dollar basis, based on employee wages at the time

of donation and use. For example, if an employee with a wage of \$100/hour donates 2 hours of leave, it has a dollar value of \$200 worth of leave. If the employee participating in the Catastrophic Leave program has a wage of \$50/hour, the employee will have 4 hours of paid catastrophic sick leave available to use.

When an employee donates paid leave time under the Catastrophic Leave Program, the donated time is converted to its dollar value and deposited into the District's Catastrophic Leave Program account. The dollar value in the catastrophic leave account is then converted to catastrophic sick leave time (in hours), based on the receiving employee's current wages. Said catastrophic sick leave time will be made available for use by the receiving employee on an as-needed basis, up to the maximum approved amounts specified herein. Any unused catastrophic sick leave will be converted back into its dollar value and remain in the District's Catastrophic Leave account for future Catastrophic Leave Program use.



TWAIN HARTE COMMUNITY SERVICES DISTRICT
20-YR VEHICLE/EQUIPMENT REPLACEMENT PLAN

Adopted:

	Life Left	Life New	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 30-31	FY 31-32	FY 32-33	FY 33-34	FY 34-35	FY 35-36	FY 36-37	FY 37-38	FY 38-39	FY 39-40	FY 40-41
Water/Sewer (65%/35%)																							
Truck #1 (Ops Mgr) - 2008 Chevy C15	3	15				39,000															60,800		
Truck #2 (Utility/Goose/Plow) - 2015 Ford F350	10	15											78,200										
Truck #3 (Utility) - 2006 GMC 2500	1	15		60,000															93,400				
Truck #5 (Utility) - 2019 Ford F350	15	15															88,000						
Truck #6 (Utility/Goose/Plow) - 2018 Chevy 3500	13	15													89,000								
Mini-Excavator - 2016	22	25																					
Backhoe - 2005	15	30																135,000					
Water/Sewer (50%/50%)																							
Mobile Generator*	2	25			31,000																		
Forklift*	17	25																		43,000			
Sewer (100%)																							
Flush Trailer (Trixie) - 1998 Shamrock	5	25						92,000															
Vacuum Trailer - 2015 Pipe Hunter	20	25																					
Fire (100%)																							
C720 (Chief) - 2016 Ford Explorer	11	15												64,500									
U721 (Utility) - 2006 GMC Sierra 2500 Diesel	7	15								79,000													
E721 (Primary Engine) - 2005 HME SEO 1871	10	25											740,000										
E722 (Reserve Engine) - 1986 Sparton Pumper	5	30					100,000																
E723 (Primary Engine) - 2014 International	15	20																904,400					
WT721 (Tactical Tender) - 2016 Pierce Intl.	22	25																					
CERT FF Rehab - 2007 Intl. 4300 Ambulance*	9	20										18,300											
Administration (W 47%/S 25%/ F 18%/ P 10%)																							
GM Vehicle - 2002 Ford Expedition	0	15	36,000															56,000					
Vehicles not to be Replaced																							
Old Water/Sewer Utility - 2006 Chevy 2500	1	15																					
C720A (Chief Coverage) - 2004 Chevy Blazer	1	15																					
C720B (CERT) - 2001 Ford Expedition	1	15																					
TOTAL Water			\$ 16,920	\$ 39,000	\$ 15,500	\$ 25,350	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,830	\$ -	\$ 57,850	\$ -	\$ 57,200	\$ 114,070	\$ 60,710	\$ 21,500	\$ 39,520	\$ -	\$ -
TOTAL Sewer			\$ 9,000	\$ 21,000	\$ 15,500	\$ 13,650	\$ -	\$ 92,000	\$ -	\$ -	\$ -	\$ -	\$ 27,370	\$ -	\$ 31,150	\$ -	\$ 30,800	\$ 61,250	\$ 32,690	\$ 21,500	\$ 21,280	\$ -	\$ -
TOTAL Fire			\$ 6,480	\$ -	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ 79,000	\$ -	\$ -	\$ 740,000	\$ 64,500	\$ -	\$ -	\$ -	\$ 914,480	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL Park			\$ 3,600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,600	\$ -	\$ -	\$ -	\$ -	\$ -
DISTRICT GRAND TOTAL			\$ 36,000	\$ 60,000	\$ 31,000	\$ 39,000	\$ 100,000	\$ 92,000	\$ -	\$ 79,000	\$ -	\$ -	\$ 818,200	\$ 64,500	\$ 89,000	\$ -	\$ 88,000	\$ 1,095,400	\$ 93,400	\$ 43,000	\$ 60,800	\$ -	\$ -

