



Ruth Lake
Community Services District
Municipal Service Review &
Sphere of Influence Update

Adopted
April 19, 2022

Trinity
Local Agency Formation Commission

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1. INTRODUCTION

This Municipal Service Review (MSR) and Sphere of Influence (SOI) Update was prepared as part of a mandated review of the municipal services of all government entities in the county by the Trinity Local Agency Formation Commission (LAFCo). This report focuses on the Ruth Lake Community Services District (CSD). The purpose of this study is to assess existing and future public service conditions and to evaluate organizational options for accommodating growth and ensuring critical services are provided efficiently. This MSR presents discussion, analysis, and recommendations regarding services provided by Ruth Lake CSD.

1.1 Trinity LAFCo

Local Agency Formation Commissions (LAFCOs) are quasi-legislative, independent local agencies that were established by State legislation in 1963 to oversee the logical and orderly formation and development of local government agencies including cities and special districts. There is one LAFCo for each county in California.

LAFCo is responsible for implementing the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (California Government Code Section 56000 et. seq.) in order to promote orderly growth, prevent urban sprawl, preserve agricultural and open space lands, and oversee efficient provision of municipal services.

LAFCo has the authority to establish and reorganize cities and special districts, change their boundaries and authorized services, allow the extension of public services, perform municipal service reviews, and establish spheres of influence. Some of LAFCo's duties include regulating boundary changes through annexations or detachments and forming, consolidating, or dissolving local agencies.

Trinity LAFCo has a public Commission with seven regular Commissioners and three alternate Commissioners. The Commission is composed of three members of the Trinity County Board of Supervisors, two Special District Representatives, and two Public Members-At-Large. The Commission also includes one alternate member for each represented category.

1.2 Community Service District and Principal Act Overview

Community Service Districts are independent special districts governed under CSD law (Government Code § 61000 – 61250). A CSD can be authorized to provide a wide variety of services to unincorporated areas including domestic water, wastewater, garbage collection, security, fire protection, public recreation, street lighting, and many others. CSDs are governed by a board of directors, all of whom are elected at large.

Ruth Lake CSD provides recreation services, including campground maintenance and boat launching at Ruth Lake. Ruth Lake is the primary drinking water source for two-thirds of the residents of Humboldt County and a primary source of recreation in the Ruth/Mad River area. As

part of these recreation facilities and services, the District oversees small water systems, coordinates garbage pickup, and maintains onsite septic systems and outhouses at the marina and campground locations. In 1991, a special election was held to activate fire protection services to support services provided by Southern Trinity Volunteer Fire Company. As such, the District's current activated powers are parks and recreation, water, wastewater, solid waste disposal, and fire protection. All other remaining services, facilities, functions or powers enumerated in the District's principal act but not identified in the formation resolution or later activated are considered "latent," meaning that they are authorized by the principal act under which the District was formed but are not being exercised. Activation of these latent powers and services requires LAFCo authorization in accordance with Government Code §56824.10 et seq.

1.3 Municipal Service Review Determinations

Government Code §56430 requires LAFCo to conduct a review of municipal services provided in the county by region, sub-region or other designated geographic area, as appropriate, for the service or services to be reviewed, and prepare a written statement of determinations with respect to each of the following topics:

1. Growth and population projections for the affected area;
2. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence;
3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies (including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence);
4. Financial ability of agencies to provide services;
5. Status of, and opportunities for, shared facilities;
6. Accountability for community service needs, including governmental structure and operational efficiencies; and
7. Any other matter affecting or related to effective or efficient service delivery, as required by Commission policy.

State Guidelines and Commission policies encourage stakeholder cooperation in the municipal service review process. It also provides a basis to evaluate, and make changes to Spheres of Influence, if appropriate.

1.4 Sphere of Influence Determinations

A Sphere of Influence (SOI) is a LAFCo-approved plan that designates an agency's probable physical boundary and service area. Spheres are planning tools used to provide guidance for individual boundary change proposals and are intended to encourage efficient provision of organized community services, discourage urban sprawl and premature conversion of agricultural and open space lands, and prevent overlapping jurisdictions and duplication of services.

LAFCo is required to establish SOIs for all local agencies and enact policies to promote the logical and orderly development of areas within the SOIs. Furthermore, LAFCo must update those SOIs every five years or as needed. For an SOI update, LAFCo is required to conduct an MSR and adopt related determinations. It must also make the following SOI determinations in accordance with Government Code §56425:

1. The present and planned land uses in the area, including agricultural and open-space lands;
2. The present and probable need for public facilities and services in the area;
3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide;
4. The existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency; and
5. The present and probable need for public facilities and services related to sewers, municipal or industrial water, or structural fire protection of any disadvantaged unincorporated communities within the existing sphere of influence (effective July 1, 2012).

1.5 Review Methods

The following information was considered in the development of this service review:

- Agency-specific data: responses to LAFCo Requests for Information, Trinity County/HBMWD Master Lease Agreement, HBMWD/RLCSD Quagga Prevention Plan, RLCSD Policy Handbook, and website (www.ruthlakecsd.org).
- Demographic data: U.S. Census Bureau; Department of Finance; CA Water Resources Board
- Finances: budgets, audits, rates and fees; and
- Other Reports: State Water Resources Control Board, Division of Drinking Water, 2021 Annual Inspection Reports.

Information gathered was analyzed and applied to make the required determinations. All information gathered for this report is filed by LAFCo for future reference.

1.6 California Environmental Quality Act

The California Environmental Quality Act (CEQA) is contained in Public Resources Code § 21000 et seq. Public agencies are required to evaluate the potential environmental effects of their actions. MSRs are statutorily exempt from CEQA pursuant to §15262 (feasibility or planning studies) and categorically exempt pursuant to CEQA Guidelines §15306 (information collection). CEQA requirements are applicable to SOI Updates. The CEQA lead agency for SOI Updates is most often LAFCo, unless an agency has initiated an SOI expansion or update.

2. AGENCY OVERVIEW

Table 1: Ruth Lake CSD Agency Profile	
Formation	
Agency Name	Ruth Lake Community Services District
Formation Date	June 25, 1966
Principal Act	Government Code §61000 et. seq
Contact	
Main Contact	Caitlin Canale, District Manager
E-mail	ruthlakecsd@yahoo.com
District Office Address	12200 Mad River Road, Mad River, CA 95552
Mailing Address	PO Box 6, Mad River, CA 95552-0006
Alternate Contact	Cindy Lofthouse, Office Manager
Phone	(707) 574-6332
Website	www.ruthlakecsd.org
Governance	
Governing Body	5 Member Board of Directors
Board Meetings	2 nd Tuesday of every month at 4PM in the Mad River Community Hall, 591 Van Duzen Road.
Staffing	District Manager; Office Manager; Seasonal Support Staff
Services	
Services Provided	Parks and recreation (marina and campgrounds); water (marina and campground water systems); wastewater (marina and campground septic systems and outhouses); solid waste disposal (garbage pickup and solid waste fees collection); and fire protection (fiscal support to Southern Trinity Volunteer Fire Department).
Areas Served	Unincorporated communities of Ruth Lake and adjacent rural residential areas along Lower Mad River Road and in the vicinity of Ruth Lake in southern Trinity County.

