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INTEROFFICE MEMO

LAFCO  
San Bernardino County



DATE: March 3, 2011  
FROM: Jeff Rigney, Director  
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Executive Officer  
CC:

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**SUBJECT: Response to Mountain Region Road and Snow Removal Service Review Report**

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LAFCO RECOMMENDATION

Pursuant to your memo dated November 30, 2010, we have researched your recommendation for a one purpose road agency for the Mountain Region, more specifically to expand the CSA 68 Sphere of Influence to cover the Mountain Area from Crestline to Big Bear and maintain individual zones of CSA 68 for the existing mountain service areas and zones of CSA 70.

LAFCO indicated that they feel this would be beneficial for the following reasons:

- 1) A regional provider could provide for efficiencies, including a single audit report which would result in cost saving of \$13,000;
- 2) Standards of service to the Mountain region could be identified providing a better understanding of service needs for future development.

LAFCO opposes maintenance of the current structure because it feels it leads to inequitable administration payments to CSA 70 with larger agencies paying a larger percentage of administration costs as well as the potential for inequitable service and supply reimbursement to agencies that own the equipment.

SPECIAL DISTRICTS POSITION

A regional agency for roads will not provide for additional efficiencies and in fact will cause additional expense.

- 1) No Audit Savings. The Special Districts Department contacted Mary Barber at the Auditor's office for an estimate of the new Audit charge for the proposed reorganization. She indicated that since each Zone would have a separate budget we would not receive any savings on the Audit charges.
- 2) Significant LAFCO and State Board of Equalization fees for the reorganization. Sam Martinez provided Special Districts Department with a breakdown of the LAFCO and State Board of Equalization fees for the proposed reorganization. The minimum LAFCO fees would be \$27,750 and the maximum could be \$161,715. The State Board of Equalization

costs would be \$8,000. Therefore, the reorganization would cost at least \$35,750 (Please see attached Mountain Reorganization Cost Estimate provided by LAFCO).

- 3) Standards of service to the Mountain region could be identified through CSA 70 just as easily as CSA 68 needs for future development. Local and Advanced Planning sets the standards for road maintenance in the mountains. The current standard is that all tracts are required to improve the roads to the standards set by the County of San Bernardino and be added into the County Maintained system. Further each individual agency provides differing levels of road service contingent upon the service desired by the individual community and its ability to finance that service (See attached Mountain Area Road CSA and Zone list).
- 4) The Administrative charges will not change as a result of a reorganization of CSA 68. LAFCO states there is inequitable administration payments to CSA 70 with larger agencies paying a larger percentage of administration costs as well as the potential for inequitable service and supply reimbursement to agencies that own the equipment.

The Special Districts Department is supported by the agencies it administers through the administration charges. The administrative charges are apportioned to all agencies in SDD by a formula reviewed by the CEO's office and approved by the Board of Supervisors. Since the reorganization would include individual zones of CSA 68, the administrative charges would continue to be allocated at the same rate and under the same procedure as the other agencies in the Department.

Agencies that own equipment used by other agencies are reimbursed at an equipment hourly rate for the actual time they are used by the other agency. In order to ensure appropriate reimbursement to the agency owning the equipment, this practice would continue as well.

In conclusion, it is the position of Special Districts Department that the expense of the proposed reorganization is too cost prohibitive and does not offer the agencies any discernable benefit.

