

### **3.9.2 Annual Financial Reprt**

The City contracts with an independent auditor to provide an annual financial report each year. This report is posted on the City's website ([www.cityoflakeport.com](http://www.cityoflakeport.com)). Information from the June 30, 2009 report is discussed below.

#### **A. Pension Plan Obligations**

The City contributes to the California Public Employees Retirement System (PERS), an agent multiple-employer public employee defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. PERS acts as a common investment and administrative agent for participating public entities with the State of California. Benefit provisions and all other requirements are established by State Statute and City Ordinance. Copies of PERS annual financial report may be obtained from their Executive Office, 400 "P" Street, Sacramento, California 95814.<sup>89</sup>

Non-public safety participants are required to contribute 8 percent of their annual covered salary, while public safety employees are required to contribute 9 percent of their annual covered salary. The City makes the contributions required of city employees on their behalf and for their account. The City is required to contribute at an actuarially-determined rate; the current 2008-2009 rate was 16.455 percent for non-public safety employees (miscellaneous plan) and 28.049 percent for public safety employees (safety plan), of annual covered payroll. The contribution requirements of plan members and the City are established and may be amended by PERS.<sup>90</sup>

The City's annual pension cost of \$507,320 was equal to the City's required and actual contributions. The required contribution was determined as part of the June 30, 2007, actuarial valuation using the entry age normal cost method.

#### **B. Post-Retirement Health Care Benefits**

The City provides post-employment benefit options for medical healthcare to eligible retirees. The plan is offered to qualified employees based upon years of service. For the fiscal year ended June 30, 2009, the City paid \$311,540 under the plan.<sup>91</sup> Employees hired after July 1, 2005 are not eligible for post-retirement health care benefits.

#### **C. Risk Management**

The City is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. In 1978, the City joined together with other cities to form the Redwood Empire Municipal Insurance Fund (REMIF), a public City risk pool currently operating as a common risk management and insurance program for 16 member cities. The City pays an annual premium to REMIF for its workers' compensation, general liability and property coverage.

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<sup>89</sup> City of Lakeport, Notes to Financial Statements, June 30, 2009, Page 25.

<sup>90</sup> City of Lakeport, Notes to Financial Statements, June 30, 2009, Page 25.

<sup>91</sup> City of Lakeport, Notes to Financial Statements, June 30, 2009, Page 26.

The coverage pays up to \$10,000 for property losses, \$10,000 for liability losses, and \$5,000 for workers' compensation losses. The City has excess insurance purchased by REMIF, except liability, which is pooled with the California Joint Powers Insurance Authority (a self-funded risk sharing pool). The excess insurance limits are \$10,000 to \$295 million for property losses (except auto physical which is a maximum of \$1,000,000); \$10,000 to \$15 million for all liability losses; and \$5,000 to \$300,000 for workers' compensation losses. On June 30, 2009, the City determined that it need not accrue liability or revenues for purposes of funding the City's future claim liabilities. REMIF issues a separate comprehensive annual financial report. Copies of that report may be obtained from REMIF at PO Box 885, Sonoma, California 95476.<sup>92</sup>

**D. Commitments and Contingencies**

The City receives funding from a number of federal, state and local grant programs, principally the Community Development Block Grants. These programs are subject to financial and compliance review by grantors. Accordingly, the City's compliance with applicable grant requirements will be determined at some future date. Expenditures, if any, which may be disallowed by the granting agencies, cannot be determined at some future date. Expenditures, if any, which may be disallowed by the granting agencies, cannot be determined at this time.

The City does not expect the undeterminable amounts of disallowed expenditures, if any, to materially affect the financial statements. Receipt of these federal, state and local grant revenues is not assured in the future.<sup>93</sup>

<b>Salaries and Benefits by Department</b>						
	<b>FY 06-07</b>	<b>FY 07-08</b>	<b>FY 08-09</b>	<b>FY 09-10</b>	<b>FY 10-11</b>	<b>FY 11-12</b>
Council	\$ 75,856	\$ 74,685	\$ 70,153	\$ 56,676	\$ 55,296	\$ 55,541
Admin	\$ 40,446	\$ 49,905	\$ 168,690	\$ 209,132	\$ 314,952	\$ 324,641
Attorney	\$ 15,634	\$ 16,258	\$ 77,233	\$ 102,631	\$ 81,083	\$ 81,771
Finance	\$ 233,716	\$ 305,964	\$ 386,542	\$ 289,917	\$ 213,132	\$ 299,013
Planning	\$ 163,328	\$ 158,938	\$ 222,788	\$ 228,715	\$ 229,763	\$ 150,536
Building	\$ 112,457	\$ 117,859	\$ 140,417	\$ 138,495	\$ 143,955	\$ 136,122
Engineering	\$ 43,281	\$ 41,935	\$ 167,647	\$ 183,839	\$ 187,052	\$ 220,856
Pool	\$ 12,256	\$ 31,136	\$ 30,644	\$ 33,535	\$ 37,357	\$ 60,629
Police	\$ 1,440,367	\$ 1,493,230	\$ 1,262,542	\$ 1,386,537	\$ 1,453,016	\$ 1,346,605
Public Works	\$ 317,696	\$ 383,499	\$ 224,844	\$ 461,573	\$ 530,013	\$ 416,946
Parks	\$ 193,059	\$ 205,922	\$ 123,549	\$ 53,699	\$ 99,709	\$ 130,538
Water	\$ 665,981	\$ 722,500	\$ 353,326	\$ 319,013	\$ 274,197	\$ 544,665
Sewer	\$ 677,537	\$ 713,505	\$ 515,328	\$ 491,603	\$ 344,964	\$ 302,803
Housing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 93,136
Redevelopment	\$ 159,140	\$ 192,112	\$ 172,096	\$ 208,769	\$ 313,455	\$ 58,098
<b>Total</b>	<b>\$ 4,150,754</b>	<b>\$ 4,507,448</b>	<b>\$ 3,915,799</b>	<b>\$ 4,164,134</b>	<b>\$ 4,277,944</b>	<b>\$ 4,221,900</b>

<sup>92</sup> City of Lakeport, Notes to Financial Statements, June 30, 2009, Page 27.

<sup>93</sup> City of Lakeport, Notes to Financial Statements, June 30, 2009, Page 27.