2.1 Formation

The Ruth Lake CSD was created under Government Code 61000 et seq. in 1966 (Board of Supervisors Resolution 34-66). According to the formation documents, the district was formed for the purpose of providing water, wastewater, solid waste disposal, recreation, and mosquito abatement services to area residents¹. This included administering certain lands for recreational subleases and managing boat launching, camping, and other recreational facilities based on a Master Lease Agreement between the Humboldt Bay Municipal Water District (HBMWD), the primary owner of more than 3,000 acres that surrounds Ruth Lake, and Trinity County².

Upon formation of the Ruth Lake CSD in 1966, Trinity County transferred and assigned the Master Lease to Ruth Lake CSD. This Assignment of Lease agreement assigns and transfers to the Ruth Lake CSD “all of its right, title and interest in and to that certain lease” provided, however, that this assignment “shall not in any way operate to release [the County] from any of the terms, conditions or obligations of said lease”. While the Master Lease was assigned to Ruth Lake CSD by Trinity County, the County remains responsible for compliance with the terms of the Master Lease.

The original 39 year Master Lease agreement commenced on the first day of June, 1964, and provides for six ten-year extensions for a total of 99 years. The Master Lease is available for extension in May 2023 for another ten years. The lease allows the District to maintain and operate boat launching facilities (the marina) and other recreational facilities including the camping and day-use areas. The Master Lease also allows the District to sublease parcels of land for recreational purposes to private individuals. Use of sublease parcels for permanent residential purposes is prohibited by the Master Lease agreement and District policy.

While Ruth Lake CSD’s primary focus is managing all the recreational aspects at Ruth Lake including sublease sites, the Marina and campgrounds, they also oversee small water systems, coordinate garbage pickup, and maintain onsite septic systems and outhouses at the marina and campground locations. To date, mosquito abatement services have not been exercised by the District and are therefore considered a latent power.

In 1991, a special election was held to activate fire protection services to support services provided by Southern Trinity Volunteer Fire Company³. In 2015 there was an effort to activate ambulance services for the District to support services provided by the Southern Trinity Area Rescue (STAR). However, the application was not completed or approved by LAFCo so this remains a latent power for the District.

¹ Trinity County, Board of Supervisors, Resolution No. 34-66 Relating to the Formation of Ruth Lake Community Services District. June 20, 1966.

² Ruth Lake was formed by construction of R. W. Matthews Dam in 1962 primarily for domestic and industrial water supply to Arcata, Eureka, and other communities around Humboldt Bay. For reasons not entirely known, the HBMWD did not take on the secondary recreational responsibilities at Ruth Lake and instead entered into a Master Lease Agreement with Trinity County on December 31, 1964.

³ Fire Protection Election, Measure A, September 3, 1991.

2.2 Boundary and Sphere

The District is located along Highway 36 and Mad River Road in Trinity County, within the Mad River watershed (Figure 1). Ruth Lake CSD covers approximately 336,000 acres (525 square miles) in both Trinity and Humboldt counties. The original boundary was set to match the Mad River Joint School District and Hetten Valley School District, now known as Southern Trinity Joint Unified School District, excluding any lands lying outside Trinity County⁴. In 1974, Ruth Lake CSD completed the “Dinsmore Annexation” including “That portion of Mad River Joint Union School District of the Counties of Trinity and Humboldt which is within the County of Humboldt”⁵

In 1985, a reduced Sphere of Influence (SOI) was adopted for the District that is substantially smaller than the jurisdictional boundary⁶. It is likely the reduced SOI was drawn to include only those recreational areas directly managed by the District. The current SOI is approximately 25,600 acres (40 square miles) and includes the area around Ruth Lake and extends northwest into Humboldt County.

As part of this MSR/SOI Update, it is recommended the SOI be amended to be coterminous with the District boundary. This reflects no change to the District boundary (annexation or detachment) is anticipated in the next 5-10 years.

2.3 August Complex Fire

In 2020 the August Complex Fire was started by a series of lighting strikes in wilderness areas around the Mendocino National Forest⁷. Due to the region’s rugged topography and dense fuel loads combined with high fire risk during dry summer months, the fires eventually grew together into what was coined a “gigafire” – a term for a blaze that burns at least a million acres of land and a level above the “megafire,” which burns more than 100,000 acres. By the time the fire was contained in November, it had burned over 1 million acres across five counties. The northern border of the fire reached Ruth Lake and burned large areas of forested lands on the northern and southern edge of the lake. In addition to loss of forested lands, many structures around the lake were also lost and there was damage to the District’s campground and dock facilities. There were 78 lease lots affected by the fire.

All lease lot holder requests for rebuilding after the fire disaster must be approved by Ruth Lake CSD and the Humboldt Bay Municipal Water District.

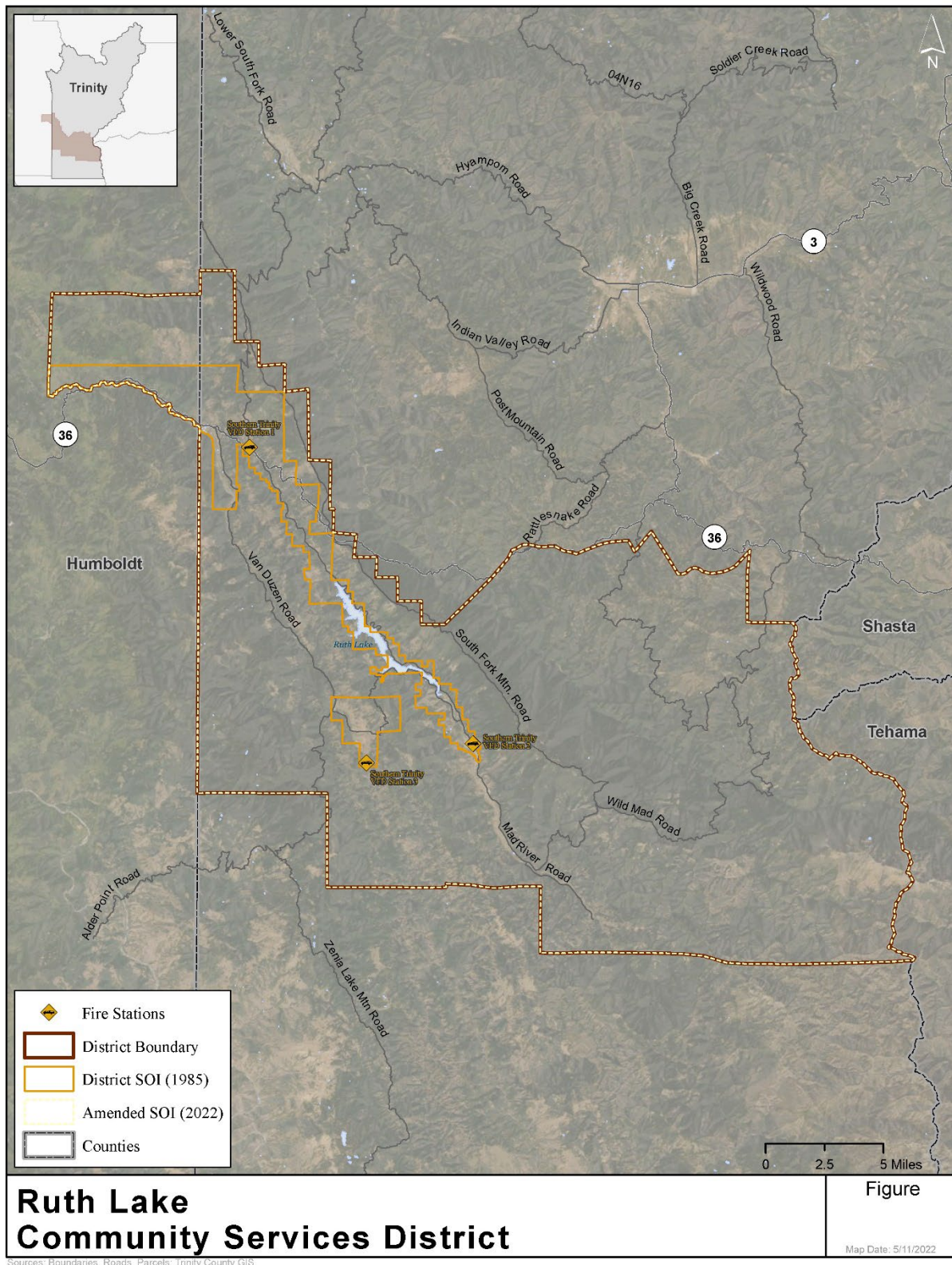
⁴ Trinity County Board of Supervisors, Resolution 34-66: Item 4. June 20, 1966.

