

TWAIN HARTE COMMUNITY SERVICES DISTRICT

WATER – SEWER – FIRE – PARK
22912 Vantage Pointe Drive, Twain Harte, CA 95383
Phone (209) 586-3172 Fax (209) 586-0424

REGULAR MEETING OF THE BOARD OF DIRECTORS THCSD CONFERENCE ROOM 22912 VANTAGE POINTE DR., TWAIN HARTE June 10, 2026 - 9:00 A.M.

NOTICE: This meeting will be accessible via ZOOM for virtual participation.

- Videoconference Link: <https://us02web.zoom.us/j/85176259821>
- Meeting ID: 851 7625 9821
- Telephone: (669) 900-6833

AGENDA

The Board may take action on any item on the agenda.

1. Call to Order

2. Pledge of Allegiance & Roll Call

3. Reading of Mission Statement

4. Public Comment

Our Board values community involvement and encourages public input on matters of District interest. This time is set aside for comment on matters not listed on the agenda.

5. Consent Agenda

- A. Presentation and approval of financial statements through May 31, 2026.
- B. Approval of the minutes of the Regular Meeting held on May 13, 2026.
- C. Discussion/action to adopt Resolution #26-13 – Approve Continuance of the 1981 Special Tax for Fire Protection and Prevention.

6. Public Hearing – Assessments and Budget

- A. Open public hearing.
- B. Presentation on continuation of assessments for Fire and Rescue, Fire Protection and Emergency Services and Parks and Recreation Maintenance Districts.
- C. Receive public comment regarding the continuation of assessments.

- D. Presentation of the proposed Fiscal Year 2026-27 Budget, Salary Plan, Capital Outlay Plans and Reserve Designations.
- E. Receive public comment regarding budget.
- F. Close public hearing.
- G. Discussion/action to adopt Resolution #26-14 – Approval of Engineer’s Report, Diagram and Assessment and Order to Continue Assessments for the Fire and Rescue Assessment District for Fiscal Year 2026-27.
- H. Discussion/action to adopt Resolution #26-15 – Approval of Engineer’s Report, Diagram and Assessment and Order to Continue Assessments for the Fire Protection and Emergency Response Services Assessment District for Fiscal Year 2026-27.
- I. Discussion/action to adopt Resolution #26-16 – Approval of Engineer’s Report, Diagram and Assessment and Order to Continue Assessments for the Parks and Recreation Maintenance District for Fiscal Year 2026-27.
- J. Discussion/action to adopt Resolution #26-17 – Adoption of the Fiscal Year 2026-27 Budget, Salary Plan, Capital Outlay Plan and Reserve Designations.

7. New Business

- A. Discussion/action to approve a Lease Agreement with Twain Harte Area Chamber of Commerce for storage at the old bathroom building at Eproson Park.

8. Reports

- A. President and Board member reports.
- B. Fire Chief’s report.
- C. Water/Sewer Operations Manager’s report.
- D. General Manager’s report.

9. Adjourn

HOW TO VIRTUALLY PARTICIPATE IN THIS MEETING

The public can virtually observe and participate in a meeting as follows:

- **Computer:** Join the videoconference by clicking the videoconference link located at the top of this agenda or on our website. You may be prompted to enter your name and email. Your email will remain private and you may enter “anonymous” for your name.
- **Smart Phone/Tablet:** Join the videoconference by clicking the videoconference link located at the top of this agenda OR log in through the Zoom mobile app and enter the Meeting ID# and Password found at the top of this agenda. You may be prompted to enter your name and email. Your email will remain private and you may enter “anonymous” for your name.
- **Telephone:** Listen to the meeting by calling Zoom at (4669) 900-6833. Enter the Meeting ID# listed at the top of this agenda, followed by the pound (#) key.

* NOTE: your personal video will be disabled and your microphone will be automatically muted.

FOR MORE DETAILED INSTRUCTIONS, CLICK [HERE](#)

SUBMITTING PUBLIC COMMENT

The public will have an opportunity to comment before and during the meeting as follows:

- **Before the Meeting:**
 - Email comments to ksilva@twainhartecsd.com, write “Public Comment” in the subject line. In the body of the email, include the agenda item number and title, as well as your comments.
 - Mail comments to Board Secretary: 22912 Vantage Pointe Dr., Twain Harte, CA 95383
- **During the Meeting:**
 - Computer/Tablet/Smartphone: Click the “Raise Hand” icon and the host will unmute your audio when it is time to receive public comment. If you would rather make a comment in writing, you may click on the “Q&A” icon and type your comment. You may need to tap your screen or click on “View Participants” to make icons visible.



- Telephone: Press *9 if to notify the host that you have a comment. The host will unmute you during the public comment period and invite you to share comments.
- In-Person: Raise your hand and the Board Chairperson will call on you.

PUBLIC COMMENT RULES

- If you wish to speak on an item on the agenda, you are welcome to do so during consideration of the agenda item itself.
- If you wish to speak on a matter that does not appear on the agenda, you may do so during the Public Comment period.
- Persons providing public comment will be limited to five minutes or depending on the number of persons wishing to speak, it may be reduced to allow all members of the public the opportunity to address the Board.
- Except as otherwise provided by law, no action or discussion shall be taken/conducted on any item not appearing on the agenda.
- Public comments must be addressed to the board as a whole through the President. Comments to individuals or staff are not permitted.

MEETING ETIQUETTE

Attendees shall make every effort not to disrupt the meeting. Cell phones must be silenced or set in a mode that will not disturb District business during the meeting.

ACCESSIBILITY

Board meetings are accessible to people with disabilities. In compliance with the Americans with Disabilities Act, those requiring accommodations for this meeting should notify the District office 48 hours prior to the meeting at (209) 586-3172.

WRITTEN MEETING MATERIALS

If written materials relating to items on this Agenda are distributed to Board members prior to the meeting, such materials will be made available for public inspection on the District's website:

www.twainhartecsd.com



Board Meeting Agenda Item Summary

June 10, 2026

| | | | |
|------------------------------------|---|-------------------|--|
| ITEM #: | 05A | ITEM TYPE: | <input type="checkbox"/> Discussion <input type="checkbox"/> Action <input checked="" type="checkbox"/> Both |
| SUBJECT: | Presentation and Approval of Financial Statements through May 31, 2026. | | |
| RELATION TO STRATEGIC PLAN: | <input checked="" type="checkbox"/> N/A <input type="checkbox"/> Advances Goal/Objective #'s: _____ | | |

RECOMMENDED ACTION:

Receive and approve the financial statements through May 31, 2026.

SUMMARY:

This item presents Fiscal Year (FY) 2025-26 financial statements for all District Funds through May 31, 2026. The target percentage for expenses is 92% of budget. As a general summary of the financial statements:

- Park Fund operating expenses are well below the target percentage. This is primarily due to the fact that most Park Fund expenses occur in the spring and summer season.
- Water Fund operating expenses are below the target percentage and in line with budget expectations.
- Sewer Fund expenses are below the target percentage, excluding its largest expense (a quarterly wastewater treatment invoice from Tuolumne Utilities District). If that expense was billed monthly, the Sewer Fund would still be under the target percentage at 82% of budget.
- Fire Fund operating expenses are below the target percentage and in line with budget expectations.
- Admin Fund operating expenses are below the target percentage and in line with budget expectations.
- Capital Expenses for the Fire Fund is below target because of a recently approved budget adjustment for a new Type 6 Engine that will not be finalized until next fiscal year. Likewise, Park, Water, and Sewer Funds are below target because most Park, Water, and Sewer capital projects are scheduled for early summer or to roll into next fiscal year.
- Bank balances remain healthy and consistent with expectations.

FINANCIAL IMPACT:

None.

ATTACHMENTS:

- Operating Expenditure Summary
- Capital Expenditure Summary
- Bank Balances – Including a summary of receipts and disbursements

TWAIN HARTE COMMUNITY SERVICES DISTRICT
BANK BALANCES
As of May 31, 2026

| Account | Beginning Balance | Receipts | Disbursements | Transfers | Current Balance |
|--------------------------|--------------------------|-------------------|----------------------|------------------|------------------------|
| Five Star - Operating | 699,035 | 349,568 | (531,745) | | 516,858 |
| US Bank - Operating | 105,477 | 3,096 | (260) | - | 108,314 |
| Five Star - Money Market | 3,631,678 | 11,781 | | | 3,643,459 |
| CA CLASS - Investment | 1,279,470 | 4,018 | - | - | 1,283,488 |
| LAIF - Investment | 921,342 | - | - | - | 921,342 |
| TOTAL | \$ 6,637,001 | \$ 368,463 | \$ (532,004) | \$ - | \$ 6,473,460 |

TWAIN HARTE COMMUNITY SERVICES DISTRICT
25/26 OPERATING EXPENDITURE SUMMARY
As of May 31, 2026

| Fund | TOTAL Budget* | YTD Expended | Budget Balance | % Spent (Target 91.7%) |
|--------------|----------------------|---------------------|-----------------------|----------------------------------|
| Park | 99,565 | 82,331 | 17,234 | 82.69% |
| Water | 1,230,146 | 1,019,433 | 210,713 | 82.87% |
| Sewer | 1,154,731 | 891,998 | 262,733 | 77.25% |
| Fire | 1,625,410 | 1,473,185 | 152,225 | 90.63% |
| Admin | 858,667 | 746,714 | 111,953 | 86.96% |
| TOTAL | \$ 4,968,519 | \$ 4,213,660 | \$ 754,859 | 84.81% |

TWAIN HARTE COMMUNITY SERVICES DISTRICT
25/26 CAPITAL EXPENDITURE SUMMARY
As of May 31, 2026

| Fund | TOTAL Budget* | YTD Expended | Budget Balance | % Spent <small>(Target 91.7%)</small> |
|--------------|----------------------|---------------------|-----------------------|---|
| Park | 224,500 | 191,308 | 33,192 | 85.22% |
| Water | 949,576 | 192,594 | 756,982 | 20.28% |
| Sewer | 520,755 | 26,226 | 494,529 | 5.04% |
| Fire | 811,362 | 364,454 | 446,908 | 44.92% |
| Admin | | - | - | |
| TOTAL | \$ 2,506,193 | \$ 774,582 | \$ 1,731,611 | 30.91% |

Reflects Budget Adjustment on 05.13.26



Board Meeting Agenda Item Summary

June 10, 2026

| | | | |
|------------------------------------|---|-------------------|--|
| ITEM #: | 05B | ITEM TYPE: | <input type="checkbox"/> Discussion <input type="checkbox"/> Action <input checked="" type="checkbox"/> Both |
| SUBJECT: | Approval of the Minutes of the Regular Meeting held on May 13, 2026. | | |
| RELATION TO STRATEGIC PLAN: | <input checked="" type="checkbox"/> N/A <input type="checkbox"/> Advances Goal/Objective #'s: _____ | | |

RECOMMENDED ACTION:

Approve the minutes of the Regular Meeting held on May 13, 2026.

SUMMARY:

The California Government Code and District Policy #5060 (Minutes of Board Meetings) requires the District to keep a record of all its actions. As such, the District's Board Secretary prepared draft minutes for the Board's Regular Meeting held on May 13, 2026, in the format required by Policy #5060. The Board's responsibility is to review and approve the draft meeting minutes.

FINANCIAL IMPACT:

None.

ATTACHMENTS:

- Minutes of the Regular Meeting held on May 13, 2026.

TWAIN HARTE COMMUNITY SERVICES DISTRICT
Board of Directors Regular Meeting
May 13, 2026

CALL TO ORDER: President Dearborn called the meeting to order at 9:0 a.m. The following Directors, Staff, and Community Members were present:

DIRECTORS:

Director Dearborn
Director Sipperley
Director Bohlman
Director Mannix
Director Mitchell

STAFF:

Tom Trott, General Manager
Lewis Giambruno, Operations Manager
Neil Gamez, Fire Chief

AUDIENCE:

18 attendees

PUBLIC COMMENT ON NON-AGENDIZED ITEMS:

No members of the public provided comments.