#### **4 CITY OF LAKEPORT MUNICIPAL SERVICE REVIEW**

The Municipal Service Review Findings are required by the State Law. The findings serve the purpose of helping LAFCO to understand the special district or city involved in an annexation, detachment or reorganization proposal. The determinations are not binding proposals for the special district or city. The determinations are subject to change because the jurisdiction involved is constantly changing, improving or growing. The State requires the MSR to be reviewed every five years as part of the SOI update process.

Lake LAFCO is responsible for determining if an agency is reasonably capable of providing needed resources and basic infrastructure to serve areas within its boundaries and, later, within the Sphere of Influence. LAFCO will do the following:

- 1) Evaluate the present and long-term infrastructure demands and resources available to the District.
- 2) Analyze whether resources and services are, or will be, available at needed levels.
- 3) Determine whether orderly maintenance and expansion of such resources and services are planned to occur in-line with increasing demands.

The Final Municipal Service Review Guidelines prepared by the Governor's Office of Planning and Research recommend issues relevant to the jurisdiction be addressed through written determinations called for in the Cortese-Knox Hertzberg Act. Determinations are provided for each of the five factors, based on the information provided in this Municipal Service Review.

#### **4.1 Growth and Population Projections**

*Purpose: To evaluate service needs based on existing and anticipated growth patterns and population projections.*

##### **4.1.1 City of Lakeport Area Population Projections**

Land use in Lakeport is approximately 76 percent commercial/residential, 5 percent industrial, and 19 percent open space/governmental/agriculture. However, apart from enhancing the appeal of Lakeport as a vacation destination, a movement is underway to make the City the focal point of economic and community activity for the County and the region. The City is aggressively working to attract new retail, hotel, industrial, educational, recreational, and food service establishments to the area.<sup>94</sup>

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<sup>94</sup> City of Lakeport Municipal Sewer District, Sewer System Management Plan, 2010, Page 4.

	2005	5-Year Growth (%)	Annual Average (%)	2010	5-Year Growth (%)	Annual Average (%)	2015	2020	2025	Annual Average Projected Growth to 2025 from General Plan
Lakeport	5,077	-6.4%	-1.3%	4,753	-6.4%	1.4%	5,095	5,462	5,855	1.4%

The Land Use Designations for the City of Lakeport are shown on a map at the end of this report. The Sphere of Influence proposed by the City of Lakeport is also shown at the end of this report. The City-proposed Sphere of Influence is fairly large, which indicates that the City expects to increase in size. One development which could increase the population of the City is identified as the Specific Plan Area (SPA) and described as follows:

*“This designation covers the city-owned property and a few private properties south of the current SOI but within the City-proposed SOI. The area is proposed for single and multiple-family residential; including cooperative ownership properties to serve the vacation market; a golf course; and limited commercial, such as a clubhouse or restaurant. Based on the recommended density range of 1-2 units per acre, the Specific Plan Area could see between 600 and 1,200 residential units at build-out. Consistent zoning districts include, but are not limited to, R-1, R-2, R-3, R-5, UR, and C-1.”<sup>95</sup>*

<sup>95</sup> City of Lakeport General Plan 2025, Land Use Element, August 2009, Page II-4.

Another concern regarding the ultimate decision on the Sphere of Influence is the relatively large amount of undeveloped land within the City of Lakeport. The General Plan describes this as follows:

*“Lakeport has a high proportion of vacant and undeveloped land: twenty five percent of the land within City limits remains vacant and another twelve percent is underdeveloped\*. Most of this land is located near or adjacent to City boundaries in the west, northwest, and northern areas of Lakeport.*

*“One of the goals of the General Plan is to encourage the development of vacant and underdeveloped properties through infill development, with additional single and multifamily residential housing on the west side of Lakeport.*

*“Many vacant and underdeveloped parcels do not have the full range of urban services. Obstacles that have prevented development of vacant and underdeveloped areas include the relatively high cost of providing urban services, the lack of adequate roads, rough terrain, and relatively high construction costs. Lakeport can encourage the development of vacant and underused parcels by using innovative subdivision standards, obtaining grant funds to provide public services and utilities, establishing of special assessment districts, reimbursement agreements, and amending the General Plan and the Zoning Ordinance and to increase the permitted density for specific areas.<sup>96</sup>*

*\*Underdeveloped land is defined as having uses much below the maximum permitted by the General Plan. For example a ten-acre parcel with one dwelling located in an area designated as High Density Residential would be considered underdeveloped.*

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<sup>96</sup> City of Lakeport General Plan 2025, Land Use Element, August 2009, Pages II-10-11.

**4.1.2 MSR Determinations on Growth and Population Projections for the City of Lakeport Area**

- 1-1) The City's population as of 2010 was 4,753. Based on the General Plan projections, that City is anticipated to average 1.4 percent annual growth over the next 15 years.
- 1-2) The City of Lakeport needs to continue economic development and to ensure balanced job and population growth.
- 1-3) The City has established requirements for future annexations and developments to ensure that developers pay for growth induced infrastructure costs.
- 1-4) The City of Lakeport has substantial undeveloped land within the current City limits. This land could, in theory, be used to meet the growth and development needs of the City; however, many vacant and underdeveloped parcels do not have the full range of urban services, due to the relatively high cost of providing urban services, the lack of adequate roads, rough terrain, and relatively high construction costs.
- 1-5) The City of Lakeport should work together with the County of Lake to update their land use and zoning designations concurrent with the County's update of the Lakeport Area Plan.
- 1-6) The City of Lakeport should provide input to the LACOSAN Sphere of Influence to ensure that future growth areas for expansion of City utility district services are reserved in a jointly agreed upon area.
- 1-7) Establishing an Area of Concern may be appropriate to promote joint planning between the City and the County. Any adopted Area of Concern should be reflected in the revised "Lakeport Area Plan."

#### **4.2 Present and Planned Capacity of Public Facilities and Adequacy of Public Services, Including Infrastructure Needs and Deficiencies**

*Purpose: To evaluate infrastructure needs and deficiencies in terms of supply, capacity, condition of facilities and service quality.*

LAFCO is responsible for determining that an agency is reasonably capable of providing needed resources and basic infrastructure to serve areas within its boundaries and later in the Sphere of Influence. It is important that such determinations of infrastructure availability occur when revisions to the Sphere of Influence and annexations occur.

In the case of this Municipal Service Review, it is prudent for Lake LAFCO to evaluate the present and long-term infrastructure demands and resource availability of the District. Further, LAFCO needs to see that resources and services are available at needed levels and orderly maintenance and expansion of such resources and services are made if there are increasing demands.

