

Gold Mountain Community Services District – (GMCSO, CSD, District)

The CSD is a governmental organization supported by a five-member elected board which sets and upholds CSD policy. Our Enabling Documents are the California Government Code. The five-member Board of Directors is elected by registered voters within the District.

The District is responsible for supplying potable water, wastewater service and contracted fire protection and emergency response within District boundaries that encompass the 1280-acre residential and commercial development. The District's commercial responsibilities include the Nakoma clubhouse and restaurant, the Altitude Recreation Center, The Lodge at Nakoma, the fractional ownership units and golf course restrooms. Note that while the Nakoma Resort is our largest customer for domestic water, Nakoma maintains its own private wells for golf course irrigation.

Potable Water:

The water system currently consists of three developed wells supported by two 125,000-gallon water storage tanks that provide approximately 6 million gallons of water to customers annually. In 2018, one of the District wells, #29, experienced a diminished flow of water. Although the District rehabilitated the well, the falloff of water pumping from this well has caused the District to pursue other well water sources. Late 2019, the District drilled two sites at an initial cost of \$35,000 - \$50,000 each. As with all other wells drilled, these two wells were drilled to depths of 600-800 ft. through fractured granite aquifers. Both sites have proven to have sufficient water flow for development and a decision was made to develop and bring online one of the wells and to cap the other for future use. From start to finish, the cost of bringing a well online is \$150,000 - \$200,000. In the history of the community, 34 wells have been drilled. Water is the critical element for fire suppression and the CSD's charter for potable water delivery directly aligns with the District's responsibility to provide for fire protection services.

Wastewater Service:

Service is provided by an effluent septic system at each parcel that pumps to one of two District leach fields. In the past two years, the District invested significant capital to install and bring online, an electronic dosing station. This station distributes the affluent deeper into the leach field trenches, thus utilizing the entire leach field and extending its life.

Fire Protection and Emergency Response Services:

GMCSO is charged with providing structural fire protection and emergency medical services to the Nakoma community. These services are provided through contract with Eastern Plumas Rural Fire Protection District, (EPRFPD). As with all fire departments in Eastern Plumas County, EPRFPD is a volunteer department. EPRFPD has a large service area and although the Nakoma Community is in its sphere of influence, the community does not reside in the department's service area. In 2020, EPRFPD responded to nine callouts to the Nakoma Community; 5 were Medical, 1 was wildfire and 3 were alarms and issues with the elevator at the Lodge. The CSD contract for services with Eastern Plumas Fire is currently \$38,000 annually with a 3% COI increase annually

for the next three years. This is an evergreen contract that expires June 2024. It has a 90-day advance notification for termination of the contract and can be done so for any reason. There is a clause in the contract that reserves the right for the CSD or EPRFPD to re-negotiate the contract at anytime within the 5-year contract period.

Wildland firefighting is provided by the US Forest Service with the closest station to Gold Mountain located in Graeagle.

Within our community, the CSD sponsors and participates in related initiatives to improve our overall fire safety:

- When GM was originally developed, only seven fire hydrants were required, all serving commercial uses. Over time, the District has added 14 additional hydrants at strategic locations to serve most (85%) of the community. The District has historically committed to fire hydrant funding annually at a rate of 1-2 hydrants per year. Additionally, the CSD made provisions when the pool at Altitude was built where water can be drafted from the pool for fire fighting purposes.
- The CSD operates a limited quick attack firefighting vehicle. During 2019/2020, Bill Robinson, the CSD's Fire Services Consultant has upgraded the vehicle and equipment. Bill has organized CPR classes for all HOA and CSD staff and employees of Nakoma. He manages the CSD's Safety Program (IIPP) and has worked with the CSD insurance provider to gain approval to train volunteer residents as basic wildland firefighters. The goal of these programs is to have volunteers trained and able to respond to a wildland fire until fire officials are onsite. Bill is currently leading a community Fire Cadre who are trained in basic wildland fire fighting and who are able provide initial response with the Quick Attack vehicle if a wildfire occurs in the community.
- By Resolution, the CSD board is the reporting board for Gold Mountain Firewise. This committee by Resolution passed by both the HOA and the CSD boards, is a joint committee of both organizations. Gold Mountain Firewise has been recognized as a leader in education and fire prevention activities throughout Plumas County. It was the Firewise Committee that developed and gained HOA board approval to launch the Gold Mountain HOA Hazardous Fuel Treatment Program. GM Firewise is currently chaired by Kathy Kogge and Marty Heinrich is the committee co-chair. Both are CSD Board Members.
- The CSD follows the HOA Hazardous Fuel Treatment Program and maintains their properties in a fire safe condition as outlined in the adopted Program.

CSD Fire Tax

July 2006, the Gold Mountain community passed a self-imposed fire tax on all parcels within the development. This tax was in response to two historical community events.