⁵ Dinsmore Annexation Certificate of Completion filed with the Secretary of State, June 26, 1974.

⁶ Trinity LAFCo, Resolution 85-09. May 7, 1985.

⁷ InciWeb, August Complex Fire. Perimeter Map 8-22-2020.

Figure 1: Ruth Lake CSD Boundary and SOI



3. GOVERNMENT STRUCTURE

3.1 Governing Body

Ruth Lake CSD is governed by a five-member Board of Directors, elected at large by District residents to serve staggered four-year terms (Table 2). The Board meets on the 2nd Tuesday of every month at 4PM in the Community Hall. Meeting dates and agendas are posted at least 72 hours prior to meetings at the District Office and are available on the District's website. Board members receive a \$50 stipend for attending board meetings.

Table 1: Ruth Lake CSD Board of Directors

Board Member	Title	Term Expiration
Ed Johnson	Director	December 2022
Brian Nicholson	Vice Chair	December 2024
Debra Sellman	Director	December 2024
Jordan Emery	Board Chair	December 2024
Susan Gordon	Director	December 2022

3.2 Management & Staffing

The District maintains a small staff that manages operations for the District including the marina and campgrounds. There is a General Manager and Office Manager that oversee the day-to-day operations of the District and manages sublease holder agreements around the lake. Additional staff includes a Marina Manager, Campground Store Manager, several seasonal camp hosts, a part-time year-round maintenance person, and other part-time seasonal positions at the marina and campgrounds. Starting June 30, 2022, the CSD is offering a retirement plan (SIMPLE IRA) to all employees.

3.3 Transparency and Accountability

The District maintains a website at www.ruthlakecsd.org, which is a helpful communication tool to enhance government transparency and accountability. The website provides service-related information, archived meeting agendas and minutes, and audited financial statements but does not currently include adopted annual budgets or board policy information.

SB 929 (McGuire) was signed into law on September 14, 2018, requiring all independent special districts to have and maintain a website by January 1, 2020, meeting all the special district transparency requirements of State law including the availability of agendas, policies, and financial information. It is recommended the District reassess their website to make sure they are in compliance with SB 929.

The Political Reform Act requires all state and local government agencies to adopt and promulgate a Conflict of Interest Code pursuant to Government Code §81000 et seq. The Political Reform Act also requires persons who hold office to disclose their investments, interests in real property, and incomes by filing a Statement of Economic Interests (Fair Political Practices Commission Form 700) each year pursuant to Government Code §87203. Ruth Lake CSD has a Conflict of Interest Code (Policy 1020) and all Board members have a Form 700 on file.

According to AB 1234, if a local agency provides compensation or reimbursement of expenses to local government officials, then all local officials are required to receive two hours of training on public service ethics laws and principles at least once every two years and establish a written policy on reimbursements pursuant to Government Code §53235. In addition, AB 1661 went into effect in 2016 and addresses local government sexual harassment prevention training and education. The District complies with the above training requirements for Board members and staff.

4. SERVICES & INFRASTRUCTURE

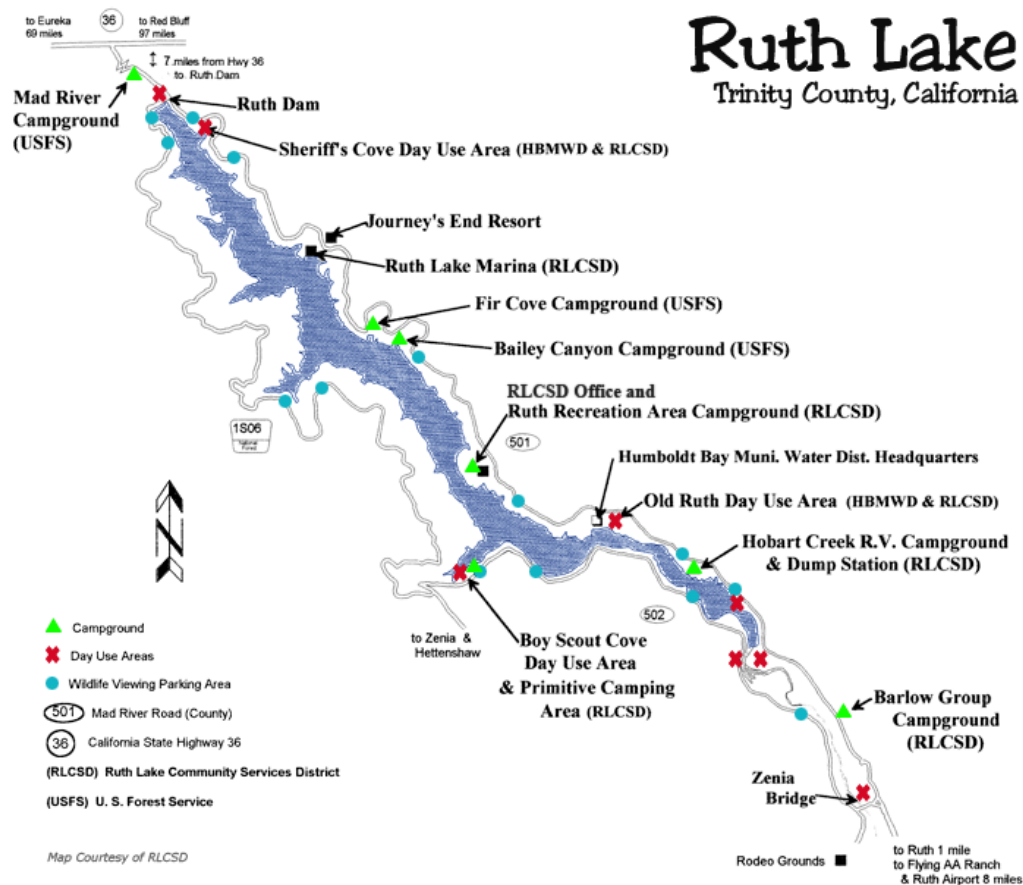
4.1 Services Provided

Ruth Lake CSD primarily provides recreation services to the Ruth Lake area. This includes management of campgrounds, subleases for recreational areas, and managing the Ruth Lake Marina.