##### **4.2.1 *Infrastructure***

The City of Lakeport infrastructure is described extensively in this report. The City of Lakeport is working to improve the infrastructure as necessary.

##### **4.2.2 *MSR Determinations on Infrastructure for the City of Lakeport***

###### **A. Police Protection**

- 2-1) The Police Department should continue to work with the Lake County Sheriff Department and the California Highway Patrol to coordinate efforts as much as possible in order to keep costs down.
- 2-2) The Lakeport Police Department provides adequate police protection for the residents and visitors to Lakeport, based on crime clearance rates.
- 2-3) The Lakeport Police Department appears to maintain adequate staffing levels and equipment to provide protection of persons and property in Lakeport.
- 2-4) Traffic-related law enforcement activity has increased substantially in recent years relative to other police activities and requires an increasing police presence on City streets.
- 2-5) The City should develop a financing plan to accommodate growth by establishing development fees for capital improvements for police protection services.

###### **B. Fire Protection**

- 2-6) The City does not provide fire protection but is part of the Lakeport Fire Protection District.

C. Water Service

- 2-7) The Water Master Plan provides a guideline for water system improvements.
- 2-8) There is sufficient source water available to serve the expected population growth through 2028 provided that water conservation measures are maintained and improved.
- 2-9) The City's water production capacity is reliant on the Green Ranch Wells that may be subject to reductions in capacity due to drought conditions.
- 2-10) As the City approaches the capacity of its water supply and system, it will need to find a means to expand its water production capacity. The Water Master Plan recommends expansion of the existing treatment plant as the most likely alternative for a future increase in water supply.
- 2-11) Infrastructure needs and deficiencies identified for the water system include 1) installation of new wells to replace the Scotts Creek Wells that are prone to damage and vandalism, 2) switching from a gaseous chlorine injection system, 3) retain the Green Ranch Wells, 4) installation of an intertie with the County, 5) improvements to the SCADA and telemetry communication systems, 6) expansion of the pump station wet well, 7) improvements to maintain treatment plant system pressure, 8) installation of intruder alarms, 9) installation of enclosures around the treatment plant pumps, and 10) replacement of undersized mains to ensure that fire flow requirements are met.
- 2-12) As a result of undersized mains, the City may not be able to meet fire flow requirements in large portions of the existing commercial areas along Main Street during heavy demand periods.
- 2-13) The City provides an adequate level of water utility service, based on the City's compliance with EPA regulations and DPH's most recent inspection report.



*D. Wastewater Collection and Treatment*

- 2-14) Sewer services are provided by a subsidiary special district of the City. The City of Lakeport Municipal Sewer District operates and maintains eight sewer lift stations, a secondary treatment and disposal facility, and a collection system to each private property line.
- 2-15) The sewer system serves approximately 2,200 connections, or more than 5,200 residents, which accounts for eight percent of the entire county population.
- 2-16) The City is presently well within the system's ADWF capacity of 1.05 MGD, but is nearing the permitted maximum day capacity of 3.8 MGD. Based on a projected growth rate of 1.1 percent per year used in the 2008 City of Lakeport Master Sewer Plan, it is estimated that some of the City's WWTP processes will reach their capacity by approximately 2028 (i.e., chlorine contact chamber and the aeration basins).
- 2-17) The oldest main lines in service are estimated to have been installed 70 years ago. GIS mapping of the system has indicated several areas in need of rehabilitation to eliminate infiltration and inflow; otherwise, the sewer performs efficiently and adequately.
- 2-18) The City's wastewater system suffers from relatively high infiltration and inflow (I/I). Although the City has made efforts to minimize the I/I, the system continues to experience a high rate of sewer system overflows.
- 2-19) The following deficiencies and needs related to the wastewater system were identified: 1) continued improvements to the system to minimize infiltration and inflow, 2) improvements to access to the Clearlake Avenue Lift Station and wear and tear of nearby manholes, 3) rehabilitation of the Martin Street Lift Station wet well hatch, 4) mitigation of odor concerns at the Linda Lane lift station, and 5) improvements to ensure effective monitoring and control of the major lift stations
- 2-20) The District appears to generally provide adequate wastewater service, but could improve on its compliance with RWQCB requirements. Excessive historical sewer system overflows, resulted in the District being issued a Cease and Desist order. The District has made efforts to reduce these overflows, but still suffers from a higher than average occurrence.

*E. Solid Waste Collection and Disposal*

- 2-21) The City uses a private business to provide solid waste disposal services through a franchise agreement.

F. Streets and Roads

- 2-19) The City is encouraged to work closely with Caltrans to be sure that the State Routes within the City are properly maintained.
- 2-20) The City has acceptable Levels of Service (LOS) at this time; however, several necessary improvements were identified. Actions are needed to improve existing traffic flow and mitigate the impacts of existing and future land development including road widening, additional crossings over/under the freeway, new roads, and additional traffic controls including signalization of intersections.
- 2-21) Congestion on the City's arterial and collector street systems, including the downtown area, is expected to become exacerbated as the City grows. New development should be required to complete traffic studies, as appropriate, to address possible declines in LOS.
- 2-22) Growth in the North Lakeport area and development in unincorporated territory west and northwest of the City of Lakeport will impact City transportation services; impacts of future County growth on the City of Lakeport transportation facilities should be reflected in the revision of the Lakeport Area Plan, currently under review by the County of Lake.
- 2-23) Funds are not anticipated to be sufficient to build all necessary roadway improvements required to offset or significantly improve future traffic congestion in Lakeport and its Sphere of Influence.

G. Drainage

- 2-24) The City's Public Works Department provides for adequate drainage system maintenance.

H. Park and Recreation Services

- 2-25) The City's parkland standard is set at five acres of developed parkland per 1,000 residents, which the City does not presently meet.
- 2-26) While the City does not meet its General Plan adopted standard for park acreage, the City appears to have an adequate number of parks, which is augmented by access to school, State and Federal recreational sites in the area.
- 2-27) The City will continue to provide park and recreation services for the larger Lakeport area (for people within the City, the County and visitors).
- 2-28) The City has a large area of undeveloped parkland that is available to be improved in order to address any population growth and resulting increase in demand.

2-28) The City should coordinate park and recreation planning with the County through the Lakeport Area Plan Update being prepared by the County.