PRESENTATIONS:

- A. Presentation of Life Safety Awards.

Chief Gamez presented life safety awards to District Captain Neftali Orozco, Engineer Kaleb Trine, Volunteer Intern Firefighters Mason Jones, Ethan Rowe, and Charles Kjeldgaard, along with Cal Fire Captain Sean Starrett, Engineers Jeremy Palmer, Dylan Gomes, Anthony Cooper and Joe Radonovich, and Firefighter Bryce Nicolson for their exceptional actions to save lives during the extreme storm events in February.

CORRESPONDENCE:

- A. Letter from Calaveras Consolidated Fire Protection District: Appreciation for Chief Gamez.
B. Letter to California Air Resources Board: Advanced Clean Fleets 15-Day Comment Period Response.

CONSENT AGENDA:

- A. Presentation and approval of financial statements through April 30, 2026.
B. Approval of the minutes of the Regular Meeting held on April 8, 2026.
C. Discussion/action to adopt Resolution #26-09 – Intention to Continue Assessments for Fiscal Year 2026-27, Approval of Preliminary Engineer’s Report and Notice of Hearing for the Park and Recreation Maintenance District.

- D. Discussion/action to adopt Resolution #26-10 – Intention to Continue Assessments for Fiscal Year 2026-27, Approval of Preliminary Engineer’s Report and Notice of Hearing for the Fire Protection and Emergency Response Services Assessment District.
- E. Discussion/action to adopt Resolution #26-11 –Intention to Continue Assessments for Fiscal Year 2026-27, Approval of Preliminary Engineer’s Report and Notice of Hearing for the Fire and Rescue Assessment District.

MOTION: Director Sipperley made a motion to accept the consent agenda in its entirety with the following minor amendment to the minutes in Item B – add a note in Director Bohlman’s Board Member Report to clarify that GM Trott, Director Bohlman and Director Sipperley met with Senator Alvarado-Gil’s staff.

SECOND: Director Bohlman

AYES: Sipperley, Mannix, Bohlman, Mitchell, Dearborn

NOES: None

ABSTAIN: None

ABSENT: None

PUBLIC HEARING:

- A. Open public hearing.
- B. Presentation on status of vacancies, recruitment and retention efforts as outlined in AB 2561.
- C. Receive public comment regarding status of vacancies, recruitment and retention efforts as outlined in AB 2561.
- D. Close public hearing.

The Board received the report and found no action was needed.

NEW BUSINESS:

- A. Discussion/action to adopt the 20-Year Vehicle/Equipment Replacement Plan for Fiscal Year 2026-27.

MOTION: Director Sipperley made a motion to adopt the 20-Year Vehicle/Equipment Replacement Plan for Fiscal Year 2026-27.

SECOND: Director Mannix

AYES: Sipperley, Mannix, Bohlman, Mitchell, Dearborn

NOES: None

ABSTAIN: None

ABSENT: None

- B. Discussion/action to approve an Agreement for Large Energy Efficiency Project Grant between Tuolumne Public Power Agency and Twain Harte Community Services District.

MOTION: Director Bohlman made a motion to approve the Agreement for Large Energy Efficiency Project Grant between Tuolumne Public Power Agency and Twain Harte Community Services District.

SECOND: Director Mitchell

AYES: Sipperley, Mannix, Bohlman, Mitchell, Dearborn

NOES: None

ABSTAIN: None

ABSENT: None

- C. Discussion/action to adopt revisions to Policy 1060 – Miscellaneous Fee Schedule.

MOTION: Director Mannix made a motion to adopt revisions to Policy 1060 – Miscellaneous Fee Schedule.

SECOND: Sipperley

AYES: Sipperley, Mannix, Bohlman, Mitchell, Dearborn

NOES: None

ABSTAIN: None

ABSENT: None

- D. Discussion/action to adopt Policy 2045 – Leave Abuse Prevention.

MOTION: Director Bohlman made a motion to adopt revisions to Policy 1060 – Miscellaneous Fee Schedule.

SECOND: Mitchell

AYES: Sipperley, Mannix, Bohlman, Mitchell, Dearborn

NOES: None

ABSTAIN: None

ABSENT: None

- E. Discussion/action to adopt Resolution #26-12 – Approval of Fiscal Year 2025-26 Fire Fund Budget Adjustment for Fire Station Plumbing Repair.

MOTION: Director Sipperley made a motion to adopt Resolution #26-12 – Approval of Fiscal Year 2025-26 Fire Fund Budget Adjustment for Fire Station Plumbing Repair.

SECOND: Director Bohlman

AYES: Sipperley, Mannix, Bohlman, Mitchell, Dearborn

NOES: None

ABSTAIN: None

ABSENT: None

REPORTS:

President and Board Member Reports

- *Director Mitchell reported that the Water/Sewer Committee discussed exploration of GIS systems that would save the District thousands of dollars annually while adding operational functionality.*
- *Director Sipperley reported his attendance at the April 21, 2026, Tuolumne County Board of Supervisors meeting where he reiterated the District's intent to be a collaborative partner in fire services during public comment. He also reported his attendance at the April 13, 2026, Tuolumne County CSDA Chapter meeting and LAFCO meeting.*

- *Director Mannix reported her attendance at the April 13, 2026, Tuolumne County CSDA Chapter meeting and LAFCO meeting and the May 11, 2026, LAFCO meeting. She reported that the District's request to LAFCO for an updated Municipal Service Review was approved for Fiscal Year 2026-27.*

Fire Chief Report by Chief Gamez

- *A verbal summary of the written report was provided.*
- *A verbal summary of the written report was provided by CERT's John Buckingham.*

Water/Sewer/Park Operations Report Provided by Operations Manager Giambruno

- *A verbal summary of the written report was provided.*

General Manager Report Provided by General Manager Trott

- *A verbal summary of the written report was provided.*

CLOSED SESSION: *The Board of Directors convened into closed session at 10:13 a.m.*

- A. *With respect to every item of business to be discussed in closed session pursuant to Section 54957: Public Employee Performance Evaluation, General Manager.*

President Dearborn reconvened the meeting into regular session at 10:54 a.m. and reported that no action was taken in closed session.

ADJOURNMENT:

The meeting was adjourned at 10:55 a.m.

Respectfully submitted,

APPROVED:

Kimberly Silva, Board Secretary

Mary Dearborn, President



Board Meeting Agenda Item Summary

June 10, 2026

| | | | |
|------------------------------------|--|-------------------|--|
| ITEM #: | 05C | ITEM TYPE: | <input type="checkbox"/> Discussion <input type="checkbox"/> Action <input checked="" type="checkbox"/> Both |
| SUBJECT: | Discussion/action to adopt Resolution #26-13 – Approve Continuance of the 1981 Special Tax for Fire Protection and Prevention. | | |
| RELATION TO STRATEGIC PLAN: | <input checked="" type="checkbox"/> N/A <input type="checkbox"/> Advances Goal/Objective #'s: _____ | | |

RECOMMENDED ACTION:

Adopt Resolution #26-13 – Approve Continuance of the 1981 Special Tax for Fire Protection and Prevention.

SUMMARY:

In 1981, the Twain Harte taxpayers voted in favor of a fire parcel tax proposed in Ordinance 81-1 to augment funding for fire protection and prevention services. The Board determines each year whether the tax is still required to achieve the original purposes and sets the rate to be levied, which shall not exceed \$4.75 per benefit unit, as specified in the original language of the ordinance.

The rate is currently at its maximum of \$4.75 per benefit unit. Staff recommend that the Special Tax be continued in order to provide sufficient fire protection and prevention services. The District’s Fire Committee reviewed the proposed Fiscal Year 2026-27 Budget with anticipated revenue generated from the Special Fire Tax and recommends its continuance.

FINANCIAL IMPACT:

The approval of a \$4.75 per benefit unit tax will generate approximately \$165,000 in revenue.

ATTACHMENTS:

- Resolution #26-13 – Approve Continuance of the 1981 Special Tax for Fire Protection and Prevention.

**TWAIN HARTE COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 26-13**

**APPROVE CONTINUANCE OF THE 1981 SPECIAL TAX FOR FIRE PROTECTION
AND PREVENTION**

WHEREAS, on February 10, 1981, the Twain Harte Fire Protection District, now the Twain Harte Community Services District (District) adopted Ordinance #81-1 to impose a special tax for fire protection and prevention and adopted Resolution #1-81 to hold an election for the proposed special tax; and

WHEREAS, On June 9, 1981, the special tax set forth in Ordinance #81-1 passed with a vote of more than two-thirds of District voters; and

WHEREAS, Ordinance #81-1 requires the District Board to determine the tax per benefit unit each fiscal year at a rate that achieves the purposes of Ordinance #81-1 and that does not exceed \$4.75 per benefit unit; and

WHEREAS, in 2006, due to increasing fire protection and prevention costs, the District levied the maximum tax per benefit unit of \$4.75; and

WHEREAS, District fire protection and prevention costs continue to require the District to levy the maximum tax per benefit unit.

NOW THEREFORE, BE IT RESOLVED, by the District Board of Directors that the 1981 Special Tax for Fire Protection and Prevention, established by vote in accordance with Ordinance #81-1, continue to be levied at the rate of \$4.75 per benefit unit.

PASSED AND ADOPTED, by the District Board of Directors of Twain Harte Community Services District at their Regular Meeting held on June 10, 2026 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

ATTEST:

Mary Dearborn, Board President

Kimberly Silva, Board Secretary



Board Meeting Agenda Item Summary

June 10, 2026

| | | | |
|------------------------------------|---|-------------------|--|
| ITEM #: | 06F | ITEM TYPE: | <input type="checkbox"/> Discussion <input type="checkbox"/> Action <input checked="" type="checkbox"/> Both |
| SUBJECT: | Discussion/action to adopt Resolution #26-14 – Approval of Engineer’s Report, Diagram and Assessment and Order to Continue Assessments for the Fire and Rescue Assessment District for Fiscal Year 2026-27. | | |
| RELATION TO STRATEGIC PLAN: | <input checked="" type="checkbox"/> N/A <input type="checkbox"/> Advances Goal/Objective #'s: _____ | | |

RECOMMENDED ACTION:

Adopt Resolution #26-14– Approval of Engineer’s Report, Diagram and Assessment and Order to Continue Assessments for the Fire and Rescue Assessment District for Fiscal Year 2026-27.

SUMMARY:

In 2002, the District’s limited Fire Fund revenue was insufficient to provide adequate fire protection and suppression services. As a result, the District proposed the establishment of its Fire and Rescue Assessment District special benefit assessment (Rescue Assessment). The Rescue Assessment was approved by a majority vote of property owners and was levied by the District’s Board of Directors on April 16, 2002, via Resolution #02-13. The voter-approved Rescue Assessment does not sunset and allows a maximum 3% annual adjustment based on the January Consumer Price Index (CPI) for the San Francisco Bay Area. The annual CPI adjustment is not automatic and is subject to the approval of the Board.

Since 2002, the Rescue Assessment has continued to provide annual Revenue to the Fire Fund to provide improved fire suppression, safety and emergency services to the 1,794 properties within its boundaries.

A Rescue Assessment Engineer’s report is prepared each year to evaluate the Fire Fund’s budget requirements, the annual CPI adjustment, the maximum authorized assessment rate, and any changes to parcels within the assessment area. The Engineer’s Report this year recommends that Rescue Assessment Rates be increased by increase of 3.04%; however, the allowable increase is capped at 3%. Based on these factors, the maximum authorized increase that may be levied for Fiscal Year 2026–27 is 3.00%.