Camping and Day Use

The District maintains and operates four (4) day use areas⁸ and four (4) campgrounds⁹ around the lake as shown in Figure 2 below. Facilities range from primitive sites without water or restrooms to campground facilities with toilets and showers. Campgrounds are typically open from late spring to late fall. Campground reservations can be made for the operational season by calling the Ruth Rec Campground Store/office and typically become available beginning in March of the same year.

Figure 2: Ruth Lake Camping and Day Use Facilities



⁸ Ruth Lake CSD Day Use Areas include Sheriff's Cove, Old Ruth, Blue Slide and Boy Scout Cove

⁹ Ruth Lake CSD Campgrounds include Ruth Rec, Hobart Creek, Boy Scout Cove, and Barlow Group

Almost all camping and day use facilities provide direct access to the lake and can be reached by vehicle. Other amenities, such as a small convenience store and kayak and boat rentals are also available seasonally based on staffing levels.

Sub-Leases

As discussed previously, the Ruth Lake CSD leases the land surrounding Ruth Lake from the Humboldt Bay Municipal Water District based on a Master Lease Agreement between HBMWD and Trinity County. The lease allows the district to maintain and operate boat launching facilities (the marina) and other recreational facilities including the camping and day-use areas. The Master Lease also allows the District to sublease parcels of land for recreational purposes to private individuals. Use of sublease parcels for permanent residential purposes is prohibited by the Master Lease agreement and District policy.

There are a total of 172 subleases including 36 boat leases and 136 road access leases around the lake which are managed according to District policy. Most lots are accessible by vehicle, but some are only accessible by boat. Subleases must adhere to rules regulating the use of private docks, onsite wastewater treatment systems (septic systems)¹⁰, utilities, insurance requirements, and other regulations as set forth by the District. Any proposed development or change to sublease properties must first be approved by the District to ensure conformance with set policies. Subleases may also be transferred from one party to another with District approval¹¹.

The Ruth Lake Leaseholder's Association is an organization for all leaseholders of Ruth Lake. The Association serves as a liaison to coordinate affairs between the leaseholder members and the Ruth Lake CSD. The Association keeps members informed through an Association newsletter, email blasts, and through its Facebook group.

Figure 3: HBMWD Property Boundaries around Ruth Lake



¹⁰ Policy 6220 states that lease holders must have an approved system in place before the property can be used. It also states that the County will only consider a permit after initial approval has been received from HBMWD and RLCSD.

¹¹ District policies related to subleases can be found on the District's website at <https://www.ruthlakecsd.org/leaseholder-downloads-documents/>.

Ruth Lake Marina

The Ruth Lake Marina is located on the northern shore of the lake along Lower Mad River Road. It is typically open from April through October and includes wet storage slips, boat ramp, public dock, bait and tackle store, fueling station, restrooms, picnic tables, and beach access¹². There are a total of 55 slips that can be rented out seasonally for private use.

In 2008, AB 2065 added Section 2302 to the Fish and Game Code, relating to invasive aquatic species. The enacted code requires any person, or federal, state, or local agency, district, or authority, that owns or manages a reservoir, as defined, where certain recreational activities are permitted, except a privately owned reservoir that is not open to the public, to assess the vulnerability of the reservoir for the introduction of nonnative dreissenid mussel species and to develop and implement a program designed to prevent the introduction of that species. Accordingly, HBMWD and RLCSD have jointly adopted [latest update April 2019] the Humboldt Bay Municipal Water District and Ruth Lake Community Services District Prevention Plan for Quagga and Zebra Mussels at Ruth Lake (Plan). Under the Assessment of Vulnerability section of that plan, the one assessment of Ruth Lake that was conducted concluded that: "... one could conclude that Ruth Lake poses a "Low" chemical threat based on the readings for these two parameters." [pH and calcium]. The report goes on to say: "Although categorized as "low risk" in the above table, that does not equate to no risk. Ruth Reservoir is the District's [HBMWD] impound for the domestic and industrial water diversions that take place at Essex, some 75 miles downstream. The water quality parameters downstream of Ruth Lake have not been analyzed for calcium carbonate deposits. If Quagga or Zebra mussel veligers are introduced into Ruth Lake and are swept downstream, there may exist a higher degree of potential risk for growth and settlement in the watershed which could potentially affect the District's diversion infrastructure."

HBMWD supports RLCSD's activities under the Plan by seeking California Division of Boating and Waterways Local Assistance Quagga and Zebra Mussel Infestation Prevention Grant Program¹³ funding to reduce operating and capital costs associated with implementation of the Plan. To help prevent the spread of aquatic invasive species such as zebra and quagga mussels, every watercraft that enters Ruth Lake must be inspected before launching. Once inspected, the vessel receives a sticker indicating it has been inspected for the current year. When trailered boats are removed from the lake, they are inspected and banded. Should the boat be launched again, the band indicates the last body of water it was in and that it was inspected for invasive species upon removal¹⁴.

Water

The District maintains several wells that supply water to the marina and several of the campgrounds. Water that is untreated is posted as non-potable. The marina and Ruth Recreation Area campground provide potable water to users and there is no additional fee for water use. The

¹² Ruth Lake CSD, General Marina Information.

¹³ https://dbw.parks.ca.gov/?page_id=28822

¹⁴ Ruth Lake CSD, Stickers, Bands, Key Cards – Guidelines for Launching Watercrafts at Ruth Lake. Updated January 28, 2020. ¹⁵ State Water Resources Control Board, Division of Drinking Water, 2021 Annual Inspection – Ruth Lake Marina – PWS No. 5305003 Mad River – Trinity County. January 2022.

recreation area campground and marina systems are considered transient public water systems by the State Water Resources Control Board while the other systems are not considered public.

The Ruth Lake Marina is served by two wells. Currently the District is addressing well vault improvements for both wells to prevent contamination by possible flooding of the well vaults. Well water is pumped through a three stage filter process and then chlorinated before being stored in a 2,500 gallon tank. The combined pumping capacity of the two wells is approximately 40 gallons per minute (gpm) with a maximum production of 57,600 gallons per day. However, Well No. 01 is only used as a backup source in the event Well No. 02 is offline. The maximum demand during 2020 was 38,113 gallons in a single month with a peak single day demand of 2,459 gallons at a maximum of 1.7gpm. Based on average production of one well (20gpm), there is more than adequate supply to meet current demand at the marina¹⁵.