### **4.3 Financial Ability to Provide Services**

*Purpose: To evaluate factors that affect the financing of needed improvements and to identify practices or opportunities that may help eliminate unnecessary costs without decreasing service levels.*

LAFCO should consider the ability of the City to pay for improvements or services associated with annexed sites. This planning can begin at the Sphere of Influence stage by identifying what opportunities there are to identify infrastructure and maintenance needs associated with future annexation and development, and identifying limitations on financing such improvements, as well as the opportunities that exist to construct and maintain those improvements.

LAFCO should consider the relative burden of new annexations to the community when it comes to its ability to provide public safety and administrative services, as well as capital maintenance and replacements required as a result of expanding District boundaries.

Rate restructuring may be forced by shortfalls in funding, but the process may also reflect changing goals and views of economic justice or fairness within the community. LAFCO should evaluate the impact of SOI and Annexation decisions on existing community rates for public water service.

Water rates and rate structures are not subject to regulation by other agencies. Utility providers may increase rates annually, and often do so. Generally, there is no voter approval requirement for rate increases, although notification of utility users is required. Water providers must maintain an enterprise fund for the respective utility separate from other funds, and may not use revenues to finance unrelated governmental activities.

#### **4.3.1 Financial Considerations for City of Lakeport**

#### **4.3.2 MSR Determinations on Financing for the City of Lakeport**

- 3-1) The City should review and update development impact fees when necessary to ensure that all new development pays its fair share of the cost of development.
- 3-2) The City should prepare a capital improvement plan in order to assess infrastructure needs and necessary financing and ensure adequate funding for future capital expenditures.
- 3-3) The City maintains up-to-date utility rates, which were last updated in July 2010.
- 3-4) The City should become familiar with community facilities districts and Mello-Roos Bonds as a means for new development to pay infrastructure and operational costs.

- 3-5) The City makes available financial information, such as the budget and audits, on the its website.

#### **4.4 Status of, and Opportunities for, Shared Facilities**

*Purpose: To evaluate the opportunities for a jurisdiction to share facilities and resources to develop more efficient service delivery systems.*

In the case of annexing new lands into a an agency, LAFCO can evaluate whether services or facilities can be provided in a more efficient manner if the agency can share them with another agency. In some cases, it may be possible to establish a cooperative approach to facility planning by encouraging agencies to work cooperatively in such efforts.

##### **4.4.1 Facilities**

The City of Lakeport facilities are described in this report. The City has several opportunities to coordinate services with other agencies as noted below.

##### **4.4.2 MSR Determinations on Shared Facilities for City of Lakeport**

- 4-1) The City shares facilities to the extent possible for police, fire protection, and emergency medical services.
- 4-2) The City could investigate ways to reduce administrative costs through computerization and (or) shared services.
- 4-3) Shared facilities for wastewater collection and treatment and water service are maintained by the City of Lakeport Municipal Sewer District (CLMSD). CLMSD maintains a mutual aid agreement with Lake County Sanitation District (LACOSAN), whereby wastewater flows in the northern portion of the district can be directed to the County collection system. Likewise, wastewater flows from areas south of the CLMSD collection area are accepted by CLMSD.
- 4-4) The transportation impacts of development occur throughout the region irrespective of jurisdictional boundaries. Development in the County near to the City will affect traffic in and around Lakeport, and similarly the growth of Lakeport will impact the County's roadway system. For this reason, it is a regional traffic mitigation fee program involving Lake County and the City may be warranted.
- 4-5) The City will work with Lakeport Unified School District (LUSD) and Mendocino Community College District to develop joint use of neighborhood parks on school sites using an integrated and comprehensive design which embodies the principle of 'school-in-the-park.'

#### **4.5 Accountability for Community Service Needs, Including Governmental Structure and Operational Efficiencies**

*Purpose:*

- 1) *To consider the advantages and disadvantages of various government structures that could provide public services.*
- 2) *To evaluate the management capabilities of the organization.*
- 3) *To evaluate the accessibility and levels of public participation associated with the agency's decision-making and management processes.*

One of the most critical components of LAFCO's responsibilities is in setting logical service boundaries for communities based on their capacity to provide services to affected lands.

Lake LAFCO may consider the agency's record of local accountability in its management of community affairs as a measure of the ability to provide adequate services to the Sphere of Influence and potential annexation areas.

##### **4.5.1 Government Structure**

The City of Lakeport has an elected City Council with a City Manager in charge of all departments. The various departments are described in this report.

##### **4.5.2 MSR Determinations on Local Accountability and Governance for the City of Lakeport**

- 5-1) Accountability is best ensured when contested elections are held for governing body seats, constituent outreach is conducted to promote accountability and ensure that constituents are informed and not disenfranchised, and public agency operations and management are transparent to the public. The City of Lakeport demonstrated accountability with respect to all of these factors.
- 5-2) The City appears to provide transparent and accountable services to the public; the City has a website to communicate with tax-payers, residents, and the public, adopts budgets and rate changes at hearings where the public is notified and invited, information is placed in the local newspaper, when required, and meeting agendas and minutes are made available as required.
- 5-3) As the City of Lakeport and LACOSAN serve adjacent communities, there is an opportunity to work closely together in joint efforts to provide services in the most efficient, safe and cost effective way. Potential governance options include regionalization of sewer services or a collaborative agreement to share specialized equipment and mutual aid resources.
- 5-4) There are several areas of mutual interest for the City of Lakeport and Lake County, where development and planning in these unincorporated areas lie outside the City limits and proposed SOI, yet impact the City and City services, particularly related to fire, safety, traffic, aesthetics, and the environment. A governance structure option that may afford the City the some planning involvement, may be designating the areas an Area of Concern.

## **APPENDIX A LOCAL GOVERNMENT ISSUES**

### **1 Municipal Financial Constraints**

Municipal service providers are constrained in their capacity to finance services by the inability to increase property taxes, requirements for voter approval for new or increased taxes, and requirements of voter approval for parcel taxes and assessments used to finance services. Municipalities must obtain majority voter approval to increase or impose new general taxes and two-thirds voter approval for special taxes.

Limitations on property tax rates and increases in taxable property values are financing constraints. Property tax revenues are subject to a formulaic allocation and are vulnerable to State budget needs. Agencies formed since the adoption of Proposition 13 in 1978 often lack adequate financing.