- 1) When the CSD was established, Plumas County Board of Supervisors did not relinquish collected funds from GM property owners to the CSD. Normally, each Special District that is organized, is initially established with the County, and managed by the County, until such time the community has matured and can establish a District through voting power. Upon organization, each District receives proceeds of excess collected fees that helps to establish the District. In the case of Gold Mountain, the Plumas County Board of Supervisors did not follow these established rules. No monies were made available to the CSD to establish the District. The District started with zero dollars.
- 2) Upon establishing a Special District, the County Board of Supervisors negotiates a percentage of property tax revenue that is transmitted to the District for properties within the District. As a post-Proposition 13 governmental agency, GMCSO does not automatically receive a share of the property tax. The opportunity to negotiate a share existed in 1998 when the District was formed, but the parties involved (original developer and the Plumas County Board of Supervisors), agreed that there would be no tax exchange. To be considered for a negotiated share of tax on future increase two conditions would need to be met -
 - There would need to be a change in jurisdictional responsibility for fire protection, such as annexation of Gold Mountain to an existing Fire District.
 - A show of support for fire protection by property owners in the form of a willingness to assess themselves for fire protection.

Measure A “To Adopt a Special Tax for Fire Protection and Prevention, Rescue Services and Emergency Medical Services” was put forth to vote by a Special Election Ballot on July 17, 2006 for registered voters in the Gold Mountain Community. The measure passed.

The Fire Tax Measure specifically identifies where the funds will be used:

- 1) Operations – Fire protection contract. Initially set at \$25,000 in 2006.
- 2) Fire Administration Expense – Office space, equipment, supplies, telephones, computers. Initially set at \$5,000 in 2006.
- 3) Hazardous Fuel Reduction Program – Initially, the reasoning for this category was to establish and run a Hazardous Fuel Reduction Program through a CSD Ordinance. It was anticipated that this Ordinance was going to pass vote of the community but as the voting date neared, it became evident that there was opposition brewing amongst community members. The Ordinance was withdrawn from vote before the ballot was printed. A cost of \$15,000 was initially estimated to start the program and that fund requirements would grow over time. This is where the \$15,000 CSD budget line item for HFR originated from.
- 4) Equipment – It was determined in the Measure that two types of firefighting equipment was necessary for the community. A 4-wheel drive quick attack vehicle with an estimated cost of \$80,000-\$90,000 and a water tender. Due to the lack of hydrants in the community in 2006, the water tender was a solution to transporting water to a ground fire or providing

OVERVIEW: GOLD MOUNTAIN CSD FIRE OBJECTIVES HISTORY –
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a water source for fire departments. In 2006, the estimated cost of a water tender was \$180,000. Additionally, the Measure pointed to the tax providing for fire protection and suppression equipment and 4-wheel drive vehicles. \$15,000 was initially earmarked for this category.

- 5) Facilities – The original development plans for Gold Mountain envisioned a fire station to be financed by water connection charges. The Measure called for \$10,000 to be set aside for a fire station. Over time, the use of connection fees to finance a fire station may no longer be in alignment with government code and buildout in the community has not been sufficient to collect enough funds for the fire station. The Measure also called out a need for a joint HOA/CSD maintenance facility, which has been constructed.
- 6) Incidentals – County fees for collecting the fire tax. \$3,570 initially set aside.

In 2007, GMCSO negotiated with Plumas County to initiate a property tax sharing agreement to help support Gold Mountain’s fire protection costs. An agreement was finally reached with property tax sharing based on valuations from 2006/2007. Property values in Gold Mountain would dramatically decrease from this established baseline, leaving the District with a “failed” tax sharing agreement with Plumas County. Today, Gold Mountain CSD does not receive any tax sharing from the county and is the only Special District in the county that has a negative property tax apportionment agreement. For 2014/15 tax year, Gold Mountain property values stood at \$44,247,727. This is a decline of \$71,154,218. Or a 62% decline from the established base year in 2006/07.

TODAY: Where does the Fire Tax Money Go?

CATEGORY	2020/21 BUDGET	RESERVE TOTAL
Eastern Plumas Rural Fire District Contract for Services	\$40,000	
Administration Expense	\$21,284	
County Processing Fee Fire Tax		
Hydrants & Fire Flow Upgrades		
Equipment, Vehicles and Maintenance	\$1,000	
Misc. Equipment & Supplies	\$4,000	
Fire Staff Salaries & Taxes	\$22,264	
HFR-CSD Properties & HOA Common Areas	\$15,000	
GM Firewise–Education, Awareness & Activities	\$1,000	
Reserve for Fuel Break Maintenance Reserve	\$2,500	\$22,500
Reserve for Fire Station		
Fire Agency Annexation Reserve		\$30,000
Response Planning	\$1,000	
Operating Contingency		
Reserve Funds		\$52,500
TOTAL 2019/2020 Fire Budget	\$108,048	

****Est. 2020/21 Fire Tax Revenue \$108,500**