The Ruth Lake Rec Area (Campground) is served by two wells. One is associated with the treatment building and serves as the primary water supply. The second is a lake well that terminates below the highwater water level of Ruth Lake. It reportedly consists of 300 feet of well casing that is buried at a minimum depth of 25 feet beneath the lake bed and is therefore directly influenced by lake water. Well water is pumped through a filtration system and chlorinated before storage in two 5,000 gallon water tanks. The treatment system can currently only be used for the primary well and is not permitted for the lake well. In the event the lake well will be utilized, the District must either obtain a new permit for the treatment system or issue a boil water notice to users¹⁶.

The actual pumping capacity of the primary well is unknown. However, it is estimated to pump at approximately 18gpm. The well serves the campground's 85 sites by way of approximately 13 faucets (hose bibs) and two restrooms. It also provides water to the Ruth Lake CSD office and the camp host. During 2021 the approximate water demand for the system was 558,000 gallons. The District has indicated that during peak summer months the primary well is unable to meet peak demand due to a severe drop in the well water level. In the event this occurs, the campground would activate the lake well to meet demand¹⁷. Based on the potential for inadequate potable water supply during peak summer months, the District is encouraged to work with the SWRCB to obtain a new permit for the lake well so that it can be used without a boil water notice when necessary.

Both the marina and campground water systems require a licensed water operator. Currently, there are no District staff with the necessary classification to operate either system. The District utilizes an outside contractor to maintain the systems and conducted required inspections and water sampling.

Separate from the District's water systems, the sublease holders located around the lake obtain water through various avenues. Several of the lots are able to obtain water directly from Ruth Lake reservoir. As part of the recreational sublease agreement, a sublease holder may withdraw up to 240 gallons per day with HBMWD approval and should HBMWD determine there is excess capacity

¹⁵ State Water Resources Control Board, Division of Drinking Water, 2021 Annual Inspection – Ruth Lake Marina – PWS No. 5305003 Mad River – Trinity County. January 2022.

¹⁶ State Water Resources Control Board, Division of Drinking Water, 2021 Annual Inspection – Ruth Lake Recreation Area – PWS. No. 5305004 – Mad River Trinity County. December 30, 2021.

¹⁷ SWRCB, 2021 Annual Inspection – Recreation Area. December 30, 2021.

in the lake. In order to obtain a lake water use permit from Ruth Lake CSD, an application must be submitted showing the proposed delivery and storage system, terms and conditions of the permit, technical specifications, proposed filtration and disinfection system, and an application of approval of water system from Trinity County. The right to withdraw water from the lake may be terminated by HBMWD and/or Ruth Lake at any time for any reason including a sublease holders' unwillingness to comply with the conditions of their permit¹⁸. As part of this process, Ruth Lake CSD also acts as an agent through which sublease holders obtain documented riparian water rights from the State¹⁹. Other lots obtain water by way of springs, wells, or bottled water as needed.

Many seasonal dwellings were lost in the August Complex fire. Trinity County Environmental Health, which is the permitting agency for wells and onsite wastewater (septic) systems in the area, has sent out a potable water information form to sublease holders that lost their summer homes. The intent is to find out where they were previously obtaining their water from and how they intend to obtain water in the future²⁰.

Wastewater

Wastewater is typically disposed of with individual onsite wastewater treatment systems (septic systems). The District is responsible for maintenance and regular pumping of campground and marina facilities. However, sublease owners are responsible for operation and maintenance of their individual system.

According to Ruth Lake CSD policy, no sublease site can be used until an approved wastewater system is in place. Additionally, a permit must be obtained from Trinity County Environmental Health²¹. Based on prior issues found in the area, the County is now requiring extra steps to ensure systems are fully functioning before a permit is issued. This is in an effort to ensure there is no lake contamination from inadequate or failing wastewater systems²². Septic inspections are also being required for all lease lots affected by the August Complex prior to new construction.

Based on Ruth Lake CSD's approval authority and potential issues from inadequate and/or unpermitted wastewater systems around the lake, there appears to be a need for further oversight of these systems. An onsite wastewater treatment system inspection program would ensure that all sublease holders have adequate access to disposal facilities on their lot and would also limit the potential for lake contamination. Regular inspection of these systems and early prevention measures can help ensure Ruth Lake is protected from costly and dangerous fecal coliform contamination issues. The District is strongly encouraged to investigate the potential to develop and implement such a program.

¹⁸ Ruth Lake CSD, Policy Handbook §8100.20.

¹⁹ State Water Resources Control Board, Electronic Water rights Information Management System, Initial Statement of Water Diversion and Use for Lease #96A and Lease #5. Accessed November 23, 2021 from https://www.waterboards.ca.gov/waterrights/water_issues/programs/ewrims/.

²⁰ Trinity County Department of Environmental Health, Personal Communication (email). January 27, 2022.

²¹ Ruth Lake CSD, Policy Handbook §6220.10 – 6220.22.

²² Trinity County Department of Environmental Health, Personal Communication (email). January 27, 2022.

Garbage Disposal

Since Ruth Lake is a recreation area, visitors often bring in a large amount of goods in some sort of disposable packaging. This can include food, beverages, camping gear, fishing gear, disposable plates and utensils, and any number of other items. This creates a large amount of garbage that must be secured to help protect wildlife, the surrounding environment, and visitors.

The District rents several large dumpsters from Trinity County Solid Waste for use at the campgrounds and the marina. There is one dumpster that is specifically for lease holders and requires a key obtained from the District. However, based on the amount of use, there is not enough space to accommodate the waste that is generated around the lake. The District frequently has to transport garbage to the transfer station in Ruth on Sundays and Tuesdays during the peak summer season²³.

Trinity County Solid Waste has limited capacity to provide additional solid waste services to the area. As such, the District may want to implement a public information campaign on ways to reduce waste while recreating. This could include bringing plates and utensils that can be washed and reused, prepping food and beverages at home in reusable containers, using rental facilities for boats and rafts rather than purchasing low quality items that may break easily, and other waste reducing tips.

Fire Protection

Fire protection and emergency response services for the Ruth Lake area are provided by the Southern Trinity Volunteer Fire Department (STVFD) and Southern Trinity Area Rescue (STAR) which serve the eastern Humboldt/ southern Trinity areas. STVFD is staffed entirely by volunteers with three battalions, including a main station in Mad River approximately seven miles from the Ruth Lake dam, a second station in Ruth approximately four miles southeast of Ruth Lake, and a Hettenshaw Valley battalion with no station. The Mad River Station is owned by the STVFD and the Ruth Station is a lease lot with no charge. As of 2021, STVFD had an active roster of 17 members, responded to 42 incidents, and conducted approximately 1,360 training hours. STAR is a volunteer division of Southern Trinity Health Services and also operates out of Mad River and Ruth with a total of two ambulances that are staffed by EMT-1 and Paramedic level emergency personnel.

Both agencies have limited funding opportunities due to typical land use in the area which is largely federally owned USFS lands utilized for recreation. As such, funding generally comes from grants and community donations. Ruth Lake CSD typically provides an annual donation to both STVFD and STAR as long as budget allows. In the past two fiscal years, this has been very limited due to impacts from Covid-19 and the August Complex Fire. In recent years, STVFD and STAR have also received Measure Z funds on behalf of Humboldt County.