NOTES:

- 1 All future vehicle purchases are assumed to be new vehicles, unless noted otherwise.
- 2 Vehicle values are based on current year values with an added inflation factor of 3% per year.
- 3 All new vehicles (excluding fire engines) are planned to be replaced every 15 years and/or 100,000 miles.
- 4 Remaining life of existing vehicles/equipment is based on staff evaluation and will be re-evaluated each year.
- 5 Vehicles needing consecutive years of excessive repair work may need to be replaced earlier than planned.
- 6 Vehicles that reach their estimated useful life will be evaluated by staff to determine whether they need replacement prior to purchase of a new vehicle.

* Vehicle/equipment anticipated to be replaced with a used vehicle.

**TWAIN HARTE COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 20-14**

**APPROVAL OF FISCAL YEAR 2019-20 WATER FUND BUDGET ADJUSTMENT IN
THE AMOUNT OF \$18,000 FOR THE WATER SUPPLY RELIABILITY WELL #3
PROJECT**

WHEREAS, the Twain Harte Community Services District's (District) received a Proposition 1 grant from the Department of Water Resources in 2015 for the Water Supply Reliability Wells Project (Project), which consists of the construction of two groundwater wells (Well #2 and Well #3); and

WHEREAS, the purpose of the Project is to improve the District's water supply reliability during water shortages by adding to and diversifying the sources of water supply available to the District; and

WHEREAS, during construction of the Project, Pacific Gas & Electric began implementing Public Safety Power Shutoffs (PSPS) to help minimize risk of wildfire during periods of high fire danger; and

WHEREAS, unless the District's groundwater wells are equipped with generators, they cannot serve their purpose of providing reliable water supply during prolonged power outages resulting from PSPS and other emergency events; and

WHEREAS, Well #2 is connected into an existing generator, but Well #3 does not have a generator to provide backup power; and

WHEREAS, Tuolumne County recently allotted \$18,000 of State funding to the District to help prepare critical facilities for PSPS events; and

WHEREAS, the District would like to use said funding to add a generator to the Well #3 facility, enabling it to provide a reliable source of water during prolonged power outages; and

WHEREAS, to add installation of a generator to the scope of the Well #3 Project construction requires a revenue and expense adjustment to the Fiscal Year 2019-20 Water Fund Budget.

NOW, THEREFORE, BE IT RESOLVED, by the District Board of Directors that the Fiscal Year 2019-20 Water Fund Budget be adjusted as follows:

1. Increase the "Grant Revenue – Misc." revenue line item by \$18,000, bringing the total of "Grants & Donations" budget revenue to \$75,705; and
2. Increase the "Well 3 – Sherwood Forest" expense line item in the Capital Outlay budget by \$18,000, from \$80,000 to \$98,000.

PASSED AND ADOPTED, by the Board of Directors of Twain Harte Community Services District on May 13, 2020, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

ATTEST:

Eileen Mannix, Board President

Carolyn Higgins, Board Secretary

**TWAIN HARTE COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 20-15**

**APPROVAL OF FISCAL YEAR 2019-20 PARK FUND BUDGET ADJUSTMENT IN
THE AMOUNT OF \$56,000 FOR THE BOCCE COURT IMPROVEMENT PROJECT**

WHEREAS, the Twain Harte Community Services District's (District) recently received \$56,000 in grant funds from the Sonora Area Foundation (SAF) to honor the life of past board member Jim Johnson; and

WHEREAS, the \$56,000 grant consists of \$28,000 of community donations and \$28,000 of SAF matching grant; and