Based on the Fire Fund’s projected revenue needs for the coming year, staff recommends that the Board approve the Rescue Assessment Engineer’s Report, diagram and assessment and orders the continuance of the Rescue Assessment with a 3% CPI adjustment for Fiscal Year 2026-27.

FINANCIAL IMPACT:

With a 3% CPI adjustment, the Fire Rescue Assessment is projected to generate \$181,601 in revenue for the Fire and Rescue Fund in Fiscal Year 2026-27.

ATTACHMENTS:

- Affidavit of Publication for Public Hearing – Union Democrat
- Resolution #26-14 – Approval of Engineer’s Report, Diagram and Assessment and Order to Continue Assessments for the Fire and Rescue Assessment District for Fiscal Year 2026-27.
- FY 26-27 Engineer’s Report – Fire and Rescue Assessment District

**NOTICE OF PUBLIC HEARINGS FOR
THE TWAIN HARTE COMMUNITY
SERVICES DISTRICT, FIRE AND RESCUE
ASSESSMENT DISTRICT & FIRE
PROTECTION AND EMERGENCY
RESPONSE SERVICES ASSESSMENT
DISTRICT FOR THE FISCAL YEAR 2026-27**

NOTICE IS HEREBY GIVEN that the Twain Harte Community Services District Board of Directors intends to conduct two public hearings on Wednesday, June 10, 2026, for the CONTINUATION of the benefit assessments in the fiscal year 2026-27 for the Twain Harte Community Services District & Fire Protection and Emergency Response Services Assessment District. The public hearings to consider the ordering of the services and the continuation of the assessments for the fiscal year 2026-27 for the Fire and Rescue Assessment District & Fire Protection and Emergency Response Services Assessment District shall be held on Wednesday, June 10, 2026, at 9:00 a.m. at the Twain Harte Community Services District offices located at 22912 Vantage Pointe Drive, Twain Harte, California. The proposed fiscal year 2026-27 assessment rate for the fire and rescue assessment district is \$108.06 per single-family equivalent & the fire protection and emergency response services assessment district is \$236.20 per single-family equivalent. If you desire additional information concerning the above, please contact the Twain Harte Community Services District at (209) 586-3172. Publication date: 5/29/2026
The Union Democrat, Sonora CA

**TWAIN HARTE COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 26-14**

**APPROVAL OF THE ENGINEER'S REPORT, DIAGRAM OF ASSESSMENTS AND ORDER
TO CONTINUE ASSESSMENTS FOR THE FIRE AND RESCUE ASSESSMENT DISTRICT
FOR FISCAL YEAR 2026-27**

WHEREAS, the first Engineer's Report for Fiscal Year 2002-03 described how the Twain Harte Fire and Rescue Assessment District (the "Assessment District"), would be established, determined the uses of the assessment funds, established the methodology by which the assessments would be applied to properties in the District, established that the assessment is subject to an annual adjustment tied to the annual change in the Consumer Price Index for the San Francisco Bay Area, and stated that the assessment would continue year-to-year until terminated by the District Board of Directors; and

WHEREAS, by its Resolution No. 26-11, the Twain Harte Community Services District Board (the "Board"), designated SCI Consulting Group as Engineer of Work and ordered said Engineer to make and file a report in writing in accordance with and pursuant to the California Codes Government Code Sections 50078 et. seq. and Article XIID of the California Constitution; and

WHEREAS, the purpose of the Assessment District shall be to fund facilities and operations, fire suppression, protection and emergency service and firefighting personnel, as described in the annual Engineer's Report; and

WHEREAS, although the methodology by which the assessments are applied to properties in the District does not change from year to year, a new Engineer's Report is prepared each year in order to establish the CPI adjustment for that year; the new maximum authorized assessment rate for that year; the budget for that year; and the amount to be charged to each parcel in the District that year, subject to that year's assessment rate and any changes in the attributes of the properties in the District, including but not limited to use changes, parcel subdivisions, and/or parcel consolidations; and

WHEREAS, the report was duly made and filed with the Clerk of the Board and duly considered by this Board and found to be sufficient in every particular, whereupon it was determined that the report should stand as the Engineer's Report for all subsequent proceedings under and pursuant to the aforesaid resolution, and that June 10, 2026, at the hour of nine (9:00) a.m. at the Twain Harte Community Services District offices located at 22912 Vantage Point Drive, Twain Harte, California, were appointed as the time and place for a hearing by this Board on the question of the continuation of the proposed assessment, notice of which hearing was given as required by law; and

WHEREAS, at the appointed time and place the hearing was duly and regularly held, and all persons interested and desiring to be heard were given an opportunity to be heard, and all matters and things pertaining to the continuation of the assessments were fully heard and considered by this Board, and all oral statements and all written protests or communications

were duly heard, considered and overruled, and this Board thereby acquired jurisdiction to order the continuation of the assessments and the confirmation of the diagram and assessment prepared by and made a part of the Engineer's Report to pay the costs and expenses thereof;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Twain Harte Community Services District, that:

1. The public interest, convenience and necessity require that the continuation be made.
2. The assessment is levied without regard to property valuation.
3. The Engineer's Report as a whole and each part thereof, to wit:
 - (a) The Engineer's estimate of the itemized and total costs and expenses of providing the services and improvements and of the incidental expenses in connection therewith;
 - (b) the diagram showing the assessment district, plans and specifications for the services and improvements to be provided and the boundaries and dimensions of the respective lots and parcels of land within the District; and
 - (c) the assessments for the fiscal year 2026-27 shall be continued at the rate of ONE HUNDRED EIGHT DOLLARS AND SIX CENTS (\$108.06) per single family equivalent benefit unit, which is the same as the maximum authorized rate, as specified in the final Engineer's Report for the fiscal year 2026-27 with estimated total annual assessment revenues as set forth in the Engineer's Report; and
 - (d) the assessment of the total amount of the cost and expenses of the proposed services and improvements upon the several lots and parcels of land in the District in proportion to the estimated special benefits to be received by such lots and parcels, respectively, from the services and improvements, and of the expenses incidental thereto; are finally approved and confirmed.
4. Final adoption and approval of the Engineer's Report as a whole, and of the plans and specifications, an estimate of the costs and expenses, the diagram and the assessment, as contained in the report as hereinabove determined and ordered, is intended to and shall refer and apply to the report, or any portion thereof as amended, modified, or revised or corrected by, or pursuant to and in accordance with, any resolution or order, if any, heretofore duly adopted or made by this Board.
5. The assessment to pay the costs and expenses of the services and improvements for fiscal year 2026-27 is hereby continued. For further particulars pursuant to the provisions of the California Codes Government Code Sections 50078 et. seq., reference is hereby made to the Resolution Directing Preparation of the Engineer's Report.
6. Based on the oral and documentary evidence, including the Engineer's Report, offered and received at the hearing, this Board expressly finds and determines (a) that each of the

several lots and parcels of land will be specially benefited by the services and improvements at least in the amount if not more than the amount, of the assessment apportioned against the lots and parcels of land, respectively, and (b) that there is substantial evidence to support, and the weight of the evidence preponderates in favor of, the aforesaid finding and determination as to special benefits.

- 7. Funds collected from the Twain Harte Fire and Rescue Assessment District shall be expended only for the special benefit of parcels within the Twain Harte Community Services District Boundaries as defined by the assessment diagram included with the Engineer’s Report. Any unexpended funds raised by the Assessment remaining at the end of any fiscal year shall be carried over to be utilized for the same purposes in the next fiscal year.
- 8. The Twain Harte Fire and Rescue Assessment District assessments shall be collected in the same manner, and subject to the same penalties as property taxes in Tuolumne County.

PASSED AND ADOPTED by the Board of Directors of the Twain Harte Community Services District at their regular meeting held on June 10, 2026, by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

ATTEST:

Mary Dearborn, Board President

Kimberly Silva, Board Secretary

FY 2026-27

ENGINEER'S REPORT

Twain Harte Community Services District

Fire Rescue Assessment District

May 2026

Final Report

Engineer of Work:



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Twain Harte Community Services District

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Introduction

The Twain Harte Community Services District ("District") currently provides fire suppression services for approximately 1,794 properties within its boundaries.

This Engineer's Report (the "Report") was prepared to:

- Describe the fire suppression, safety and emergency response services and equipment that would be funded by the assessments (the "Services")
- Establish a budget for the Services that would be funded by the proposed 2026-27 assessments
- Determine the benefits received from the Services by property within the Twain Harte Community Services District Fire and Rescue Assessment (the "Assessment District") and
- Determine and assign a method of assessment apportionment to lots and parcels within the Assessment District.

This Report and the proposed assessments have been made pursuant to the California Government Code Section 50078 et seq. (the "Code") and Article XIID of the California Constitution (the "Article").

The Assessment District is narrowly drawn to include only properties that will benefit from the additional fire protection services that are provided by the assessment funds. The Assessment Diagram included in this report shows the boundaries of the Assessment District.

Legal Analysis

Proposition 218

This assessment is formed consistent with Proposition 218, The Right to Vote on Taxes Act, which was approved by the voters of California on November 6, 1996 and is now Article XIIC and XIID of the California Constitution. Proposition 218 provides for benefit assessments to be levied to fund the cost of providing services, improvements, as well as maintenance and operation expenses to a public improvement which benefits the assessed property.

Proposition 218 describes a number of important requirements, including a property-owner balloting, for the formation and continuation of assessments, and these requirements are satisfied by the process used to establish this assessment.

Silicon Valley Taxpayers Association, Inc. v Santa Clara County Open Space Authority

In July of 2008, the California Supreme Court issued its ruling on the Silicon Valley Taxpayers Association, Inc. v. Santa Clara County Open Space Authority (“SVTA vs. SCCOSA”). This ruling is the most significant legal document in further legally clarifying Proposition 218. Several of the most important elements of the ruling included further emphasis that:

- Benefit assessments are for special, not general benefit
- The services and/or improvements funded by assessments must be clearly defined
- Special benefits are directly received by and provide a direct advantage to property in the Assessment District

This Engineer’s Report is consistent with the SVTA vs. SCCOSA decision and with the requirements of Article XIII C and XIII D of the California Constitution because the Services to be funded are clearly defined; the Services are available to all benefiting property in the Assessment District, the benefiting property in the Assessment District will directly and tangibly benefit from improved protection from fire damage, increased safety of property and other special benefits and such special benefits provide a direct advantage to property in the Assessment District that is not enjoyed by the public at large or other property. There have been a number of clarifications made to the analysis, findings and supporting text in this Report to ensure that this consistency is well communicated

Dahms v. Downtown Pomona Property

On June 8, 2009, the 4th Court of Appeal amended its original opinion upholding a benefit assessment for property in the downtown area of the City of Pomona. On July 22, 2009, the California Supreme Court denied review. On this date, Dahms became good law and binding precedent for assessments. In Dahms the court upheld an assessment that was 100% special benefit (i.e. 0% general benefit) on the rationale that the services and improvements funded by the assessments were directly provided to property in the assessment district. The Court also upheld discounts and exemptions from the assessment for certain properties.

Bonander v. Town of Tiburon

On December 31, 2009, the 1st District Court of Appeal overturned a benefit assessment approved by property owners to pay for placing overhead utility lines underground in an area of the Town of Tiburon. The Court invalidated the assessments on the grounds that the assessments had been apportioned to assessed property based in part on relative costs within sub-areas of the assessment district instead of proportional special benefits.

Beutz v. County of Riverside

On May 26, 2010, the 4th District Court of Appeal issued a decision on the Steven Beutz v. County of Riverside (“Beutz”) appeal. This decision overturned an assessment for park maintenance in Wildomar, California, primarily because the general benefits associated with improvements and services were not explicitly calculated, quantified and separated from the special benefits.