#### **1.1 California Local Government Finance Background**

The financial ability of the cities to provide services is affected by financial constraints. City service providers rely on a variety of revenue sources to fund city operating costs as follows:

- Property Taxes
- Benefit Assessments
- Special Taxes
- Proposition 172 Funds
- Other contributions from city general funds.

As a funding source, property taxes are constrained by statewide initiatives that have been passed by voters over the years and special legislation. Seven of these measures are explained below:

##### **A. Proposition 13**

Proposition 13 (which California voters approved in 1978) has the following three impacts:

- It limits the ad valorem property tax rate.
- It limits growth of the assessed value of property.
- It requires voter approval of certain local taxes.

Generally, this measure fixes the ad valorem tax at one percent of the value at most recent sale; except for taxes to repay certain voter approved bonded indebtedness. In response to the adoption of Proposition 13, the Legislature enacted Assembly Bill 8 (AB 8) in 1979 to establish property tax allocation formulas.

##### **B. AB 8**

AB 8 allocates property tax revenue to the local agencies within each tax rate area based on the proportion each agency received during the three fiscal years preceding adoption of Proposition 13. This allocation formula benefits local agencies which had relatively high tax rates at the time Proposition 13 was enacted (1978).

##### **C. Proposition 98**

Proposition 98, which California voters approved in 1988, requires the State to maintain a minimum level of school funding. In 1992 and 1993, the Legislature began shifting billions of local property taxes to schools in response to State budget deficits. Local property taxes were diverted from local governments into the Educational Revenue Augmentation Fund (ERAF) and transferred to school districts and community college districts to reduce the amount paid by the State general fund.

Local agencies throughout the State lost significant property tax revenue due to this shift. Proposition 172 was enacted to help offset property tax revenue losses of cities and counties that were shifted to the ERAF for schools in 1992.

*D. Proposition 172*

Proposition 172, enacted in 1993, provides the revenue of a half-cent sales tax to counties and cities for public safety purposes, including police, fire, district attorneys, corrections and lifeguards. Proposition 172 also requires cities and counties to continue providing public safety funding at or above the amount provided in FY 92-93.

*E. Proposition 218*

Proposition 218, which California voters approved in 1996, requires voter- or property owner- approval of increased local taxes, assessments, and property-related fees. A two-thirds affirmative vote is required to impose a Special Tax, for example, a tax for a specific purpose such as a fire district special tax.

However, majority voter approval is required for imposing or increasing general taxes such as business license or utility taxes, which can be used for any governmental purpose. These requirements do not apply to user fees, development impact fees and Mello-Roos districts.

*F. Proposition 26*

Proposition was approved by California voters on November 2, 2010, requires that certain state fees be approved by two-thirds vote of Legislature and certain local fees be approved by two-thirds of voters. This proposition increases the legislative vote requirement to two-thirds for certain tax measures, including those that do not result in a net increase in revenue. Prior to its passage, these tax measures were subject to majority vote.

*G. Mello-Roos Community Facilities Act*

The Mello-Roos Community Facilities Act of 1982 allows any county, city, special district, school district or joint powers authority to establish a Mello-Roos Community Facilities District (a "CFD") which allows for financing of public improvements and services.

The services and improvements that Mello-Roos CFDs can finance include streets, sewer systems and other basic infrastructure, police protection, fire protection, ambulance services, schools, parks, libraries, museums and other cultural facilities. By law, the CFD is also entitled to recover expenses needed to form the CFD and administer the annual special taxes and bonded debt.

A CFD is created by a sponsoring local government agency. The proposed district will include all properties that will benefit from the improvements to be constructed or the services to be provided. A CFD cannot be formed without a two-thirds majority vote of residents living within the proposed boundaries. Or, if there are fewer than 12 residents, the vote is instead conducted of current landowners.

In many cases, that may be a single owner or developer. Once approved, a Special Tax Lien is placed against each property in the CFD. Property owners then pay a Special Tax each year. If the project cost is high, municipal bonds will be sold by the CFD to provide the large amount of money initially needed to build the improvements or fund the services.

The Special Tax cannot be directly based on the value of the property. Special Taxes instead are based on mathematical formulas that take into account property characteristics such as use of the property, square footage of the structure and lot size. The formula is defined at the time of formation, and will include a maximum special tax amount and a percentage maximum annual increase.

If bonds were issued by the CFD, special taxes will be charged annually until the bonds are paid off in full. Often, after bonds are paid off, a CFD will continue to charge a reduced fee to maintain the improvements.

#### *H. Development Impact Fees*

A county, cities, special districts, school districts, and private utilities may impose development impact fees on new construction for purposes of defraying the cost of putting in place public infrastructure and services to support new development.

To impose development impact fees, a jurisdiction must justify the fees as an offset to the impact of future development on facilities. This usually requires a special financial study. The fees must be committed within five years to the projects for which they were collected, and the district, city or county must keep separate funds for each development impact fee.

### **1.2 *Financing Opportunities that Require Voter Approval***

Financing opportunities that require voter approval include the following:

- 1) Special taxes such as parcel taxes
- 2) Increases in general taxes such as the following:
  - Utility taxes
  - Sales and use taxes
  - Business license taxes
  - Transient occupancy taxes

Communities may elect to form business improvement districts to finance supplemental services, or Mello-Roos districts to finance development-related infrastructure extension. Agencies may finance facilities with voter-approved (general obligation) bonded indebtedness.

### **1.3 *Financing Opportunities that Do Not Require Voter Approval***

Financing opportunities that do not require voter approval include imposition of or increases in fees to more fully recover the costs of providing services, including user fees and Development Impact Fees to recover the actual cost of services provided and infrastructure.

Development Impact Fees and user fees must be based on reasonable costs, and may be imposed and increased without voter approval. Development Impact Fees may not be used to subsidize operating costs.

Agencies may also finance many types of facility improvements through bond instruments that do not require voter approval.

Water rates and rate structures are not subject to regulation by other agencies. Utility providers may increase rates annually, and often do so. Generally, there is no voter approval requirement for rate increases, although notification of utility users is required. Water providers must maintain an enterprise fund for the respective utility separate from other funds, and may not use revenues to finance unrelated governmental activities.

## **2 Public Management Standards**

While public sector management standards do vary depending on the size and scope of an organization, there are minimum standards. Well-managed organizations do the following eight activities:

- 1) Evaluate employees annually.