WHEREAS, the purpose of the grant is to construct improvements to the District's bocce courts (Bocce Court Improvement Project), which generally include construction of two shade structures, a pavilion, patio picnic area, landscaping and drainage improvements; and

WHEREAS, the District originally combined the Bocce Court Improvement Project with the Twain Harte Meadows Park Project to improve the District's chances of obtaining additional grant funding; and

WHEREAS, an initial application to secure grant funding for the combined project was unsuccessful; and

WHEREAS, new grant opportunities for the combined project have been delayed due to the COVID-19 pandemic, which also delays development of Twain Harte Meadows Park; and

WHEREAS, the District would now like to separate the Bocce Court Improvement Project from the Twain Harte Meadows Park project so that the SAF grant can be used to complete bocce improvements this summer; and

WHEREAS, proceeding with the Bocce Court Improvement Project requires an adjustment to the Fiscal Year 2019-20 Park Fund Budget.

NOW, THEREFORE, BE IT RESOLVED, by the District Board of Directors that the Fiscal Year 2019-20 Park Fund Budget be adjusted as follows:

1. Decrease the existing "New Park Development" Capital Outlay expense line item by \$50,000, from \$50,000 to \$0; and
2. Add a "Bocce Court Improvements" Capital Outlay expense line item in the amount of \$56,000; and
3. Decrease the transfer to Reserves by \$6,000, from \$28,807 to \$22,807.

PASSED AND ADOPTED, by the Board of Directors of Twain Harte Community Services District on May 13, 2020, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

ATTEST:

Eileen Mannix, Board President

Carolyn Higgins, Board Secretary

Twain Harte Community Services District Field operations report April 2020

Water

Service Orders: 3 consisting of leak checks.

Projects/ Field Operations Update: None.

Sewer

	<i>Previous month</i>	<i>Year to Date Calendar</i>
<i>Lines Cleaned:</i>	<i>1,000 Ft</i>	<i>9,000 Ft</i>
<i>Lines Videoed:</i>	<i>0 FT</i>	<i>50 FT</i>

Service Orders: 3 consisting of 3 customer Lateral backups.

Projects/ Field Operations: the sewer system camera inspection is ongoing.

Park and Recreation

Major Projects/ Field Operations Update: spring cleanup is in progress; grass seed has been planted and is sprouting. Watering systems are on and working well. Replacement trees will be planted in May.

THCSD Operations Manager Monthly Report

Year: 2020

Month	*Treatment Plant (Gal)	Well #1 (Gal)	Well #2 (Gal)	**Total Recycled (Gal)	***Total Production (Gal)	2013 Total Production (Gal)	Percentage Conserved (%)	Rain (inches)	Snow (inches)
Jan	1,663,959	1,156,516	2,010,038	261,063	4,830,513	8,304,262	41.83%	0.72	7
Feb	1,506,960	1,129,663	2,019,731	177,163	4,656,354	5,836,362	20.22%	0.08	Trace
Mar	1,019,292	1,188,431	2,177,329	172,090	4,385,052	5,776,198	24.08%	7.32	8.4
Apr	2,487,376	1,198,525	1,359,793	256,516	5,045,694	6,737,931	25.12%	5.23	7
May					0	9,624,851	100.00%		
Jun					0	11,912,958	100.00%		
Jul					0	14,740,484	100.00%		
Aug					0	14,605,710	100.00%		
Sep					0	10,891,827	100.00%		
Oct					0	9,867,000	100.00%		
Nov					0	6,638,895	100.00%		
Dec					0	7,410,084	100.00%		
Total	6,677,587	4,673,135	7,566,891	866,832	18,917,613	112,346,562	83.16%	13.35	22.4



Twain Harte Community Services District

Fire Division



Monthly Operations Report

For April, 2020

INCIDENTS

- Monthly emergency call total: **24**
 - Public Contacts/Non Fire Agency Assists total: **2**
 - Please see attached statistics for incident response information
-

PERSONNEL

- **19** total on personnel roster
 - One new Intern assigned to C shift
-

EQUIPMENT AND APPARATUS

- All THFD fleet in service
 - Rapid fill adapter for WT 721 allows for quick fill and hydrant flow testing with no wasted water
 - CERT Firefighter Rehab vehicle en route from FL
 - CERT trailer tow vehicle in service
-