## Mountain Road Reorganization

Fees	Actual	Reasonable Request for Reduction	Comments
<b>LAFCO Fees</b>			
Application Fees			
LAFCO Filing Fee (Reorganization)	\$ 7,500.00	\$ 7,500.00	Flat fee + any additional cost
Annexation to CSA 68 (123,150 acres)	\$ 122,875.00		
Additional Fee (\$1 per acre over 275)	\$ 5,000.00		
Dissolution of CSA 59	\$ 5,000.00		
Dissolution of CSA 69	\$ -		
Formation of Zones (CSA 59, 68, & 69)	\$ -		
Dissolution/Formation of Zones	\$ 1,150.00	\$ 1,150.00	
Legal Counsel Deposit	\$ 750.00	\$ 750.00	
Environmental Review Deposit	\$ 1,000.00	\$ 1,000.00	
Display Ad (Deposit)	\$ 143,275.00	\$ 10,400.00	
Completion Fees			
Protest Hearing Deposit	\$ 1,000.00	\$ 1,000.00	
GIMS Fee - Primary Change	\$ 1,100.00	\$ 1,100.00	
GIMS Fee - Additional Agency	\$ 1,530.00	\$ 1,250.00	Actual Cost per GIMS (\$50 x 25 districts)
0-100 acres (\$85 x 18 districts)	\$ 660.00		
101-640 acres (\$110 x 6 districts)	\$ 150.00		
641-2,560 acres (\$150 x 1 district)	\$ 4,440.00	\$ 3,350.00	
Potential Additional Costs			
Potential preparation of Negative Declaration by Tom Dodson and Associates	\$ 6,000.00	\$ 6,000.00	
	\$ 6,000.00	\$ 6,000.00	
<b>Total Fees Required at Initiation</b>	\$ 143,275.00	\$ 10,400.00	
<b>Total Completion Fees (including SBE Fees)</b>	\$ 12,440.00	\$ 11,350.00	
<b>Potential Additional Costs (Negative Declaration)</b>	\$ 6,000.00	\$ 6,000.00	
<b>Total</b>	\$ 161,715.00	\$ 27,750.00	

State Board of Equalization Fees	SBE Fee	Action	Comments
CSA 68	\$ 3,500.00	Annexation	
CSA 68 (121 acres)	\$ 2,000.00	Formation	
CSA 53		Removal of Power	
CSA 70 R-3 (Erwin Lake)	-	Dissolution/Formation	
CSA 70 R-5 (Sugarloaf)	-	Dissolution/Formation	
CSA 70 R-12 (Baldwin Lake)	-	Dissolution/Formation	
CSA 70 R-21 (Mountain View, Big Bear)	-	Dissolution/Formation	
CSA 70 R-33 (Fairway Blvd., Big Bear City)	-	Dissolution/Formation	
CSA 70 R-34 (Big Bear)	-	Dissolution/Formation	
CSA 70 R-36 (Pan Springs)	-	Dissolution/Formation	
CSA 70 R-45 (South Irwin Lake)	-	Dissolution/Formation	
CSA 18 (960 acres)	\$ 2,500.00	Formation	
CSA 70 R-2 (Twin Peaks)	-	Dissolution/Formation	
CSA 70 R-9 (Rim Forest)	-	Dissolution/Formation	
CSA 70 R-23 (Mile High Park, Crestline)	-	Dissolution/Formation	
CSA 70 R-44 (Sawpit Canyon)	-	Dissolution/Formation	
CSA 79		Removal of Power	
CSA 79 Zone R-1	\$ -	Dissolution/Formation	District has been dissolved
CSA 70 R-11 (Running Springs/Preston)	\$ -	N/A	
CSA 70 R-16 (Running Springs)	\$ -	Dissolution/Formation	
CSA 59	\$ -	Dissolution/Formation	
CSA 69	\$ -	Dissolution/Formation	
CSA 70 CG (Cedar Glen)	\$ -	Removal of Power	
CSA 70 R-4 (Cedar Glen)	\$ -	Dissolution/Formation	
CSA 70 R-7 (Winward Road, L. Arrowhead)	\$ -	Dissolution/Formation	
CSA 70 R-13 (North Shore, L. Arrowhead)	\$ -	Dissolution/Formation	
CSA 70 R-22 (Twin Peaks)	\$ -	Dissolution/Formation	
CSA 70 R-35 (Cedar Glen)	\$ -	Dissolution/Formation	
CSA 70 R-40 (Upper North Bay, L. Arrowhead)	\$ -	Dissolution/Formation	
CSA 70 R-46 (South Fairway Dr.)	\$ -	Dissolution/Formation	
<b>Total SBE Fees</b>	<b>\$ 8,000.00</b>		

Per LAFCO staff's discussion with SBE 1/4/2011, the Dissolution/Formation (which would simply be a name change) will have no charge.