As mentioned previously, fire protection was activated as an authorized service by Ruth Lake CSD as part of a special election held in 1991²⁴. In 1992, the Ruth Lake CSD and STVFD entered into a services agreement that included a provision for STVFD to lease land for construction of a fire

²³ Ruth Lake CSD, Personal Communication – District Manager. November 10, 2021.

²⁴ Fire Protection Election, Measure A, September 3, 1991.

house in Mad River. For some years, Ruth Lake CSD provided administrative fiscal oversight and financial support for the fire company. However in 1998, Southern Trinity transitioned from a fire company to a fire department by incorporating as a nonprofit public benefit organization²⁵. This was necessary in order to retain ownership of the station property in Mad River²⁶. Around this same time, STVFD transferred all finances into a bank account separate from the CSD. Since then, STVFD has operated independently from the Ruth Lake CSD although supported by an annual donation from the District. Currently, a Joint Ad Hoc Committee of both Boards is meeting regularly with the following goals:

1. Engage in a collaborative effort to examine the obligations and responsibilities of both entities to provide for fire protection within the District;
2. Explore strategies to enhance revenue sources to adequately fund fire/emergency services for the benefit of the communities within the district, now and into the future; and
3. Report back to the respective Boards with findings and recommendations.

Like many other fire departments, STVFD is facing growing challenges that include:

- Ever increasing mandatory requirements and standards.
- Limited volunteer recruitment pool and retention programs and incentives.
- Inadequate levels and types of training opportunities.
- Limited administrative capacity to address growing organizational requirements.
- *Insufficient funding* to cover growing expenses, including:
 - The replacement of aging safety equipment and apparatus,
 - Communication equipment and infrastructure improvements,
 - Insurance and worker's compensation,
 - Training and certification for volunteers, and
 - Fire station maintenance and the growing need for an additional strategically placed station or storage facility for Hettenshaw Valley fire equipment.

To help address some of these challenges, it is recommended that Ruth Lake CSD and STVFD continue to work collaboratively to identify and establish reliable sources of revenue to support the sustainable delivery of fire protection services. This could include a special tax or assessment levied on parcels within the District boundary or specified zone of service that can apply to all real property and possessory interests (i.e., lease lots). Additionally, recreational user fees collected by Ruth Lake CSD could be increased for the sole purpose of funding fire protection. Other feasible cost recovery sources for fire-based emergency response services could also be pursued. As part of any dedicated funding source, the District and Department should formalize the structure and relationship between the two entities through written mutual agreement.

²⁵ In 2001 STVFD was granted 501c(4) status.

²⁶ In 2011, Title to the Mad River Station property was transferred from Ruth Lake CSD to STVFD.

4.2 Other Service Providers

Trinity County provides general governmental services including social services, emergency services, planning, county roads, parks, and other services to areas within the County. Law Enforcement is provided by the Trinity County Sheriff's Office. The California Department of Transportation (Caltrans) is responsible for the condition of Highway 36 that provides access to Ruth Lake CSD via Lower Mad River Road. The US Forest Service manages the Mad River District, which includes campgrounds and day use areas along Ruth Lake. The US Forest Service is also responsible for wildland fire protection within the Federal Responsibility Areas and likewise CALFIRE within State Responsibility Areas.

5. FINANCING

5.1 Revenues and Expenses

Ruth Lake CSD's primary revenue sources are recreational user fees from the campground and marina facilities which accounts for approximately 75 percent of the District's total income. These recreational user fees were recently increased in 2022. Additional revenue comes from lease fees, solid waste fees from the leaseholders that is passed onto the County, grants, and other sources as indicated in the District's annual budget. District expenses include payroll, donations to STVFD and STAR, utilities, solid waste fees and numerous others. Payroll is the largest category and accounts for approximately 58 percent of total expenses. Anticipated revenues for FY 2020-21 decreased by almost \$60,000 due to campground closures caused by Covid-19. Table 2 below provides an overview of adopted budgets for the last three fiscal years.

Based on the provided budgets, the District is able to plan for a surplus of income every year. This surplus, if achieved, can help build up reserves that can be used to fund major capital improvement projects. However, actual revenues and expenses can vary greatly based on the number of visitors to the area each year.

Figure 4: Ruth Lake CSD FY2021-22 Revenues by Category

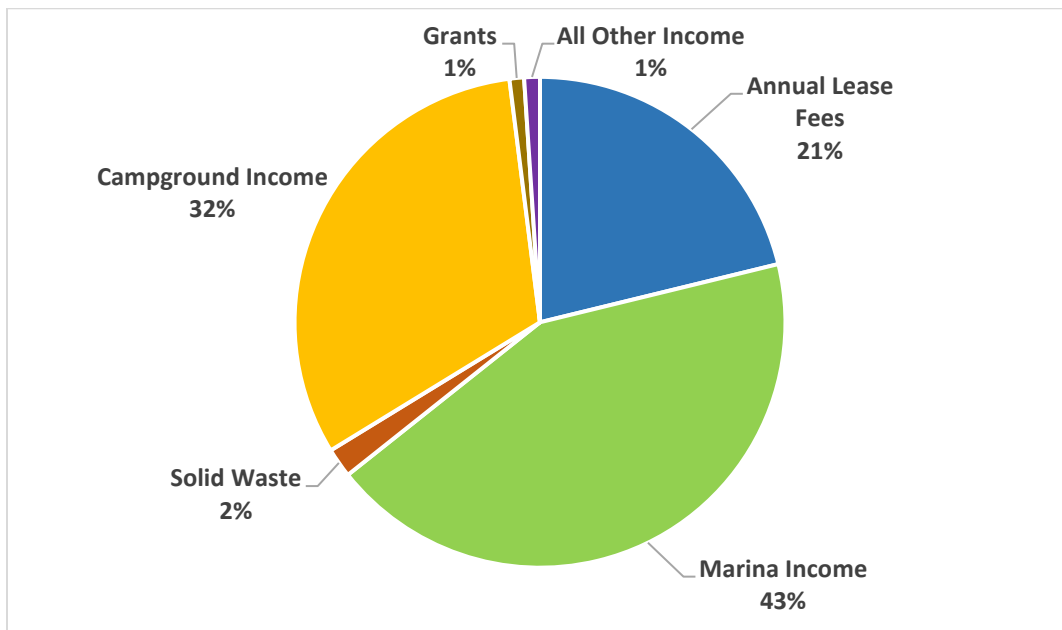


Table 2: Ruth Lake CSD Budget Summary

	FY 2019-20	FY 2020-21	FY 2021-22
Revenues			
Annual Lease Fees	\$162,050	\$176,850	\$176,850
Marina Income	\$350,000	\$310,000	\$360,000
Solid Waste	\$16,200	\$16,200	\$16,200
Campground Income	\$270,000	\$230,000	\$265,000
Grants	\$0	\$8,000	\$8,000
All Other Income	\$10,515	\$8,140	\$8,640
Total Revenues	\$808,765	\$749,190	\$834,690
Expenses			
Cost of Goods Sold	\$113,800	\$95,000	\$125,000
Bankcard Merchant Fees	\$14,000	\$7,000	\$15,000
STVFD	\$10,000	\$3,000	\$15,000
STAR	\$10,000	\$3,000	\$15,000
Operating Supplies	\$10,000	\$30,000	\$30,000
Payroll Expenses	\$450,000	\$375,000	\$375,000
Professional Fees	\$15,000	\$40,000	\$40,000
Utilities	\$60,000	\$20,000	\$20,000
Solid Waste	\$0	\$40,000	\$40,000
All Other Expenditures	\$102,800	\$97,150	\$92,200
Total Expenses	\$785,600	\$718,150	\$767,200
<i>Net Income/ (Loss)</i>	<i>\$23,165</i>	<i>\$31,040</i>	<i>\$67,490</i>

5.2 Audit Information

The District conducts audits on an annual basis through a certified public account. Table 3 below provides a summary of the last three years' worth of audits. For the last three years, operating revenue has exceeded operating expenses. However, the surplus has continually been less than the annual depreciation of major capital assets, predominantly for the marina and district campgrounds, which has led to an overall decrease in the District's net position. As can be seen in Table 4, while liabilities remain low, the net position continues to decrease over time.