FACILITIES

- Bravo side of Firehouse to be painted
 - Additional station decontamination protocols and products implemented
-

TRAINING PROGRAM: Staff completed over **120** hours of combined training during the month

- All members trained on new response protocols and PPE procedures to decrease possible exposure
 - Future trainings all suspended or cancelled due to Covid-19
-

FINANCIAL

- Wildland PPE grant awarded for \$5000 from the Jenny's Heroes Grant program
 - Assistance to Firefighter's Grant (AFG) application for additional medical PPE for local cache to be submitted
-

TUOLUMNE COUNTY CHIEF OFFICER'S ASSOCIATION

- New screening protocols implemented at 911 PSAP to better provide information to first responders and reduce unnecessary exposure to personnel
 - Centralized PPE ordering system meeting demand
-

FIRE PREVENTION PROGRAM/PUBLIC EDUCATION

- Successful quarterly testing of Emergency Alert Horn was conducted on 4/18
- Green Waste Vouchers available by email
- Another vacant lot on Ridge Rd completely cleared

Twain Harte Fire

Incident Type Report (Summary)

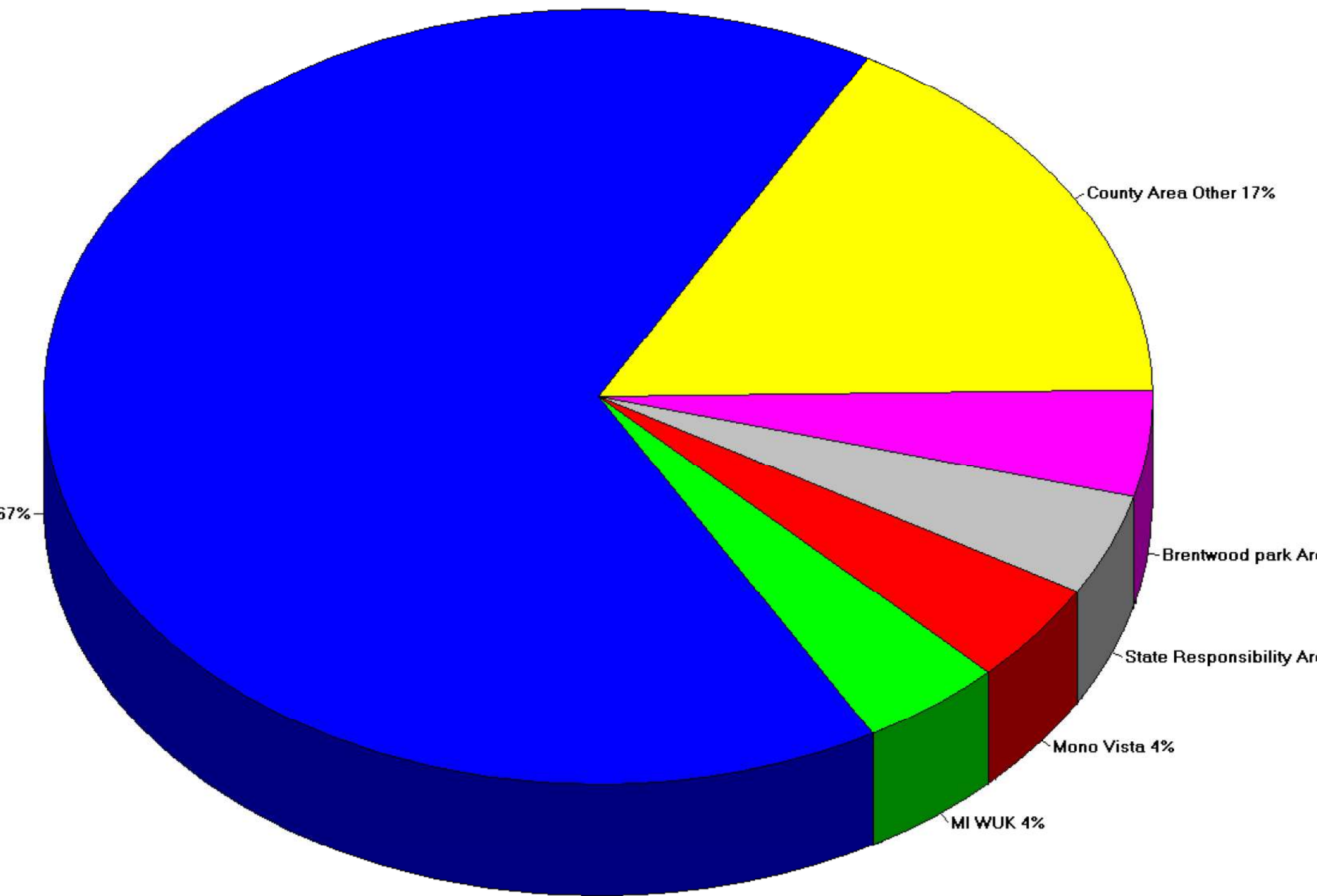
Alarm Date Between {04/01/2020} And
{04/30/2020}