Golden Hill Neighborhood Association v. City of San Diego

On September 22, 2011, the San Diego Court of Appeal issued a decision on the Golden Hill Neighborhood Association v. City of San Diego appeal. This decision overturned an assessment for street and landscaping maintenance in the Greater Golden Hill neighborhood of San Diego, California. The court described two primary reasons for its decision. First, like in Beutz, the court found the general benefits associated with services were not explicitly calculated, quantified and separated from the special benefits. Second, the court found that the City had failed to record the basis for the assessment on its own parcels.

Compliance with Current Law

This Engineer’s Report is consistent with the requirements of Article XIIC and XIID of the California Constitution and with the *SVTA* decision because the Services to be funded are clearly defined; the Services are available to and will be directly provided to all benefiting property in the Assessment District; and the Services provide a direct advantage to property in the Assessment District that would not be received in absence of the Assessments.

This Engineer’s Report is consistent with *Dahms* because, similar to the Downtown Pomona assessment validated in *Dahms*, the Services will be directly provided to property in the Assessment District. Moreover, while *Dahms* could be used as the basis for a finding of 0% general benefits, this Engineer’s Report establishes a more conservative measure of general benefits.

The Engineer’s Report is consistent with *Bonander* because the Assessments have been apportioned based on the overall cost of the Services and proportional special benefit to each property. Finally, the Assessments are consistent with *Beutz* because the general benefits have been explicitly calculated and quantified and excluded from the Assessments.

Assessment Process

In 2002, to address the District's shortfall in fire suppression services funding and the need for improved fire protection and suppression services, the Board proposed an assessment for the Assessment District. In October 2001, the Board conducted an assessment ballot proceeding pursuant to the requirements of Article XIII D of the California Constitution ("The Taxpayer's Right to Vote on Taxes Act") and the Government Code Section 50078 et. seq. During this ballot proceeding, property owners in the Assessment District were provided with a notice and ballot for the proposed fire assessment ("the Twain Harte Fire and Rescue Assessment District"). A 45-day period was provided for balloting and a public hearing was conducted March 19, 2002. At the public hearing, all ballots returned within the 45-day balloting period were tabulated.

It was determined at the public hearing that the assessment ballots submitted in opposition to the proposed assessments did not exceed the assessment ballots submitted in favor of the assessments (with each ballot weighted by the proportional financial obligation of the property for which ballot was submitted). In fact, the final balloting result was 90% support for the "Assessment District").

As a result, the Board gained the authority to approve the levy of the assessments for fiscal year 2002-03 and to continue to levy them in future years. The authority granted by the ballot proceeding includes an annual adjustment in the assessment levies equal to the annual change in the Consumer Price Index for the San Francisco Bay Area, not to exceed 3%.

In each subsequent year for which the assessments will continue to be levied, the Board must direct the preparation of an Engineer's Report, budgets and proposed assessments for the upcoming fiscal year. After the Engineer's Report is completed, the Board may preliminarily approve the Engineer's Report and proposed assessments and establish the date for a public hearing on the continuation of the assessments.

This Engineer's Report ("Report") was prepared to establish the budget for the services that would be funded by the proposed 2026-27 assessments, determine the benefits received from the fire suppression services by property within the District and the method of assessment apportionment to lots and parcels within the District. This Report and the proposed assessments have been made pursuant to the California Government Code Section 50078 et. seq. (the "Code") and Article XIII D of the California Constitution (the "Article").

If the Board approves this Engineer's Report and the proposed assessments by resolution, a notice of assessment levies must be published in a local paper at least 10 days prior to the date of the public hearing. The resolution preliminarily approving the Engineer's Report and establishing the date for a public hearing is used for this notice.

Following the minimum 10-day time period after publishing the notice, a public hearing is held for the purpose of allowing public testimony about the proposed continuation of the assessments. This hearing is currently scheduled for June 10, 2026. At this hearing, the Board will consider approval of a resolution confirming the assessments for fiscal year 2026-27. If so confirmed and approved, the assessments will be submitted to the County Auditor/Controller for inclusion on the property tax rolls for fiscal year 2026-27.

Description of Services

Following is a description of the Services that are provided for the direct benefit of property in the Assessment District. With the passage of this assessment, the fire protection and fire suppression services within the Assessment District were enhanced significantly and such Services are all over and above what otherwise would be provided. The formula below describes the relationship between the final level of services, the baseline level of service had the assessment not been instituted, and the enhanced level of services funded by the assessment.

$$\text{Final Level of Improvements} = \text{Baseline Level of Improvements} + \text{Enhanced Level of Improvements}$$

The budget to be financed from the Assessment District levies is based on the needs of the Twain Harte Community Services District as well as the results of an independent survey conducted for the District, which indicated the community's priorities for various Services. The Assessment District is responsible for obtaining, furnishing, operating, and maintaining fire suppression equipment or apparatus and for the purpose of paying the salaries and benefits of firefighting personnel who provide fire suppression services to parcels, improvements or property in the Assessment District, or both, whether or not fire suppression services are actually used by or upon a parcel, improvement, or property. Other services include, but are not limited to, fire prevention and fire education.

In addition to the definitions provided by the Code, the Services to be funded by the Assessment District are generally described as follows: obtaining, furnishing, operating, and maintaining fire suppression, protection and emergency services equipment and apparatus; payment of salaries, benefits and other compensation to fire fighting and fire prevention personnel; training and administration of volunteer personnel performing fire suppression, protection and emergency services; hazardous material response; disaster preparedness; community fire prevention education and fire inspection.

The Assessment District will also contribute to cover the general costs of administering the District, its facilities and operations, as well as the salaries and benefits of firefighting personnel who provide fire suppression, protection and emergency services to parcels, improvements or property in the Assessment District.

Cost and Budget

Budget for Fiscal Year 2026-27

The following budget lists the elements proposed to be funded by the Assessment District in Fiscal Year 2026-27.

Figure 1 – Estimate of Cost

| Twain Harte Community Services District Fire and Rescue Assessment District Estimate of Cost Fiscal Year 2026-27 | | | <i>Total Budget</i> |
|---|-----------------|-----------------------|----------------------|
| Beginning Fund Balance | | | \$0 |
| Fire and Rescue Expenses Services Expenditures | | | |
| Services Costs | | | \$1,391,604 |
| Salaries and Employee Benefits | \$1,136,004 | | |
| Maintenance and Repairs | \$101,100 | | |
| Materials and Supplies | \$10,000 | | |
| Outside Services | \$24,400 | | |
| Utilities, Prop/Liab Ins, TUD, etc. | \$120,100 | | |
| Debt Service | \$0 | | |
| Administrative Cost Allocation | | | \$155,984 |
| Capital Expenses/Outlay | | | \$437,500 |
| Total Service, Administrative and Capital Expenditures | | | \$1,985,088 |
| Additional Expenditures | | | |
| Allowance for Uncollectable Assessments | | | \$0 |
| County Collection, Levy Administration, and Other Incidentals | | | \$4,280 |
| Total Additional Expenditures | | | \$4,280 |
| Total Service, Administrative, Capital and Additional Expenditures | | | \$1,989,368 |
| Total Benefit of Services and Related Expenses | | | \$1,989,368 |
| SFE Units | | | 1680.96 |
| Benefit received per Single Family Equivalent Unit | | | \$1,183.47 |
| Less: | | | |
| District Contribution for General Benefits | | | (\$181,032) |
| District Contribution toward Special Benefits | | | (\$1,230,503) |
| Transfers to (from) reserves | | | (\$396,188) |
| Total Revenue from Other Sources | | | (\$1,807,723) |
| Net Cost of Fire and Rescue Costs | | | \$181,645 |
| Total Fire and Rescue Assessment District Budget | | | \$181,645 |
| (Net Amount to be Assessed) | | | |
| Budget Allocation to Property | | | |
| | Total SFE Units | Assessment per SFE | Total Assessment |
| | 1,681 | \$108.06 | \$181,645 |

Method of Apportionment

Method of Apportionment

This section of the Engineer's Report includes an explanation of the benefits to be derived from providing the Services throughout the Assessment District, and the methodology used to apportion the total assessment to properties within the Assessment District.

The Assessment District consists of all Assessor Parcels within the boundaries of the Twain Harte Community Services District as defined by the County of Tuolumne, and the attached assessment diagram. The method used for apportioning the assessment is based upon the proportional special benefits to be derived by the properties in the Assessment District over and above general benefits conferred on real property or to the public at large. Special benefit is calculated for each parcel in the Assessment District using the following process:

1. Identification of all benefit factors derived from the Improvements
 1. Calculation of the proportion of these benefits that are general
 2. Determination of the relative special benefit within different areas within the Assessment District
 3. Determination of the relative special benefit per property type
 4. Calculation of the specific assessment for each individual parcel based upon special vs. general benefit; location, property type, property characteristics, improvements on property and other supporting attributes

Discussion of Benefit

California Government Code Section 50078 et. seq. allows agencies which provide fire suppression services, such as Twain Harte Community Services District of Tuolumne County to levy assessments for fire suppression services. Section 50078 states the following:

“Any local agency which provides fire suppression services directly or by contract with the state or a local agency may, by ordinance or by resolution adopted after notice and hearing, determine and levy an assessment for fire suppression services pursuant to this article.”

In addition, California Government Code Section 50078.1 defines the term “fire suppression” as follows:

“(c) “Fire suppression” includes firefighting and fire prevention, including, but not limited to, vegetation removal or management undertaken, in whole or in part, for the reduction of a fire hazard.”

Therefore, the Services to be provided by the Assessment District fall within the scope of services that may be funded by assessments under the Code

The assessments can only be levied based on the special benefit to property. This benefit is received by property over and above any general benefits. Moreover, such benefit is not based on any one property owner's use of the District's services or a property owner's specific demographic status. With reference to the requirements for assessments, Section 50078.5 of the Government Code states:

"(b) The benefit assessment shall be levied on a parcel, class of improvement to property, or use of property basis, or a combination thereof, within the boundaries of the local agency, zone, or area of benefit."

"The assessment may be levied against any parcel, improvement, or use of property to which such services may be made available whether or not the service is actually used."

Proposition 218, as codified in Article XIID of the California Constitution, has confirmed that assessments must be based on the special benefit to property:

"No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel."

Since assessments are levied on the basis of special benefit, they are not a tax and are not governed by Article XIII A of the California Constitution.

The following section describes how and why the Services specially benefit properties. This benefit is particular and distinct from its effect on property in general or the public at large.

Benefit Factors

In order to allocate the assessments, the Engineer identified the types of special benefit arising from the Services that will be provided to property in the Assessment District. These benefit factors must confer a direct advantage to the assessed properties; otherwise they would be general benefit.

The following benefit categories have been established that represent the types of special benefit to residential, commercial, industrial, institutional and other lots and parcels resulting from the fire suppression services to the District with the assessment proceeds. These categories of special benefit are derived from the statutes passed by the California Legislature and other studies, which describe the types of special benefit received by property from fire suppression services such as those provided by the District. These types of special benefit are summarized as follows:

Increased safety and protection of health for real property assets for all property owners within the District

The Assessments will fund improved emergency, educational and prevention services, and thereby can reduce significantly the risk of property damage associated with fires. Clearly, fire mitigation helps to protect and specifically benefits both improved properties and vacant properties in the Assessment District.