Mountain Area Road Districts

**Crestline Area**

District	Revenue Source	Revenue		Miles	Parcels	Services Provided Varies see below
		Per Parcel	FY 09-10			
CSA 18	General Tax Levy Per Parcel Charge	\$100	\$ 302,545	17.5	3580	Berm Removal Snow Removal Cindering Culvert Maintenance Tree Trimming Roadway Edging Pothole Patching Road Grading Annual Road Paving Annual Slurry Seal Park Maintenance
CSA 68	General Tax Levy	n/a	\$28,945	4	n/a	Berm Removal Snow Removal Cindering Culvert Maintenance Tree Trimming Roadway Edging Pothole Patching
CSA 70, R-23	Per Parcel Charge Special tax	\$120 Unimproved \$240 Improved	\$16,884	1	82	Berm Removal Snow Removal Cindering Tree Trimming Pothole Patching
CSA 70, R-44	Special Tax	\$1,000	\$ 11,119	2580 ft	11	Snow Removal Culvert Maintenance Tree Trimming Road Grading Loan Financing

**Lake Arrowhead Area**

District	Revenue Source	Revenue		Miles	Parcels	Services Provided Varies see below
		Per Parcel	FY 09-10			
CSA 59	General Tax Levy	n/a	\$ 24,831	5	n/a	Snow Removal
CSA 69	General Tax Levy Per Parcel Charge	\$100	\$ 64,541	5	394	Snow Removal Cindering Culvert Maintenance Tree Trimming Roadway Edging Erosion Control Pothole Patching Road Paving Every 3 yrs
CSA 70, R-2	General Tax Levy Special Tax	\$225	\$ 72,529	1.5	312	Snow Removal Cindering Tree Trimming Pothole Patching Road Paving every 2 yrs
CSA 70, R-4	Per Parcel Charge	\$100	\$ 2,504	964 ft.	24	Berm Removal Snow Removal Tree Trimming Pothole Patching
CSA 70, R-7	Per Parcel Charge	\$700	\$ 6,420	960 ft.	9	Snow Removal Cindering Pothole Patching Loan Financing
CSA 70, R-9	Per Parcel Charge	\$60	\$ 10,649	1	144	Snow Removal Cindering Tree Trimming Pothole Patching
CSA 70, R-13	Per Parcel Charge	\$100	\$ 8,425	1.5	87	Berm Removal Snow Removal Cindering Tree Trimming Roadway Edging Pothole Patching
CSA 70, R-22	Per Parcel Charge Special Tax	\$100	\$ 20,486	2	190	Snow Removal Cindering Tree Trimming Pothole Patching
CSA 70, R-35	Per Parcel Charge	\$150	\$ 2,224	745 ft.		Berm Removal Snow Removal Cindering Pothole Patching
CSA 70, R-40	Special Tax	\$500	\$17,694	0.5		Berm Removal Snow Removal Cindering Culvert Maintenance Tree Trimming Roadway Edging Pothole Patching Slurry Seal Every 3 yrs

**Running Springs Area**

District	Revenue Source	Revenue		Miles	Parcels	Services Provided Varies see below
		Per Parcel	FY 09-10			
CSA 70, R-16	Special Tax	600	17016	1	25	Snow Removal Tree Trimming Pothole Patching
CSA 79, R-1	Special Tax	379.01	21698	3960 ft	67	Snow Removal Bridge Maintenance Pothole Patching

**Big Bear Area**

District	Revenue Source	Revenue		Miles	Parcels	Services Provided Varies see below
		Per Parcel	FY 09-10			
CSA 70, R-3	General Tax Levy Per Parcel Charge	\$12	\$75,541	8	1125	Snow Removal Tree Trimming Roadway Edging Pothole Patching Road Grading Class II Base Road Paving every 5 years
CSA 70, R-5	Special Tax	\$65	\$253,822	23	3604	Snow Removal Cindering Tree Trimming Pothole Patching Slurry Seal Every 3 yrs Stop Sign and Bar Maint.
CSA 70, R-12	Per Parcel Charge	\$303	\$9,573	1.75	42	Snow Removal Pothole Patching Road Grading
CSA 70, R-21	Per Parcel Charge	\$100	\$2,450	1290 ft.	24	Snow Removal Pothole Patching
CSA 70, R-33	Per Parcel Charge	\$100	\$9,936	3960 ft.	97	Snow Removal Pothole Patching Culvert Maintenance Slurry Seal Every 3 yrs
CSA 70, R-36	Per Parcel Charge	\$100	\$9,358	1	90	Snow Removal Pothole Patching Slurry Seal Every 3 yrs
CSA 70, R-45	Per Parcel Charge	160	9840	3960 ft	62	Snow Removal Road Grading Class II Base