- 2) Prepare a budget before the beginning of the fiscal year.
- 3) Conduct periodic financial audits to safeguard the public trust.
- 4) Maintain current financial records.
- 5) Periodically evaluate rates and fees.
- 6) Plan and budget for capital replacement needs.
- 7) Conduct advance planning for future growth.
- 8) Make best efforts to meet regulatory requirements.

Most of the professionally managed and staffed agencies implement many of these best management practices.

LAFCO encourages all local agencies to conduct timely financial record-keeping for each city function and make financial information available to the public.

### **3 Public Participation in Government**

The Brown Act (California Government Code Section 54950 et seq.) is intended to insure that public boards shall take their actions openly and that deliberations shall be conducted openly. The Brown Act establishes requirements for the following:

- Open meetings
- Agendas that describe the business to be conducted at the meeting
- Notice for meetings
- Meaningful opportunity for the public to comment

Few exceptions for meeting in closed sessions and reports of items discussed in closed sessions.

According to California Government Section 54959

*Each member of a legislative body who attends a meeting of that legislative body where action is taken in violation of any provision of this chapter, and where the member intends to deprive the public of information to which the member knows or has reason to know the public is entitled under this chapter, is guilty of a misdemeanor.*

Section 54960 states the following:

*(a) The district attorney or any interested person may commence an action by mandamus, injunction or declaratory relief for the purpose of stopping or preventing violations or threatened violations of this chapter by members of the legislative body of a local agency or to determine the applicability of this chapter to actions or threatened future action of the legislative body,...*

**APPENDIX B CITY OF LAKEPORT WATER AND SEWER RATES<sup>97</sup>**

Please be advised that these are base rates. For usage above the base, customers will be charged according to First and/or Second Tier rates.

**Residential**

Water 3/4"	\$16.69	10cf
Sewer - North	33.87	
Sewer - South	42.93	

**Duplex, Triplex, or Mobile Home**

Water 3/4"	\$12.51	8cf
Sewer - North	33.87	
Sewer - South	42.93	

**Apartments**

Water 3/4"	\$10.02	6cf
Sewer - North	25.41	
Sewer - South	33.08	

**Motel, Recreational Vehicle, or Bed & Breakfast**

Water 3/4"	\$ 8.35	5cf
Sewer - North	16.94	
Sewer - South	21.47	

**Outside City Limits (OCL)**

Water 3/4"	\$26.72	10cf
Water 1"	53.38	20cf

**Commercial**

For commercial units, the base prices are the following:

Water 3/4"	\$16.69	10cf	
1"	33.35	20cf	
1.5"	69.48	40cf	
2"	100.11	60cf	
3"	200.20	120cf	
4"	333.68	200cf	
6"	642.27	385cf	
First tier	\$1.15	100cf	
Second tier	2.85	100cf	
Sewer - North	\$33.87		*Over \$3.41
Sewer - South	42.93		*Over 4.92 per cf

\*Allotment with base fee 8cf

<sup>97</sup> City of Lakeport, <http://www.cityoflakeport.com/departments/page.aspx?deptID=75&id=62>, July 14, 2010.

## **ABBREVIATIONS**

<b>AB</b>	Assembly Bill
<b>Ac-Ft</b>	Acre Feet (of water)
<b>ADWF</b>	average dry weather flow
<b>CALEA</b>	Commission on Accreditation for Law Enforcement Agencies
<b>CEQA</b>	California Environmental Quality Act
<b>CIWMB</b>	California Integrated Waste Management Board
<b>CFD</b>	Community Facilities District
<b>City</b>	City of Lakeport
<b>CKH</b>	Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000
<b>CLMSD</b>	City of Lakeport Municipal Services District
<b>CSA</b>	County Service Area
<b>CRWQCB</b>	California Regional Water Quality Control Board
<b>DHS</b>	Department of Health Services (California)
<b>DWR</b>	Department of Water Resources (California)
<b>EDU</b>	equivalent dwelling unit
<b>EMD</b>	Emergency Medical Dispatch
<b>EMS</b>	Emergency Medical Service
<b>EMT</b>	Emergency Medical Technician
<b>EPA</b>	Environmental Protection Agency (US)
<b>ERAF</b>	Educational revenue Augmentation Fund
<b>FEMA</b>	Federal Emergency Management Agency (US)
<b>FY</b>	Fiscal Year
<b>gpd</b>	gallons per day
<b>gpm</b>	gallons per minute
<b>GPS</b>	Global Positioning System
<b>I&amp;I</b>	inflow and infiltration (to sewer lines)
<b>LACOSAN</b>	Lake County Sanitation District

<b>LAFCO</b>	Local Agency Formation Commission
<b>LEA</b>	Local Enforcement Agencies (Solid Waste Collection and Disposal)
<b>LFPD</b>	Lakeport Fire Protection District
<b>LPD</b>	Lakeport Police Department
<b>LUSD</b>	Lakeport Unified School District
<b>M&amp;O</b>	Maintenance and Operations
<b>MDD</b>	Maximum Day Demand
<b>MGD</b>	million gallons per day
<b>MSR</b>	Municipal Service Review (LAFCO)
<b>ND</b>	Not detectable at testing limit (water quality)
<b>NFPA</b>	National Fire Protection Association
<b>OES</b>	Office of Emergency Services (California)
<b>OPR</b>	Office of Planning and Research (California)
<b>PERS</b>	Public Employee Retirement System (California)
<b>PLC</b>	programmable logic controller
<b>ppm</b>	parts per million or milligrams per liter (mg/L)
<b>psi</b>	pounds per square inch
<b>REMIF</b>	Redwood Empire Municipal Insurance Fund
<b>RUE</b>	residential unit equivalent
<b>RWQCB</b>	Regional Water Quality Control Board
<b>SB</b>	Senate Bill
<b>SCADA</b>	Supervisory Control and Data Acquisition
<b>SDWA</b>	Safe Drinking Water Act
<b>SOI</b>	Sphere of Influence (LAFCO)
<b>SPA</b>	Specific Plan Area
<b>SWAT</b>	Special Weapons and Tactics
<b>TOT</b>	Transient Occupancy Tax

<b>WD</b>	Water District
<b>WTP</b>	Water Treatment Plan
<b>WWTP</b>	Wastewater Treatment Plant

## **DEFINITIONS**

**Agriculture:** Use of land for the production of food and fiber, including the growing of crops and/or the grazing of animals on natural prime or improved pasture land.