*"Fire is the largest single cause of property loss in the United States. In the last decade, fires have caused direct losses of more than \$120 billion and countless billions more in related costs."*ⁱ

*"Over 140,000 wildfires occurred on average each year, burning a total of almost 14.5 million acres. And since 1990, over 900 homes have been destroyed each year by wildfires."*ⁱⁱ

*"A reasonably disaster-resistant America will not be achieved until there is greater acknowledgment of the importance of the fire service and a willingness at all levels of government to adequately fund the needs and responsibilities of the fire service."*ⁱⁱⁱ

"The strategies and techniques to address fire risks in structures are known. When implemented, these means have proven effective in the reduction of losses."^{iv}

"Statistical data on insurance losses bears out the relationship between excellent fire protection...and low fire losses."^v

Protection of views, scenery and other resource values for property in the District

The Assessment District will provide funding for improved fire protection and suppression services to protect public and private resources in the Assessment District. This benefits even those properties that are not directly damaged by fire by maintaining and improving the aesthetics and attractiveness of public and private resources in the community, as well as ensuring that such resources remain safe and well maintained.

"Smoke affects people...for example, in producing haze that degrades the visual quality of a sunny day...The other visual quality effect is that of the fire on the landscape. To many people, burned landscapes are not attractive and detract from the aesthetic values of an area."^{vi}

"A visually preferred landscape can be the natural outcome of fuels treatments."^{vii}

Enhanced access to properties in the Assessment District, and utility and desirability of such properties

The Assessments will fund improved fire suppression services in the District. In addition to preventing damage to property from fires, the assessments will also protect access to property, because fires can impede or prevent access to property. In addition, the Services will enhance the utility and desirability of the properties in the Assessment District. This is a benefit to residential, commercial, industrial and other properties.

"A Community committed to saving lives and property needs trained firefighters, proper equipment, and adequate supplies of water. Insurance companies consider it good public policy and good business to promote and encourage the efforts of individual communities to improve their fire-protection services." ^{viii}

State Responsibility Area

The boundaries of the Twain Harte Fire and Rescue Assessment District fall within a State Responsibility Area (SRA). The Twain Harte Fire and Rescue Division responds to all calls within the District regardless of a parcels inclusion in a SRA. Government Code Section 50078.2 (b) states:

"A benefit assessment shall not be levied for wildland or watershed fire suppression on land located in a state responsibility area as defined in Section 4102 of the Public Resources Code."

Therefore, the assessments are not being levied for wildland or watershed fire protection. Those parcels within the State Responsibility Area zoned for development, which receive a special benefit from the services will be assessed according to the use of the parcel, while parcels designated as "wildland or watershed" will not be assessed.

Summary of Benefits

In summary, real property located within the boundaries of the Assessment District distinctly and directly benefits from increased safety and protection of real property, increased protection of scenery and views, and enhanced access and utility of properties in the Assessment District. These are special benefits to property in much the same way that sewer and water facilities, sidewalks and paved streets enhance the utility and desirability of property and make them more functional to use, safer and easier to access.

General versus Special Benefit

Article XIII C of the California Constitution requires any local agency proposing to increase or impose a benefit assessment to "separate the general benefits from the special benefits conferred on a parcel." The rationale for separating special and general benefits is to ensure that property owners subject to the benefit assessment are not paying for general benefits. The assessment can fund special benefits but cannot fund general benefits. Accordingly, a separate estimate of the special and general benefit is given in this section.

In other words:

| | | | | |
|--------------------------|----------|----------------------------|----------|----------------------------|
| Total Benefit | = | General Benefit | + | Special Benefit |
|--------------------------|----------|----------------------------|----------|----------------------------|

There is no widely-accepted or statutory formula for general benefit. General benefits are benefits from improvements or services that are not special in nature, are not “particular and distinct” and are not “over and above” benefits received by other properties. SVTA vs. SCCOSA provides some clarification by indicating that general benefits provide “an indirect, derivative advantage” and are not necessarily proximate to the improvements.

In this report, the general benefit is conservatively estimated and described, and then budgeted so that it is funded by sources other than the assessment.

The starting point for evaluating general and special benefits is the 2002 baseline level of service, had the assessment not been approved by the community. The assessment will fund Services “over and above” this general, baseline level and the general benefits estimated in this section are over and above the baseline.

A formula to estimate the general benefit is listed below:

| | | | | | | |
|----------------------------|----------|---|----------|--|----------|---|
| General Benefit | = | Benefit to real property outside of improvement district | + | Benefit to real property inside of improvement district | + | Benefit to public at large |
|----------------------------|----------|---|----------|--|----------|---|

Special benefit, on the other hand, is defined in the state constitution as “a particular and distinct benefit over and above general benefits conferred on real property located in the district or to the public at large.” The SVTA v. SCCOSA decision indicates that a special benefit is conferred to a property if it “receives a direct advantage from the improvement (e.g., proximity to a park).” In this assessment, as noted, the improved Services are available when needed to all properties in the Assessment District, so the overwhelming proportion of the benefits conferred to property is special, and are only minimally received by property outside the Assessment District or the public at large.

Proposition 218 twice uses the phrase “over and above” general benefits in describing special benefit. (Art. XIID, sections 2(i) & 4(f).) Arguably, all of the Services being funded by the assessment would be a special benefit because the Services would particularly and distinctly benefit the properties in the Assessment District over and above the baseline benefits.

Nevertheless, arguably some of the Services would benefit the public at large and properties outside the Assessment District. In this report, the general benefit is conservatively estimated and described, and then budgeted so that it is funded by sources other than the assessment.

Calculating General Benefit

This section provides a measure of the general benefits from the assessments

Benefit to Property Outside the Assessment District

Properties within the Assessment District receive almost all of the special benefits from the Services because the Services will be provided solely in the Assessment District boundaries. (It should be noted that this Services may, at times, be used outside the District boundaries. However, this use is part of a mutual aid agreement and should be exactly offset by use of Services from other agencies within the District boundaries.) Properties proximate to, but outside of, the proposed boundaries of the Assessment District receive some benefit from the proposed Services due to some degree of indirectly reduced fire risk to their property. These parcels that are proximate to the boundaries of the Assessment District are estimated to receive less than 50% of the benefits relative to parcels within the Assessment District because they do not directly receive the improved fire protection resulting from the Services funded by the Assessments.

At the time the Assessment District was formed, there were approximately 130 of these “proximate” properties.

CRITERIA:

130 parcels outside the district but proximate to the District Boundaries
 1,794 parcels in the Assessment District
 50% relative benefit compared to property within the Assessment district

CALCULATION:

General benefit to property outside the Assessment District =
 $130 / (1,794 + 130) * .5 = 3.3\%$

Although it can reasonably be argued that properties protected inside, but near the Assessment District boundaries are offset by similar fire protection provided outside, but near the Assessment District’s boundaries, we use the more conservative approach of finding that 3.3% of the Services may be of general benefit to property outside the Assessment District.

Benefit to Property Inside the District that is *Indirect and Derivative*

The “indirect and derivative” benefit to property within the Assessment District is particularly difficult to calculate. A solid argument can be presented that all benefit within the Assessment District is special, because the Services are clearly “over and above” and “particular and distinct” when compared with the 2002 baseline level of Services, had the assessment district not passed.

In determining the proposed Assessment District area, the District has been careful to limit it to an area of parcels that will directly receive the benefit of the improved Services. All parcels will directly benefit from the use of the improved Services throughout the Assessment District in order to maintain the same improved level of fire suppression and protection throughout the area. Fire protection and suppression will be provided as needed throughout the area. The shared special benefit - reduced severity and number of fires - will be received on an equivalent basis by all parcels in the Assessment District. Furthermore, all parcels in the Assessment District will directly benefit from the ability to request service from the District and to have a District firefighter promptly respond directly to the parcel and address the owner's or resident's service need.

The SVTA vs. SCCOSA decision indicates that the fact that a benefit is conferred throughout the Assessment District area does not make the benefit general rather than special, so long as the Assessment District is narrowly drawn and limited to the parcels directly receiving shared special benefits from the service. We therefore conclude that, other than the small general benefit to properties outside the Assessment District (discussed above) and to the public at large (discussed below), all of the benefits of the Services to the parcels within the Assessment District are special benefits and it is not possible or appropriate to separate any general benefits from the benefits conferred on parcels in the Assessment District.

Benefit To The Public At Large

With the type and scope of Services to be provided to the Assessment District, it is very difficult to calculate and quantify the scope of the general benefit conferred on the public at large. Because the Services directly serve and benefit all of the property in the Assessment District, any general benefit conferred on the public at large would be small. Nevertheless, there may be some indirect general benefit to the public at large.

The public at large uses the public highways, streets and sidewalks, and when traveling in and through the Assessment District and they may benefit from the services without contributing to the assessment. Although the protection of this critical infrastructure is certainly a benefit to all the property within the district, it is arguably "indirect and derivative" and possibly benefits people rather than property. A fair and appropriate measure of the general benefit to the public at large therefore is the amount of highway, street and sidewalk area within the Assessment District relative to the overall land area. An analysis of maps of the Assessment District shows that approximately 5.8% of the land area in the Assessment District is covered by highways, streets and sidewalks. This 5.8% therefore is a fair and appropriate measure of the general benefit to the public at large within the Assessment District.

Summary of General Benefits

Using a sum of the measures of general benefit for the public at large and land outside the Assessment Area, we find that approximately 9.3% of the benefits conferred by the Fire and Rescue Assessment may be general in nature and should be funded by sources other than the assessment.

| |
|---|
| <p>General Benefit =</p> <p>3.3 % (Outside the district)</p> <p>+ 0.0 % (Inside the district - indirect and derivative)</p> <p>+ 5.8 % (Public at Large)</p> <p>= 9.1 % (Total General Benefit)</p> |
|---|

The Assessment District's total budget for 2026-27 is \$1,989,368. Of this total budget amount, the District will contribute approximately \$1,807,723 or 90% of the total budget from sources other than this assessment. This contribution constitutes significantly more than 9.1% percent general benefits measured by the Assessment Engineer.

Benefit Finding

As noted, the assessment funds will be used to improve fire protection and suppression services throughout the Assessment District. This Engineer's Report finds that the Services are a significant, tangible benefit that should reasonably and rationally confer more special benefit to properties in the Assessment District than the assessment cost of \$108.06 per benefit unit.

Zones of Benefit

As noted, the assessments will fund improved fire suppression and protection services relatively uniformly throughout the Assessment District and the Assessment District boundaries have been narrowly drawn to only include the parcels that directly receive the Services. It therefore is appropriate to provide a District-wide Assessment District without zones of benefit because all parcels of similar type and features benefit similarly.

In *SVTA v. SCCOSA*, the court noted that a local agency-wide assessment district is appropriate under the right conditions: “Thus, if an assessment district is narrowly drawn, the fact that a benefit is conferred throughout the district does not make it general rather than special. In that circumstance, the characterization of a benefit may depend on whether the parcel receives a direct advantage from the improvement (e.g., proximity to a park) or receives an indirect, derivative advantage resulting from the overall public benefits of the improvement (e.g., general enhancement of the district’s property values).” The court therefore acknowledged the appropriateness of a District-wide assessment so long as each parcel receives a direct advantage from the assessment-funded improvement or service. As demonstrated in this engineer’s report, each parcel in the Assessment District receives a direct advantage and special benefit from the Services.

Assessment Apportionment

In the process of determining the appropriate method of assessment, the Engineer considered various alternatives. For example, an assessment exclusively for residential improved property was considered but was determined to be inappropriate because commercial, industrial and other properties also receive benefits from the assessments.

Moreover, a fixed or flat assessment for all properties of similar type was deemed to be inappropriate because larger properties receive a higher degree of benefit than other similarly used properties that are significantly smaller. For two properties used for commercial purposes, there is clearly a higher benefit provided to the larger property in comparison to a smaller commercial property because the larger property generally supports a larger building and has higher numbers of employees, customers and guests that would benefit from fire suppression services. This benefit ultimately flows to the property. Larger parcels, therefore, receive an increased benefit from the assessments.

