

**HUMBOLDT LOCAL AGENCY FORMATION COMMISSION
IMPARTIAL ANALYSIS
OF PROPOSED FORMATION OF
THE SCOTIA COMMUNITY SERVICES DISTRICT**

A majority “yes” vote by voters on this measure will confirm approval for formation of the Scotia Community Services District (hereafter “Scotia CSD” or “district”), as approved by, and subject to the terms and conditions set forth in, Local Agency Formation Commission (LAFCo) Resolution No. 10-09, adopted on October 13, 2010.

A majority “no” vote will deny formation of the Scotia CSD.

The Scotia CSD would provide the following services to the community of Scotia: wastewater collection and treatment; water treatment and distribution; fire protection (by absorbing the Scotia Volunteer Fire Department); storm drainage collection and disposal; street lighting; road maintenance; parks, recreation and open space; and landscape maintenance within the public right-of-way.

The Scotia CSD would have the same boundaries as the established community known as the Town of Scotia, comprising approximately 420 acres. Specific boundaries are described in LAFCo Resolution 10-09.

If the Scotia CSD is formed, the Town of Scotia LLC will transfer its infrastructure, after substantial upgrading, and other community facilities to the district.

The proposed Scotia CSD is related to the plan by Town of Scotia LLC to subdivide its holdings in Scotia into 340 parcels and sell individual homes and other property. In its November 2009 approval of the related vesting subdivision map, the County established conditions of approval including conditions that require the formation of a community services district or other public entity for the management of water and sewer utilities and open space. Therefore, if the Scotia CSD is not formed, the subdivision as approved by the County may not be completed unless another type of acceptable public entity is formed to satisfy the conditions of approval.

During consideration of the proposal to form the Scotia CSD, LAFCo determined that there is no existing agency, including the City of Rio Dell, that successfully demonstrated that it could feasibly provide the services in a more efficient manner than the proposed district.

LAFCo has reviewed and approved a municipal services review, a plan for services, and a finance plan for the proposed district. LAFCo’s conditions of approval for formation of the Scotia CSD include a condition stipulating that the district shall have the authority to incur up to \$5 million of indebtedness within the first 5 years of operation, unless additional debt is necessitated by emergency. Also, the initial total of monthly user fees, including payment for any and all debt service, shall not initially exceed \$188 per

equivalent dwelling unit. That initial amount, which would constitute the theoretical maximum monthly “household” fee, may be less. In time, the district board could increase fees pursuant to state laws regulating fee increases.

If approved, the Scotia CSD will be governed by a five-member board of directors elected at large within the community, each of whom shall be a voter residing within the district. Therefore, this measure has an accompanying opportunity to vote for individuals who will serve on the board of directors if voters approve formation of the Scotia CSD.

The above statement is an impartial analysis of **Proposition _____**. If you desire a copy of the proposition, please call the elections official’s office at _____ and a copy will be mailed at no cost to you.

The foregoing Impartial Analysis was approved by the Humboldt Local Agency Formation Commission on March 16, 2011.

Merle Anderson, Executive Officer
Humboldt LAFCo