Table 3: Ruth Lake CSD Audit Summary²⁷

	FY2017-18	FY2018-19	FY2019-20
Operating Revenue			
Campground	\$284,465	\$272,884	\$227,312
Marina	\$363,260	\$349,411	\$286,250
Lease	\$156,225	\$166,833	\$178,442
Grants	\$915	\$43,425	\$7,827
Solid Waste	\$17,100	\$16,100	\$16,100
Taxes	\$6,185	\$6,257	\$5,893
Water fees (lease)	\$3,170	\$2,520	\$2,640
Assignment fees	\$1,100	\$800	\$0
Miscellaneous	\$3,496	\$10,164	\$2,277
Cost of Goods Sold	(\$110,035)	(\$111,190)	(\$97,272)
<i>Total Operating Revenue</i>	<i>\$725,881</i>	<i>\$757,204</i>	<i>\$629,869</i>
Operating Expenses			
Bank Card Fees	\$16,008	\$14,514	\$14,412
Fire Protection	\$15,000	\$15,000	\$10,000
Donations	\$15,000	\$15,000	\$10,000
Payroll	\$350,396	\$400,540	\$301,945
Professional Fees	\$33,896	\$46,138	\$38,607
Utilities	\$57,453	\$28,753	\$21,774
Other	\$130,429	\$184,489	\$185,907
<i>Total Operating Expenses</i>	<i>\$618,182</i>	<i>\$704,434</i>	<i>\$582,645</i>
Depreciation	(\$118,745)	(\$129,911)	(\$138,067)
Net Non-Operating Income	\$128	\$131	\$279
<i>Change in Net Position</i>	<i>(\$10,918)</i>	<i>(\$77,010)</i>	<i>(\$90,564)</i>

Table 4: Ruth Lake CSD Net Position Summary

	FY2017-18	FY2018-19	FY2019-20
Assets	\$2,003,702	\$1,930,043	\$1,834,834
Liabilities	\$2,367	\$5,718	\$1,072
Net Position	\$2,001,335	\$1,924,325	\$1,833,762

²⁷ Audits for the three fiscal years shown were conducted by Aycock and Edgmon Certified Public Accountants from Ferndale, CA.

6. GROWTH AND POPULATION

6.1 Land Use

The Trinity County General Plan (2003) and Zoning Code guides land use decisions within Trinity County. The area served by Ruth Lake CSD is largely Resource, Rural Residential Low Density, and Agricultural. (Figure 4). Ruth Lake Marina and several campgrounds are located along the northeast side of Ruth Lake reservoir, impounded by R.W. Matthews Dam owned by HBMWD. A portion of the District to the west extends into Humboldt County on the northern side of Highway 36. Land use in this area is established by the Humboldt County General Plan and is primarily Residential Agriculture, Agricultural Grazing, and Public Lands with some Timberland and an Airport Overlay around the Dinsmore airstrip.

HBMWD owns much of the property surrounding the lake as well as the R.W. Matthews Dam that creates the Ruth Lake reservoir on the Mad River and the Gosselin Hydro-Electric Power House associated with the dam²⁸. The forested areas surrounding the lake are predominantly owned by the United States Forest Service with some private land holdings.

6.2 Existing Population and Projected Growth

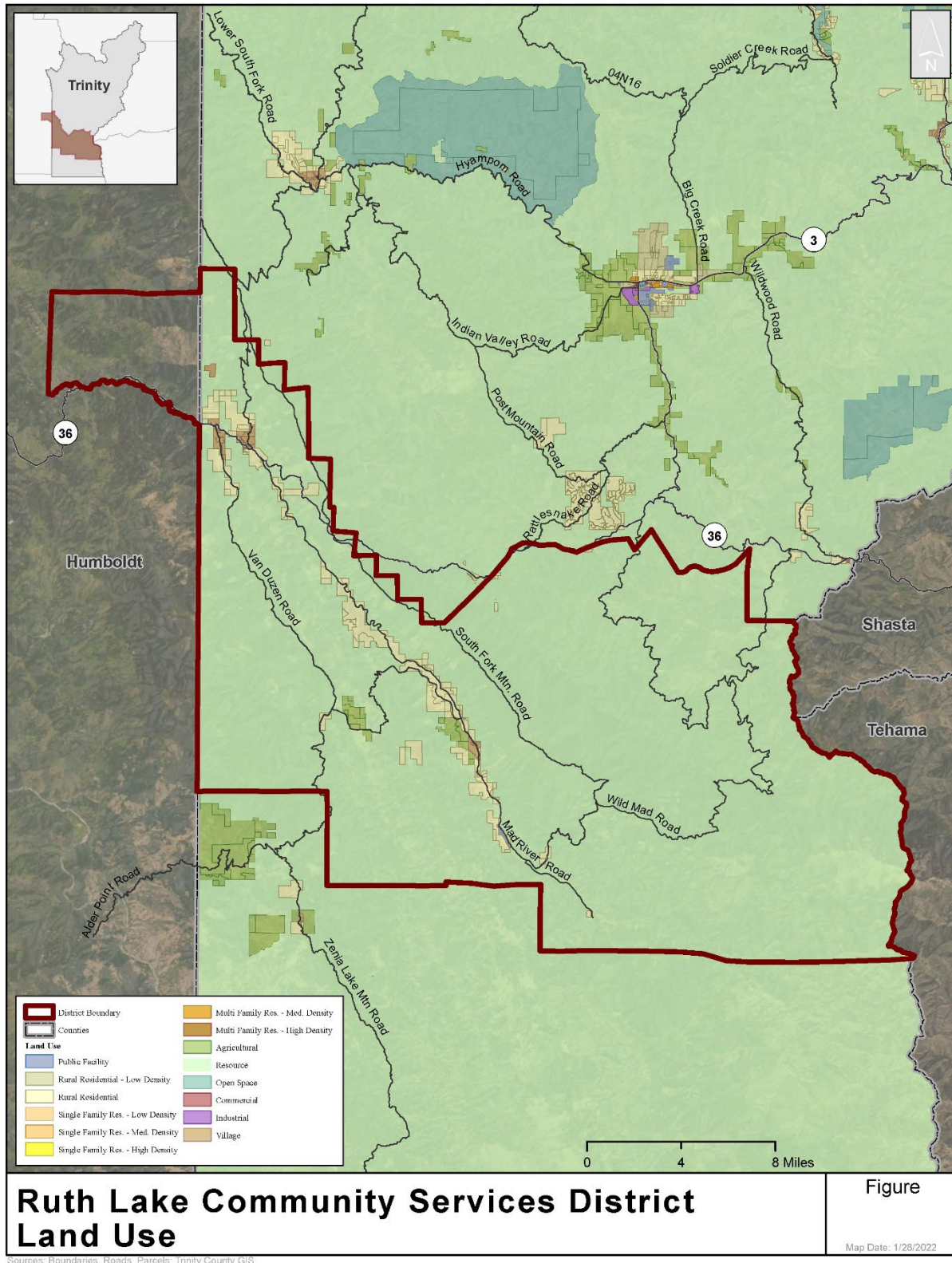
According to the US Census Bureau Decennial Census data, the total population in Trinity County was 13,786 in 2010 and 16,112 in 2020. This suggests an annual growth rate of approximately 1.57%. However, the Trinity County Housing Element reports limited to no growth over the last 10 years and anticipates a small decline in population over the next decade²⁹. At this time it is unknown how the Covid-19 pandemic and recent wildfire activity will affect overall population in the County. For the purposes of this MSR, a zero growth rate will be assumed for the District area as it is primarily a recreational area with limited year round residents.