As stated previously, the special benefits derived from the assessments are conferred on property and are not based on a specific property owner’s use of the improvements, or a specific property owner’s occupancy of property or the property owner’s demographic status such as age or number of dependents. However, it is ultimately people who value the special benefits described above, use the community’s services, and control property values by placing a value on the special benefits to be provided by the services.¹ In other words, the benefits derived to property are related to the average number of people who could potentially live on, work at, or otherwise could use a property, not how the property is currently used by the present owner. Therefore, the number of people who could or potentially live on, work at, or otherwise use a property is an indicator of the relative level of benefit received by a property.

The Assessment Engineer determined that the appropriate method of assessment should be based on the type of property, the relative size of the property, and the potential use of property by residents and employees. This method is further described below.

Method of Assessment

The next step in apportioning assessments is to determine the relative special benefit for each property. This process involves determining the relative benefit received by each property in relation to a "benchmark" property, a single family detached dwelling on one parcel (one "Single Family Equivalent Benefit Unit" or "SFE"). This SFE methodology is commonly used to distribute assessments in proportion to estimated special benefits and is generally recognized as providing the basis for a fair and appropriate distribution of assessments. In this Engineer's Report, all properties are assigned an SFE value, which is each property's relative benefit in relation to a single-family home on one parcel.

The relative benefit to properties from fire-related services is:

Residential Properties

All improved residential properties that represent a single residential dwelling unit are assigned one Single Family Equivalent or 1.0 SFE. Detached or attached houses, zero-lot line houses and townhomes are included in this category.

Properties with more than one residential unit are designated as multi-family residential properties. These properties benefit from the improvements in proportion to the number of dwelling units that occupy each property. The relative benefit for multi-family properties with two units receives twice the benefit of a single family home, and would receive 2 Single family equivalents (2 SFE). Likewise, each condominium unit receives 1.00 SFE and each mobile home receives 1.00 SFE. Single-family residences and mobile homes on parcels greater than one acre receive greater benefit from the services than do such properties on parcels equal to or less than one acre. Therefore, the benefits are deemed to be 1.00 SFE for the first acre and 0.10 SFE per each additional acre over 1 acre.

The single-family equivalency factor of 1.00 per dwelling unit for multifamily residential properties applies to such properties with 5 or fewer units. Moreover, the Engineer's experience with property owners of larger multifamily units has consistently found these owners place a lower level of benefit per dwelling unit to their property from the services relative to owners of single-family residences. Therefore, the benefits for multi-family properties are deemed to reach a maximum benefit of 5.0 SFE.

Commercial/Industrial Properties

SFE values for commercial and industrial land uses are based on the equivalence of special benefit on a land area basis between single family residential property and the average commercial/industrial property. The SFE values for various commercial and industrial land uses are further defined by using average employee densities because the special benefit factors described previously are also related to the average number of people who work at commercial/industrial properties.

In order to determine employee density factors, the findings from the San Diego Association of Governments Traffic Generators Study (the "SANDAG Study") are used because these findings were approved by the State Legislature as being a good representation of the average number of employees per acre of land area for commercial and industrial properties. As determined by the SANDAG Study, the average number of employees per acre for commercial and industrial property is 24.

In comparison, the average number of people residing in a single-family home in the area is 2.53. Since the average lot size for a single-family home in the Assessment district is approximately 0.50 acres, the average number of residents per acre of residential property is 5.06.

The employee density per acre is generally 4.70 times the population density of single-family residential property per acre (24 employees per acre / 5.06 residents per acre). Therefore, the average employee density can be used as the basis for allocating benefit to commercial or industrial property since a commercial/industrial property with 4.7 employees receives generally similar special benefit to a residential property with 1 resident. This factor of equivalence of benefit between 1 resident to 4.7 employees is the basis for allocating commercial/industrial benefit. Figure 2 shows the average employees per acre of land area or portion thereof for commercial and industrial properties and lists the relative SFE factors per half acre for properties in each land use category.

Commercial and industrial properties in excess of 5 acres generally involve uses that are more land intensive relative to building areas and number of employees (lower coverage ratios). As a result, the benefit factors for commercial and industrial property land area in excess of 5 acres is determined to be the SFE rate per half acre for the first 5 acres and the relevant SFE rate per each additional acre over 5 acres.

Institutional properties that are used for residential, commercial or industrial purposes are also assessed at the appropriate residential, commercial or industrial rate.

Figure 2 – Commercial/Industrial Density and Assessment Factors

| Type of Commercial/Industrial Land Use | Average Employees Per Acre ¹ | SFE Units per 1/2 Acre ² |
|--|---|-------------------------------------|
| Commercial | 24 | 1.00 |
| Office | 68 | 2.83 |
| Shopping Center | 24 | 1.00 |
| Industrial | 24 | 1.00 |
| Self Storage or Parking Lot | 1 | 0.04 |

¹ Source: San Diego Association of Governments Traffic Generators Study.

² The SFE factors for commercial and industrial parcels are applied by the half acre of land area or portion thereof. Therefore, the minimum assessment for any assessable parcel in these categories is the SFE Units listed herein.

Vacant Properties

The benefit to vacant properties is determined to be proportional to the corresponding benefits for similar type developed properties; however, at a lower rate due to the minimal improvements that can be damaged by fire on vacant properties. Using Assessor data, the average value of improvements on developed properties is approximately 70% of the total value, with land value comprising the remaining 30%. Since land has intrinsic value or utility that is unaffected by fire, it is estimated that a fire could reduce land value or utility by approximately 1/3rd. Therefore, the SFE factor for vacant parcels is deemed to be 0.10 SFE per acre (1 SFE * 30% * 33%).

Other Properties

Article XIID stipulates that publicly owned properties must be assessed unless there is clear and convincing evidence that those properties receive no special benefit from the assessment.

All properties that are specially benefited are assessed. Public right-of-way parcels, well, reservoir or other water rights parcels that cannot be developed into other improved uses, limited access open space parcels, wildland parcels, watershed parcels and common area parcels typically do not generate employees, residents, customers or guests. Moreover, many of these parcels have limited economic value and, therefore, do not benefit from specific enhancement of property value. Such parcels are, therefore, not specially benefited and are not assessed.

Other publicly owned property that is used for purposes similar to private residential, commercial, industrial or institutional uses is benefited and assessed at the same rate as such privately owned property.

Appeals and Interpretation

Any property owner who feels that the assessment levied on the subject property is in error as a result of incorrect information being used to apply the foregoing method of assessment, may file a written appeal with the Twain Harte Community Services District or her or his designee. Any such appeal is limited to correction of an assessment during the then-current fiscal year or, if before July 1, the upcoming fiscal year. Upon the filing of any such appeal, the District or his or her designee will promptly review the appeal and any information provided by the property owner. If the District or her or his designee finds that the assessment should be modified, the appropriate changes shall be made to the assessment roll. If any such changes are approved after the assessment roll has been filed with the County for collection, the District or his or her designee is authorized to refund to the property owner the amount of any approved reduction. Any dispute over the decision of the District or her or his designee, shall be referred to the Board of Directors and the decision of the Board shall be final.

Assessment

WHEREAS, the Board of Directors of the Twain Harte Community Services District formed the Fire and Rescue Assessment District and is proceeding with the continuation of assessments under California Government Code sections 50078 et seq. (the “Code”) and Article XIID of the California Constitution (the “Article”);

WHEREAS, the undersigned Engineer of Work has prepared and filed a report presenting an estimate of costs, a diagram for the Assessment District and an assessment of the estimated costs of the Services upon all assessable parcels within the Assessment District;

NOW, THEREFORE, the undersigned, by virtue of the power vested in me under said Act and the order of the Board of the District, hereby makes the following assessment to cover the portion of the estimated cost of the improvements, and the costs and expenses incidental thereto to be paid by the Assessment District.

The amount to be paid for the improvements and the expense incidental thereto, to be paid by the Assessment District for the fiscal year 2026-27 is generally as follows:

Figure 3 – Summary of Cost Estimate

| | FY 2026-27 Budget |
|----------------------------------|------------------------|
| Fire and Rescue Expenses | \$1,391,604 |
| Administrative Cost Allocation | \$155,984 |
| Capital Expenses/Outlay | \$437,500 |
| Incidental Expenses | \$4,280 |
| TOTAL BUDGET | \$1,989,368 |
| Less: District Contribution | (\$1,411,535) |
| Transfer To/(From) Reserve | (\$396,188) |
| NET AMOUNT TO ASSESSMENTS | \$181,645 |

As required by the Article, an Assessment Diagram is hereto attached and made a part hereof showing the exterior boundaries of the Assessment district. The distinctive number of each parcel or lot of land in the Assessment district is its Assessor Parcel Number appearing on the Assessment Roll.

I do hereby assess and apportion the net amount of the cost and expenses of the improvements, including the costs and expenses incident thereto, upon the parcels and lots of land within the Assessment district, in accordance with the special benefits to be received by each parcel or lot, from the improvements, and more particularly set forth in the Cost Estimate and Method of Assessment hereto attached and by reference made a part hereof.

The assessment is subject to an annual adjustment tied to the Consumer Price Index-U for the San Francisco Bay Area as of December of each succeeding year (the "CPI"), with a maximum annual adjustment not to exceed 3%. Any change in the CPI in excess of 3% shall be cumulatively reserved as the "Unused CPI" and shall be used to increase the maximum authorized assessment rate in years in which the CPI is less than 3%. The maximum authorized assessment rate is equal to the maximum assessment rate in the first fiscal year the assessment was levied adjusted annually by the minimum of 1) 3% or 2) the change in the CPI plus any Unused CPI as described above.

The change in the CPI from December 2024 to December 2025 was 3.04% and the Unused CPI carried forward from the previous fiscal year is 2.71%. Therefore, the maximum authorized assessment rate for fiscal year 2026-27 is increased by 3% which equates to \$108.06 per single family equivalent benefit unit. The estimate of cost and budget in this Engineer's Report proposes assessments for fiscal year 2026-27 at the rate of \$108.06, which is equal to the maximum authorized assessment rate.

Since property owners in the Assessment District, in an assessment ballot proceeding, approved the initial fiscal year benefit assessment for special benefits to their property including the CPI adjustment schedule, the assessment may continue to be levied annually and may be adjusted by up to the maximum annual CPI adjustment without any additional assessment ballot proceeding. In the event that in future years the assessments are levied at a rate less than the maximum authorized assessment rate, the assessment rate in a subsequent year may be increased up to the maximum authorized assessment rate without any additional assessment ballot proceeding.

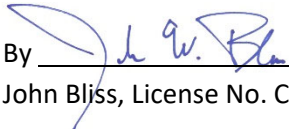
Each parcel or lot of land is described in the Assessment Roll by reference to its parcel number as shown on the Assessor's Maps of the County of Tuolumne for the fiscal year 2026-27. For a more particular description of the property, reference is hereby made to the deeds and maps on file and of record in the County Recorder's office.

I hereby place opposite the Assessor Parcel Number for each parcel or lot within the Assessment Roll, the amount of the assessment for the fiscal year 2026-27 for each parcel or lot of land within the Assessment District.

Dated: May 5, 2026

Engineer of Work



By 
John Bliss, License No. C52091

Assessment Diagram

The Assessment District includes all properties within the boundaries of Twain Harte Community Services District. The boundaries of the Assessment District are displayed on the following Assessment Diagram. The lines and dimensions of each lot or parcel within the Assessment District are those lines and dimensions as shown on the maps of the Assessor of the County of Tuolumne, for fiscal year 2026-27, and are incorporated herein by reference, and made a part of this Diagram and this Report.

FILED IN THE OFFICE OF THE SECRETARY OF THE BOARD OF THE TWAIN HARTE COMMUNITY SERVICES DISTRICT, COUNTY OF TUOLUMNE, CALIFORNIA, THIS _____ DAY OF _____, 2026.