**Aquifer:** An underground, water-bearing layer of earth, porous rock, sand, or gravel, through which water can seep or be held in natural storage. Aquifers generally hold sufficient water to be used as a water supply.

**Bond:** An interest-bearing promise to pay a stipulated sum of money, with the principal amount due on a specific date. Funds raised through the sale of bonds can be used for various public purposes.

**California Environmental Quality Act (CEQA):** A State Law requiring State and local agencies to regulate activities with consideration for environmental protection. If a proposed activity has the potential for a significant adverse environmental impact, an environmental impact report (EIR) must be prepared and certified as to its adequacy before taking action on the proposed project.

**Coagulation:** Coagulation water treatment applies chemicals to assist water particulates in combining together. When particulates are aggregated, they can be more easily removed from the treated water.<sup>98</sup>

**Community Facilities District:** Under the Mello-Roos Community Facilities Act of 1982 (Section 53311, et seq.) a legislative body may create within its jurisdiction a special tax district that can finance tax-exempt bonds for the planning, design, acquisition, construction, and/or operation of public facilities, as well as public services for district residents. Special taxes levied solely within the district are used to repay the bonds.

**Community Services District (CSD):** A geographic subarea of a county used for planning and delivery of parks, recreation, and other human services based on an assessment of the service needs of the population in that subarea. A CSD is a taxation district with independent administration.

**Conventional Filtration Treatment (water service):** A series of processes including coagulation, flocculation, sedimentation, and filtration resulting in substantial particulate removal.

**Disinfectant:** A chemical (commonly chlorine, chloramine, or ozone) or physical process (e.g., ultraviolet light) that kills microorganisms such as bacteria, viruses, and protozoa.

**Disinfection:** A process which inactivates pathogenic organisms in water by chemical oxidants or equivalent agents.

**Distribution System:** A network of pipes leading from a treatment plant to customers' plumbing systems.

**Domestic water use:** Water used for household purposes, such as drinking, food preparation, bathing, washing clothes, dishes, and dogs, flushing toilets, and watering lawns and gardens. About 85 percent of domestic water is delivered to homes by a public-supply facility, such as a county water department. About 15 percent of the Nation's population supplies their own water, mainly from wells.<sup>99</sup>

**Environmental Impact Report (EIR):** A report required pursuant to the California Environmental Quality Act that assesses all the environmental characteristics of an area, determines what

<sup>98</sup> [http://www.ehow.com/about\\_5100654\\_coagulation-water-treatment.html](http://www.ehow.com/about_5100654_coagulation-water-treatment.html), July 13, 2010.

<sup>99</sup> <http://ga.water.usgs.gov/edu/dictionary.html>

effects or impact will result if the area is altered or disturbed by a proposed action, and identifies alternatives or other measures to avoid or reduce those impacts. (See California Environmental Quality Act.)

**Filtration:** A process by which solids are filtered out of liquids, a stage in water treatment, a process for removing particulate matter from water by passage through porous media.

**Finished Water:** Water that has been treated and is ready to be delivered to customers.

**Flocculation:** A process where a solute comes out of solution in the form of floc or "flakes." The term is also used to refer to the process by which fine particulates are caused to clump together into floc. The floc may then float to the top of the liquid, settle to the bottom of the liquid, or can be readily filtered from the liquid.

**Groundwater:** Water under the earth's surface, often confined to aquifers capable of supplying wells and springs.

**Human consumption:** the ingestion or absorption of water or water vapor as the result of drinking, cooking, dishwashing, hand washing, bathing, showering or oral hygiene.

**Impact Fee:** A fee, also called a development fee, levied on the developer of a project by a county, or other public agency as compensation for otherwise-unmitigated impacts the project will produce. California Government Code Section 66000, et seq., specifies that development fees shall not exceed the estimated reasonable cost of providing the service for which the fee is charged. To lawfully impose a development fee, the public agency must verify its method of calculation and document proper restrictions on use of the fund.

**Infill Development:** The development of vacant or underdeveloped land within the City is referred to as infill.<sup>100</sup>

**Infrastructure:** Public services and facilities such as sewage-disposal systems, water-supply systems, and other utility systems, schools and roads.

**Land Use Classification:** A system for classifying and designating the appropriate use of properties.

**Leapfrog Development:** New development separated from existing development by substantial vacant land.

**Local Agency Formation Commission (LAFCO):** A five-or seven-member commission within each county that reviews and evaluates all proposals for formation of special districts, incorporation of cities, annexation to special districts or cities, consolidation of districts, and merger of districts with cities. Each county's LAFCO is empowered to approve, disapprove, or conditionally approve such proposals. The LAFCO members generally include two county supervisors, two city council members, and one member representing the general public. Some LAFCOs include two representatives of special districts.

**Maximum Contaminant Level (MCL):** The highest level of a contaminant that EPA allows in drinking water. MCLs ensure that drinking water does not pose either a short-term or long-term health risk. EPA sets MCLs at levels that are economically and technologically feasible. Some states set MCLs which are stricter than EPA's.

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<sup>100</sup> City of Lakeport General Plan 2025, Land Use Element, August 2009, Page II-10.

**Maximum Contaminant Level Goal (MCLG):** The level of a contaminant at which there would be no risk to human health. This goal is not always economically or technologically feasible, and the goal is not legally enforceable.

**Maximum residual disinfectant level (MRDL):** the maximum allowable level of disinfectant in public drinking water. Most often, compliance with an MRDL is based on an average of multiple samples.

**Maximum Residual Disinfectant Level Goal (MRDLG):** The level of a disinfectant added for water treatment below which there is no known or expected risk to health. MRDLGs are set by the U.S. Environmental Protection Agency.

**Mean Sea Level:** The average altitude of the sea surface for all tidal stages.

**Milligrams per liter (mg/L):** The weight in milligrams of any substance dissolved in one liter of liquid; nearly the same as parts per million.

**Mello-Roos Bonds:** Locally issued bonds that are repaid by a special tax imposed on property owners within a community facilities district established by a governmental entity. The bond proceeds can be used for public improvements and for a limited number of services. Named after the program's legislative authors.

**Monitoring:** Testing that water systems must perform to detect and measure contaminants. A water system that does not follow EPA's monitoring methodology or schedule is in violation, and may be subject to legal action.