Incident Type	Count	Pct of Incidents	Total Est Loss	Pct of Losses
1 Fire				
141 Forest, woods or wildland fire	1	4.17%	\$0	0.00%
	<u>1</u>	<u>4.17%</u>	<u>\$0</u>	<u>0.00%</u>
3 Rescue & Emergency Medical Service Incident				
321 EMS call, excluding vehicle accident with injury	12	50.00%	\$0	0.00%
	<u>12</u>	<u>50.00%</u>	<u>\$0</u>	<u>0.00%</u>
4 Hazardous Condition (No Fire)				
441 Heat from short circuit (wiring), defective/worn	1	4.17%	\$0	0.00%
	<u>1</u>	<u>4.17%</u>	<u>\$0</u>	<u>0.00%</u>
5 Service Call				
500 Service Call, other	1	4.17%	\$0	0.00%
512 Ring or jewelry removal	1	4.17%	\$0	0.00%
550 Public service assistance, Other	2	8.33%	\$0	0.00%
554 Assist invalid	3	12.50%	\$0	0.00%
	<u>7</u>	<u>29.17%</u>	<u>\$0</u>	<u>0.00%</u>
6 Good Intent Call				
611 Dispatched & cancelled en route	3	12.50%	\$0	0.00%
	<u>3</u>	<u>12.50%</u>	<u>\$0</u>	<u>0.00%</u>

Total Incident Count: 24

Total Est Loss: \$0

Incidents by District
Alarm Date Between {04/01/2020} And {04/30/2020}





GENERAL MANAGER'S REPORT

May 13, 2020

Administration / Operations

- *Public Outreach Plan*
- *Filing System Structure*
- *Intranet Development*
- *Water Ordinance Update*
- *CEQA Guidelines*

Planning Projects

- *Sewer System Evaluation/Analysis* – CCTV in process, but delayed due to COVID-19.
- *Water System Hydraulic Model* – In process. Anticipated completion in July.

Capital Projects

- *Well #3 (Sherwood Forest)* – Working through complications of sand in well.
- *Dogwood Bench Sewer Line Replacement* – Received quotes. Need to revise easements.
- *Lift Station Back-up Generators* – Red Wing complete. Mark Twain in process.
- *Jim Johnson Bocce Improvements* – Design in process. Anticipate summer completion.
- *Water/Sewer Materials Bins* – Anticipated completion by end of June.

Funding Opportunities

- *Prop 68 Rural Recreation & Tourism Program* – Twain Harte Meadows Park (\$2,500,000)
 - *Applications due 2020 / \$23M available / \$3M max / No Match*
 - *Timing unknown due to COVID-19*
- *Prop 68 Per Capita Park Grant* – Park revenue enhancement (\$200,000)
 - *Timing unknown due to COVID-19*

Meetings of Interest

- *Tuolumne County LAFCO* – 5/11/20
- *Benefits of Headwater Seminar* – 4/30/20
- *Online Ethics Compliance Training* – Due May 31st