SECRETARY OF THE BOARD _____

RECORDED IN THE OFFICE OF THE SECRETARY OF THE BOARD OF THE TWAIN HARTE COMMUNITY SERVICES DISTRICT, COUNTY OF TUOLUMNE, CALIFORNIA, THIS _____ DAY OF _____, 2026.

SECRETARY OF THE BOARD _____

AN ASSESSMENT WAS CONFIRMED AND LEVIED BY THE BOARD OF THE TWAIN HARTE COMMUNITY SERVICES DISTRICT ON THE LOTS, PIECES AND PARCELS OF LAND ON THIS ASSESSMENT DIAGRAM ON THE _____ DAY OF _____, 2026 FOR THE FISCAL YEAR 2026-27 AND SAID ASSESSMENT DIAGRAM AND THE ASSESSMENT ROLL FOR SAID FISCAL YEAR WERE FILED IN THE OFFICE OF THE COUNTY AUDITOR OF THE COUNTY OF TUOLUMNE ON THE _____ DAY OF _____, 2026. REFERENCE IS HEREBY MADE TO SAID RECORDED ASSESSMENT ROLL FOR THE EXACT AMOUNT OF EACH ASSESSMENT LEVIED AGAINST EACH PARCEL OF LAND.

SECRETARY OF THE BOARD _____

FILED THIS _____ DAY OF _____ O'CLOCK _____ M. IN _____ THE COUNTY AUDITOR OF THE COUNTY OF TUOLUMNE STATE OF CALIFORNIA, AT THE REQUEST OF THE BOARD OF DIRECTORS OF THE TWAIN HARTE COMMUNITY SERVICES DISTRICT.

COUNTY AUDITOR, COUNTY OF TUOLUMNE _____

Note:
REFERENCE IS HEREBY MADE TO THE MAPS AND DEEDS OF RECORD IN THE OFFICE OF THE ASSESSOR OF THE COUNTY OF TUOLUMNE FOR A DETAILED DESCRIPTION OF THE LINES AND DIMENSIONS OF ANY PARCEL SHOWN HEREIN. THOSE MAPS SHALL GOVERN FOR ALL DETAILS CONCERNING THE LINES AND DIMENSIONS OF SUCH PARCELS. EACH PARCEL IS IDENTIFIED IN SAID MAPS BY ITS DISTINCTIVE ASSESSOR'S PARCEL NUMBER.

**TWAIN HARTE COMMUNITY SERVICES DISTRICT
FIRE AND RESCUE ASSESSMENT DISTRICT
ASSESSMENT DIAGRAM**

SCI Consulting Group
4745 Mangels Blvd
Fairfield, CA 94534

Assessment Roll

An Assessment Roll (a listing of all parcels assessed within the Assessment district and the amount of the assessment) will be filed with the Secretary of the Board and is, by reference, made part of this report and is available for public inspection during normal office hours.

Each lot or parcel listed on the Assessment Roll is shown and illustrated on the latest County Assessor records and these records are, by reference made part of this report. These records shall govern for all details concerning the description of the lots or parcels.

ⁱ Insurance Services Offices Inc.

<http://www.rockwall.com/FireDepartment/Insurance%20Services%20Office%20Rating%20Information.pdf>

ⁱⁱ Institute for Business & Home Safety, "Protect Your Home Against Wildfire Damage,"

<http://www.ibhs.org/publications/view.asp?id=125>

ⁱⁱⁱ U.S. Fire Administration, Department of Homeland Security, "America Burning, Recommissioned: Principal Findings and Recommendations," p.1,

<http://www.usfa.fema.gov/downloads/pdf/abr-rep.PDF>

^{iv} U.S. Fire Administration, Department of Homeland Security, "America Burning, Recommissioned: Principal Findings and Recommendations," p.2,

<http://www.usfa.fema.gov/downloads/pdf/abr-rep.PDF>

^v Insurance Services Offices Inc., p. 1,

<http://www.rockwall.com/FireDepartment/Insurance%20Services%20Office%20Rating%20Information.pdf>

^{vi} Weldon, Leslie A. C., "Dealing with Public Concerns in Restoring Fire to the Forest," General Technical Report INT-GTR-341 The Use of Fire in Forest Restoration, U.S. Forest Service, June 1996, p. 3

^{vii} U.S. Forest Service, Department of Agriculture, "Social Science to Improve Fuels Management: A Synthesis of Research on Aesthetics and Fuels Management," p. 1,

http://ncrs.fs.fed.us/pubs/gtr/gtr_nc261.pdf

^{viii} Insurance Services Offices Inc., p. 1,

<http://www.rockwall.com/FireDepartment/Insurance%20Services%20Office%20Rating%20Information.pdf>



Board Meeting Agenda Item Summary

June 10, 2026

| | | | |
|------------------------------------|---|-------------------|--|
| ITEM #: | 06G | ITEM TYPE: | <input type="checkbox"/> Discussion <input type="checkbox"/> Action <input checked="" type="checkbox"/> Both |
| SUBJECT: | Discussion/action to adopt Resolution #26-15 – Approval of Engineer’s Report, Diagram and Assessment and Order to Continue Assessments for the Fire Protection and Emergency Response Services Assessment District for Fiscal Year 2026-27. | | |
| RELATION TO STRATEGIC PLAN: | <input checked="" type="checkbox"/> N/A <input type="checkbox"/> Advances Goal/Objective #'s: _____ | | |

RECOMMENDED ACTION:

Adopt Resolution #26-15 – Approval of Engineer’s Report, Diagram and Assessment and Order to Continue Assessments for the Fire Protection and Emergency Response Services Assessment District for FY 2026-27.

SUMMARY:

In 2011, the District’s limited Fire Fund revenue was insufficient to provide adequate fire and emergency services due to increased operational expenses and failing equipment. As a result, the District proposed the establishment of its Fire Protection and Emergency Response Services Assessment District special benefit assessment (Fire Protection Assessment). The Fire Protection Assessment was approved by a majority vote of property owners and was levied by the District’s Board of Directors on July 14, 2011, via Resolution #11-18. The voter-approved Fire Protection Assessment does not sunset and allows a maximum 4% annual adjustment based on the January Consumer Price Index (CPI) for the San Francisco Bay Area. The annual CPI adjustment is not automatic and is subject to the approval of the Board.

Since 2011, the Fire Protection Assessment has provided annual Revenue to the Fire Fund to improve fire protection and emergency response services by helping fund the cost of a full-time engine company.

A Fire Protection Assessment Engineer’s report is prepared each year to evaluate the Fire Fund’s budget requirements, the annual CPI adjustment, the maximum authorized assessment rate, and any changes to parcels within the assessment area. The Engineer’s Report this year reflects a December 2025 Bay Area CPI increase of 3.04% and recommends the maximum authorized increase of 3.04% be levied for Fiscal Year 2026–27.

Based on the Fire Fund’s projected revenue needs for the coming year, staff recommends that the Board approve the Fire Protection Assessment Engineer’s Report, diagram and assessment, and orders the continuance of the Fire Protection Assessment with a 3.04% CPI adjustment for Fiscal Year 2026-27.

FINANCIAL IMPACT:

With a 3.04% CPI adjustment, the Fire Protection Assessment is projected to generate \$409,951 revenue for the Fire Protection Fund in Fiscal Year 2026-27.

ATTACHMENTS:

- Affidavit of Publication for Public Hearing – Union Democrat
- Resolution #26-15 – Approval of Engineer’s Report, Diagram and Assessment and Order to Continue Assessments for the Fire Protection and Emergency Response Services Assessment District for Fiscal Year 2026-27.
- FY 26-27 Engineer’s Report - Fire Protection and Emergency Response Services Assessment District

**NOTICE OF PUBLIC HEARINGS FOR
THE TWAIN HARTE COMMUNITY
SERVICES DISTRICT, FIRE AND RESCUE
ASSESSMENT DISTRICT & FIRE
PROTECTION AND EMERGENCY
RESPONSE SERVICES ASSESSMENT
DISTRICT FOR THE FISCAL YEAR 2026-27**

NOTICE IS HEREBY GIVEN that the Twain Harte Community Services District Board of Directors intends to conduct two public hearings on Wednesday, June 10, 2026, for the CONTINUATION of the benefit assessments in the fiscal year 2026-27 for the Twain Harte Community Services District & Fire Protection and Emergency Response Services Assessment District. The public hearings to consider the ordering of the services and the continuation of the assessments for the fiscal year 2026-27 for the Fire and Rescue Assessment District & Fire Protection and Emergency Response Services Assessment District shall be held on Wednesday, June 10, 2026, at 9:00 a.m. at the Twain Harte Community Services District offices located at 22912 Vantage Pointe Drive, Twain Harte, California. The proposed fiscal year 2026-27 assessment rate for the fire and rescue assessment district is \$108.06 per single-family equivalent & the fire protection and emergency response services assessment district is \$236.20 per single-family equivalent. If you desire additional information concerning the above, please contact the Twain Harte Community Services District at (209) 586-3172. Publication date: 5/29/2026
The Union Democrat, Sonora CA

**TWAIN HARTE COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 26-15**

**APPROVAL OF ENGINEER'S REPORT, DIAGRAM OF ASSESSMENT AND ORDER
TO CONTINUE ASSESSMENTS FOR THE FIRE PROTECTION AND EMERGENCY
RESPONSE SERVICES ASSESSMENT DISTRICT FOR FISCAL YEAR 2026-27**

WHEREAS, the Twain Harte Community Services District ("District") is authorized, pursuant to the authority provided in California Government Code Section 50078 et seq. and Article XIID of the California Constitution, to levy assessments for fire suppression services, equipment and apparatus; and

WHEREAS, the Assessment was authorized by an assessment ballot proceeding conducted in 2011 and approved by 54.85% of the weighted ballots returned by property owners, and such assessments were levied by the Board of Directors of the Twain Harte Community Services District by Resolution No. 11-18 passed on July 14, 2011; and

WHEREAS, an assessment for fire protection and emergency response services has been given the distinctive designation of the "Fire Protection and Emergency Response Assessment District" ("Assessment"), and is primarily described as encompassing the District jurisdictional boundaries, which covers the Twain Harte Community Services District; and

WHEREAS, the first Engineer's Report for Fiscal Year 2011-12 described how the assessment district would be established, determined the uses of the assessment funds, established the methodology by which the assessments would be applied to properties in the District, established that the assessment is subject to an annual adjustment tied to the annual change in the Consumer Price Index for the San Francisco Bay Area, and stated that the assessment would continue year-to-year until terminated by the District Board of Directors; and

WHEREAS, although the methodology by which the assessments are applied to properties in the District does not change from year to year, a new Engineer's Report is prepared each year in order to establish the CPI adjustment for that year; the new maximum authorized assessment rate for that year; the budget for that year; and the amount to be charged to each parcel in the District that year, subject to that year's assessment rate and any changes in the attributes of the properties in the District, including but not limited to use changes, parcel subdivisions, and/or parcel consolidations; and

WHEREAS, the purpose of the Assessment District shall be to fund facilities and operations, fire suppression, protection and emergency service and firefighting personnel, as described in the annual Engineer's Report; and

WHEREAS, this Board adopted Resolution No. 26-10 to continue to collect Assessments for the fiscal year 2026-27, preliminarily approving the Engineer's Report, and providing for notice of hearing on June 10, 2026, at the hour of nine (9:00) a.m. at the Twain Harte Community Services District located at 22912 Vantage Point Drive, Twain Harte, CA 95383; and

WHEREAS, At the appointed time and place the hearing was duly and regularly held, and all persons interested and desiring to be heard were given an opportunity to be heard, and all matters and things pertaining to the continuation of Assessment were fully heard and considered by this Board, and all oral statements and all written protests or communications were duly heard, considered and overruled, and this Board thereby acquired jurisdiction to order the continuation of assessments prepared by and made a part of the Engineer's Report to pay the costs and expenses thereof.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Twain Harte Community Services District that:

1. The public interest, convenience and necessity require that the continuation be made.
2. The assessment is levied without regard to property valuation.
3. The Engineer's Report for the Assessment together with the proposed assessment roll for fiscal year 2026-27 is hereby confirmed and approved.
4. That based on the oral and documentary evidence, including the Engineer's Report offered and received at the public hearing, the Board expressly finds and determines that: (a) each of the several lots and parcels of land subject to the Assessment will be specially benefited by the equipment and apparatus to be financed by the assessment proceeds in at least the amount of the assessment apportioned against such lots and parcels of land, respectively; (b) that the Assessment is continued without regard to property valuation; and (c) that there is substantial evidence to support, and the weight of the evidence preponderates in favor of, said finding and determination as to special benefit to property from the fire suppression and protection equipment and apparatus to be financed with assessment proceeds.
5. Those assessments for the fiscal year 2026-27 shall be continued at the rate of TWO HUNDRED THIRTY-SIX AND TWENTY CENTS (\$236.20) per single-family equivalent benefit unit, which is the same as the maximum authorized rate, as specified in the Engineer's Report for the fiscal year 2026-27 with estimated total annual assessment revenues as set forth in the Engineer's Report.