Within the District boundary is the Ruth Census Designated Place (CDP) which has a 2020 population estimate of 254 and Mad River CDP which has a 2020 estimate of 361. The District boundary is much larger than these two CDPs and likely has a population greater than the total of both (615). However, these two areas likely contain the bulk of the population in the area as much of the District is comprised of sparsely inhabited forested lands. It is not anticipated that the population of the District will grow substantially in the next five to seven years.

²⁸ Trinity County Hazard Mitigation Plan 2015

²⁹ Trinity County, 2019-2024 Housing Element Update, Chapter Two: Housing Needs. April 1, 2020.

Figure 5: Ruth Lake CSD Land Use Map



6.3 Disadvantaged Unincorporated Communities

LAFCo is required to evaluate water service, sewer service, and structural fire protection within disadvantaged unincorporated communities as part of service reviews, including the location and characteristics of any such communities. A disadvantaged unincorporated community (DUC) is defined as any area with 12 or more registered voters where the annual median household income (MHI) is less than 80 percent of the statewide annual MHI (pursuant to Government Code Section 56033.5 and Water Code Section 79505.5). Within a DUC, three basic services are evaluated: water, sewage, and fire protection. Currently, Ruth Lake CSD does not provide residential services as their primary purpose is the provision of recreational amenities on and around Ruth Lake.

Even though the CSD is not responsible for residential services, the presence of DUCs in the area should still be discussed. According to the 2015-2019 American Community Survey 5-year estimates, the MHI is \$30,208 for the Ruth CDP, and \$25,400 for Mad River CDP which is 40% and 34%, respectively, of the state average of \$75,235. This qualifies the communities as disadvantaged. It is likely that the surrounding areas can also be considered disadvantaged.

7. MUNICIPAL SERVICE REVIEW DETERMINATIONS

This section addresses the requirements of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (California Government Code Section 56430). As part of the municipal service review process, LAFCo makes the following written determinations.

1) Growth and population projections

Ruth Lake CSD was created to provide recreation services, including boat launching and campground maintenance to the community of Ruth and surrounding areas along the Mad River and Ruth Lake. As such, there is a limited year-round population in the area. Based on 2020 census data the area has an estimated population of approximately 700 and it is unlikely the area will see much growth in the next five to ten years.

2) The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the Sphere of Influence

The communities of Ruth and Mad River have MHIs that are 40 and 34 percent of the State MHI, respectively. This qualifies them as DUCs and indicates that much of the surrounding area can also be considered disadvantaged.

3) Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies

Some of the District's infrastructure was damaged during the 2020 August Complex Fire. This includes water distribution system for campgrounds around the lake. The District is continuing to work towards full repair of all systems and facilities. Based on pre-fire activities, there is adequate capacity to meet most service needs apart from solid waste disposal. However, there does appear to be a need for additional oversight of onsite wastewater systems. The District is encouraged to investigate the potential to develop and implement a regular inspection program. There also appears to be a need for additional potable water supply to support campground activities. The District is encouraged to work with the SWRCB to obtain a permit for their lake well at this location.

4) Financial ability of agencies to provide services

Based on financial audits for fiscal years 2017-18 to 2019-20, Ruth Lake CSD is able to maintain operating revenues that exceed operating expenditures. However, this surplus is not enough to cover depreciation of assets leading to a decrease in the District's overall net position.

5) Status of, and opportunities for, shared facilities

There may be an opportunity for the District to aid in the provision of fire and emergency response services. The District is encouraged to continue to work with other service providers including STVFD and STAR on a plan for long term provision and financial mechanisms to support fire and emergency response services in the area.

6) Accountability for community service needs, including governmental structure and operational efficiencies

Ruth Lake CSD is overseen by a five-member Board of Directors that is elected to staggered four-year terms. Agendas are posted at the District office and on their website at least 72 hours in advance of meetings. Additional information about the District, including policies regulating recreational leases, is also available on the District's website.

7) Any other matter related to effective or efficient service delivery, as required by commission policy

Currently Ruth Lake CSD's sphere of influence is substantially smaller than the jurisdictional boundary. It is likely the reduced SOI was drawn to include only those recreational areas directly managed by the District. However, it is recommended the SOI be amended to be coterminous with the District boundary. This reflects no change to the District boundary (annexation or detachment) is anticipated in the next 5-10 years.

8. SPHERE OF INFLUENCE DETERMINATIONS

1) Present and planned land uses in the area, including agricultural and open-space lands.

Land use within the District is predominantly Resource, Residential Low Density, and Agricultural with other residential and public facility uses. The predominant uses in the area are timberland management and recreation.

2) Present and probable need for public facilities and services in the area.

Ruth Lake continues to be a popular recreation area and sees a great influx of activity during the summer and fall months. Based on the landholdings of HBMWD, the need to manage lease holdings around the lake, and the annual influx of visitors, it is anticipated that services will be needed in the area for the foreseeable future.

3) Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

The District currently has enough capacity to accommodate the recreational needs of visitors to the area. However, there appears to be limited capacity to accommodate additional solid waste. The District may want to work with Trinity County Solid Waste to implement a public information campaign on reducing waste while recreating.

4) Existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

The small communities of Ruth and Mad River both reside within the boundary of the District. The nearest larger community with services such as grocery shopping, medical care, and other amenities is the City of Fortuna to the west which is approximately 63 miles from the Ruth Lake Marina.

5) For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere.

The District does not currently provide community water or wastewater services and fire protection services are provided by STVFD. However, the area can be considered disadvantaged and could benefit from reliable funding mechanisms to support expanded services. It is recommended that the District continue to work with STVFD and other service providers and stakeholders on a plan for establishing reliable sources of revenue to support the sustainable delivery of fire protection services in the area.