**Municipal water system:** A water system that has at least five service connections or which regularly serves 25 individuals for 60 days; also called a public water system.<sup>101</sup>

**Ordinance:** A law or regulation set forth and adopted by a governmental authority.

**Potable Water:** Water of a quality suitable for drinking.<sup>102</sup>

**Per capita water use:** The water produced by or introduced into the system of a water supplier divided by the total residential population; normally expressed in gallons per capita per day (gpcd).<sup>103</sup>

**Primary Drinking Water Standards (PDWS):** Maximum Contaminant Levels for contaminants.

**Proposition 13:** (Article XIII A of the California Constitution) Passed in 1978, this proposition enacted sweeping changes to the California property tax system. Under Prop. 13, property taxes cannot exceed 1 percent of the value of the property and assessed valuations cannot increase by more than 2 percent per year. Property is subject to reassessment when there is a transfer of ownership or improvements are made.<sup>104</sup>

**Proposition 218:** (Article XIII D of the California Constitution) This proposition, named "The Right to Vote on Taxes Act", filled some of the perceived loopholes of Proposition 13. Under Proposition 218, assessments may only increase with a two-thirds majority vote of the qualified voters within the District. In addition to the two-thirds voter approval requirement, Proposition 218 states that effective July 1, 1997, any assessments levied may not be more than the costs necessary to provide the service, proceeds may not be used for any other purpose other than

<sup>101</sup> <http://ga.water.usgs.gov/edu/dictionary.html>

<sup>102</sup> <http://ga.water.usgs.gov/edu/dictionary.html>

<sup>103</sup> <http://rubicon.water.ca.gov/v1cwp/glossry.html>

<sup>104</sup> [http://www.californiataxdata.com/A\\_Free\\_Resources/glossary\\_PS.asp#ps\\_08](http://www.californiataxdata.com/A_Free_Resources/glossary_PS.asp#ps_08)



providing the services intended, and assessments may only be levied for services that are immediately available to property owners.<sup>105</sup>

**Public Health Goal (PHG):** The level of a contaminant in drinking water below which there is no known or expected risk to health. PHG's are set by the California Environmental Protection Agency.

**Public Notification:** An advisory that EPA requires a water system to distribute to affected consumers when the system has violated MCLs or other regulations. The notice advises consumers what precautions, if any, they should take to protect their health.

**Public Water Systems (PWS):** A public water system provides piped water for human consumption to at least 15 service connections or serves an average of at least 25 people for at least 60 days each year, and includes the source of the water supply (i.e., surface or groundwater). PWSs can be community, nontransient noncommunity, or transient noncommunity systems, as defined by the EPA's Public Water System Supervision (PWSS) Program.

**Ranchette:** A single dwelling unit occupied by a non-farming household on a parcel of 2.5 to 20 acres that has been subdivided from agricultural land.

**Raw Water:** Water in its natural state, prior to any treatment for drinking.

**Regulatory Action Level:** The concentration of a contaminant which, if exceeded, triggers treatment or other requirements that a water system must follow.

**Sanitary Sewer:** A system of subterranean conduits that carries refuse liquids or waste matter to a plant where the sewage is treated, as contrasted with storm drainage systems (that carry surface water) and septic tanks or leach fields (that hold refuse liquids and waste matter on-site).

**Sanitary Survey:** An on-site review of the water sources, facilities, equipment, operation, and maintenance of a public water systems for the purpose of evaluating the adequacy of the facilities for producing and distributing safe drinking water.

**Secondary Drinking Water Standards (SDWS):** Non-enforceable federal guidelines regarding cosmetic effects (such as tooth or skin discoloration) or aesthetic effects (such as taste, odor, or color) of drinking water.

**Sedimentation:** A process of settling particles out of a liquid in a treatment plant, a process for removal of solids before filtration by gravity or separation.

**Service area:** The geographical land area served by a distribution system of a water agency.<sup>106</sup>

**Source Water:** Water in its natural state, prior to any treatment for drinking.

**Sphere of Influence (SOI):** The probable physical boundaries and service area of a local agency, as determined by the Local Agency Formation Commission (LAFCO) of the county.

**Surface Water:** The water that systems pump and treat from sources open to the atmosphere, such as rivers, lakes, and reservoirs.

**Total dissolved solids (TDS):** A quantitative measure of the residual minerals dissolved in water that remains after evaporation of a solution. TDS is usually expressed in milligrams per liter.<sup>107</sup>

<sup>105</sup> [http://www.californiataxdata.com/A\\_Free\\_Resources/glossary\\_PS.asp#ps\\_08](http://www.californiataxdata.com/A_Free_Resources/glossary_PS.asp#ps_08)

<sup>106</sup> <http://rubicon.water.ca.gov/v1cwp/glsry.html>

<sup>107</sup> <http://rubicon.water.ca.gov/v1cwp/glsry.html>

**Treatment Technique:** A required process intended to reduce the level of a contaminant in drinking water.

**Turbidity:** The cloudy appearance of water caused by the presence of tiny particles. High levels of turbidity may interfere with proper water treatment and monitoring.

**Urban:** Of, relating to, characteristic of, or constituting a city. Urban areas are generally characterized by moderate and higher density residential development (i.e., three or more dwelling units per acre), commercial development, and industrial development, and the availability of public services required for that development, specifically central water and sewer service, an extensive road network, public transit, and other such services (e.g., safety and emergency response). Development not providing such services may be “non-urban” or “rural”. CEQA defines “urbanized area” as an area that has a population density of at least 1,000 persons per square mile (Public Resources Code Section 21080.14(b)).

**Urban Services:** Utilities (such as water, gas, electricity, and sewer) and public services (such as police, fire protection, schools, parks, and recreation) provided to an urbanized or urbanizing area.

**Violation:** A failure to meet any state or federal drinking water regulation.

**Vulnerability Assessment:** An evaluation of drinking water source quality and its vulnerability to contamination by pathogens and toxic chemicals.

**Water quality:** Used to describe the chemical, physical, and biological characteristics of water, usually in regard to its suitability for a particular purpose or use.<sup>108</sup>

**Water year:** A continuous 12-month period for which hydrologic records are compiled and summarized. In California, it begins on October 1 and ends September 30 of the following year.<sup>109</sup>

**Watershed:** The land area from which water drains into a stream, river, or reservoir.

**Zoning:** The division of a city by legislative regulations into areas, or zones, that specify allowable uses for real property and size restrictions for buildings within these areas; a program that implements policies of the general plan.

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<sup>108</sup> <http://rubicon.water.ca.gov/v1cwp/glossry.html>

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**MAPS**