6. That the fire suppression and protection equipment and apparatus to be financed with assessment proceeds described in the Engineer's Report are hereby ordered.
7. No later than August 10th following such adoption, the Board shall file a certified copy of the diagram and assessment and a certified copy of this resolution with the Auditor of the County of Tuolumne ("County Auditor"). Upon such filing, the County Auditor shall enter on the County assessment roll opposite each lot or parcel of land the amount of assessment thereupon as shown in the assessment. The assessments shall be collected at the same time and in the same manner as County taxes are collected and all the laws providing for collection and enforcement shall apply to the collection and enforcement of the assessments. After collection by the County, the net amount of the assessments, after deduction of any compensation due the County for collection, shall be paid to the Fire Protection and Emergency Response Services Assessment.
8. All revenues from Assessments shall be deposited in a separate fund established under the distinctive designation of the Twain Harte Community Services, Fire Protection and Emergency Response Services Assessment.
9. The Assessment, as it applies to any parcel, may be corrected, canceled or a refund granted as appropriate, by order of the General Manager of the District. Any such corrections, cancellations, or refunds shall be limited to the current fiscal year.

PASSED AND ADOPTED by the Board of Directors of the Twain Harte Community Services District at their regular meeting held on June 10, 2026, by the following roll call vote:

AYES:
NOES:
ABSTAINED:
ABSENT:

ATTEST:

Mary Dearborn, Board President

Kimberly Silva, Board Secretary

FY 2026-27

ENGINEER'S REPORT

Twain Harte Community Services District Fire Protection and Emergency Response Services Assessment

May 2026
Final Report

Engineer of Work:



4745 Mangels Boulevard
Fairfield, California 94534
707.430.4300
www.sci-cg.com

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Twain Harte Community Services District

Board of Directors

Mary Dearborn, President
Charlotte Bohlman, Vice President
Dennis Mitchell, Director
Eileen Mannix, Director
Gary Sipperley, Director

General Manager

Tom Trott

Fire Chief

Neil Gamez

Secretary of the Board

Kim Silva

Assessment Engineer

SCI Consulting Group

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Introduction

The Twain Harte Community Services District (the "District") was formed in 1996 after the dissolution of the Tuolumne County Water District #1. The District maintains and operates one fire station and currently has six full time employees and 10 volunteers. In addition to providing fire suppression and prevention, emergency response and emergency services, the District also provides basic hazardous materials response, and other services relating to the protection of lives and property.

The District is located in the rural foothills of Tuolumne County along Highway 108, and its service area encompasses approximately 3.6 square miles. The District includes the town of Twain Harte.

The District is governed by a five-member Board of Directors that are elected by the general population within the District boundaries and serve four-year terms.

This Engineer's Report (the "Report") was prepared to:

- Describe the fire suppression, safety and emergency response services and equipment that would be funded by the assessments (the "Services")
- Establish a budget for the Services that would be funded by the proposed 2026-27 assessments
- Reiterate the benefits received from the Services by property within the Twain Harte Community Services District Fire Protection and Emergency Response Services Assessment (the "Assessment District") and
- Reiterate the method of assessment apportionment to lots and parcels within the Assessment District.

Real Property Assessment Under Proposition 218

In 1996, Proposition 218 limited local government's ability to impose real property assessments in two significant ways. An assessment can be imposed only for a "special benefit" conferred on real property (art. XIII D, § 2, subd. (b)), and the assessment on any parcel must be in proportion to the special benefit conferred on the particular parcel. (Art. XIII D, § 4, subd. (a)) (*Silicon Valley Taxpayers Association, Inc. v. Santa Clara County Open Space Authority* (2008) 44 Cal.4th 431, 437.)

The special benefit and proportionality requirements are perhaps best understood as being interrelated, not separate, requirements. The proportionality requirement ensures that the *aggregate* assessment imposed on *all* parcels is distributed *among* all assessed parcels *in proportion* to the special benefits conferred on *each parcel*. (See *Town of Tiburon v. Bonander* (2009) 180 Cal.App.4th 1057, 1080–1085, 103 Cal.Rptr.3d 485 (*Tiburon*) [varying amounts assessed on district parcels for the costs of undergrounding utility lines violated the proportionality requirement because the amounts individually assessed were not based on the special benefits the undergrounding project would confer on each assessed parcel].) The special benefit requirement is thus part and parcel of the proportionality requirement. It is useful, however, to separately discuss special benefits in order to ascertain whether the public improvement or property related service underlying the assessment confers *any* special benefits on district parcels in the first place. (*Silicon Valley, supra*, 44 Cal.4th at pp. 450–456, 79 Cal.Rptr.3d 312, 187 P.3d 37 [discussing whether assessment to fund acquisition and maintenance of open space in County of Santa Clara conferred any special benefits on assessed properties].) (*Beutz v. County of Riverside* (2010) 184 Cal.App.4th 1516, 1522, 1523.)

Special Benefits

The services provide both general benefits to the community and special benefits to particular properties, and the agency imposed an assessment based only on the special benefits. It separated the general benefits from the special benefits and secured other funding for the general benefits. (Art. XIID, § 4, subd. (a). (*Silicon Valley Taxpayers v. Santa Clara County Open Space Authority, supra*, 44 Cal.4th 431, 450.))

The assessment district was narrowly drawn; the fact that a benefit was conferred throughout the district did not make it general rather than special. The characterization of a benefit depended on whether the parcel received a direct advantage from the improvement (e.g., proximity to a park) or received an indirect, derivative advantage resulting from the overall public benefits of the improvement (e.g., general enhancement of the district's property values). (*Silicon Valley Taxpayers v. Santa Clara County Open Space Authority, supra*, 44 Cal.4th 431, 452, fn. 8.)

The purpose of an assessment was to require the properties which received a special benefit from a “public improvement” “to pay the cost of that improvement,” and not to fund an agency's ongoing budget. (*Silicon Valley Taxpayers v. Santa Clara County Open Space Authority, supra*, 44 Cal.4th 431, 457.)

A project confers a special benefit when the affected property receives a “direct advantage” from the improvement funded by the assessment. (*Silicon Valley, supra*, 44 Cal.4th at p. 452, fn. 8, 79 Cal.Rptr.3d 312, 187 P.3d 37.) By contrast, general benefits are “derivative and indirect.” (*Id.* at p. 453, 79 Cal.Rptr.3d 312, 187 P.3d 37.) The key is whether the asserted special benefits can be tied to particular parcels based on proximity or other relevant factors that reflect a direct advantage enjoyed by the parcel. (*Id.* at pp. 455–456, 79 Cal.Rptr.3d 312, 187 P.3d 37.) (*Tiburon v. Bonander* (2010) 180 Cal.App.4th 1057, 1077.)

The mere fact that a project or service has the effect of enhancing property values in a community does not necessarily mean those properties enjoy a special benefit. On the other hand, the prohibition against basing assessments on *general* property value enhancements does not mean any benefit that enhances property values is a general benefit. Nearly every assessment that confers a particular and distinct advantage on a specific parcel will also enhance the overall value of that property in some respect. Such an effect does not transform a special benefit into a general benefit. An increase in property value attributable to a project that provides a direct advantage to a particular property—instead of an indirect or derivative benefit—is a specific rather than a general enhancement in property value. Here, any enhancement in property values arises from specific benefits conferred on parcels in the Supplemental District. (*Tiburon v. Bonander, supra*, 180 Cal.App.4th 1057, 1079.)

When determining whether benefits are general or special, we must be mindful of the rationale for making the distinction. The purpose of limiting assessments to special benefits conferred on particular properties is to avoid having property owners in an assessment district pay for general benefits enjoyed by the public at large. Conversely, if a project confers particular and distinct benefits upon specific properties in an assessment district, it would be unfair to have taxpayers outside the assessment district pay for those benefits that specifically benefit only property owners within the district. (*Tiburon v. Bonander, supra*, 180 Cal.App.4th 1057, pp.1079-1080.)

Furthermore, the mere fact that properties throughout the District share the same special benefit does not render that benefit “general” and therefore an improper subject of an assessment. Section 2, subdivision (i) of article XIII D of the California Constitution specifies that a special benefit is a “particular and distinct benefit over and above general benefits conferred on real property located in the district....” As the court in *Silicon Valley* observed, in a properly drawn district—“limited to only parcels receiving special benefits from the improvement—every parcel within that district receives a shared special benefit.” (*Silicon Valley, supra*, 44 Cal.4th at p. 452, fn. 8, 79 Cal.Rptr.3d 312, 187 P.3d 37.) One might be tempted to characterize these shared special benefits as “general” because they are not “particular and distinct” or “over and above” the benefits conferred on other properties in the district. However, the Supreme Court stated it did not “believe that the voters intended to invalidate an assessment district that is narrowly drawn to include only properties directly benefitting from an improvement.” (*Ibid.*) As the court explained: “[I]f an assessment district is narrowly drawn, the fact that a benefit is conferred throughout the district does not make it general rather than special. In that circumstance, the characterization of a benefit may depend on whether the parcel receives a direct advantage from the improvement (e.g., proximity to a park) or receives an indirect, derivative advantage resulting from the overall public benefits of the improvement (e.g., general enhancement of the district’s property values).” (*Ibid.*) (*Tiburón v. Bonander, supra*, 180 Cal.App.4th 1057,1080.)

Proportionality

“The proportionate special benefit derived by each identified parcel shall be determined in relationship to the entirety of the... property-related service being provided.” (*Silicon Valley Taxpayers v. Santa Clara County Open Space Authority, supra*, 44 Cal.4th 431, 443.)

Under subdivision (a) of section 4 of article XIII D, of the California Constitution, the assessment imposed on a parcel shall not “exceed the reasonable cost of the proportional special benefit conferred on that parcel.” But article XIII D does not require that the assessment *be no less than* the reasonable cost of the proportional special benefit conferred on that parcel. That is, article XIII D leaves local governments free to impose assessments that are less than the proportional special benefit conferred—in effect, to allow discounts. Moreover, nothing in article XIII D precludes local governments from allowing discounts across the board for all parcels in the assessment district or from allowing them selectively, for certain parcels in the district but not for others. (*Dahms v. Downtown Pomona Property* (2009) 174, Cal.App.4th 708, 716.)

“[A public entity must] meet its burden under article XIII D, section 4, subdivision (f) to demonstrate that the amounts of the contested assessments are proportional to, and no greater than, the benefits conferred on the properties in question.” (*Tiburón v. Bonander, supra*, 180 Cal.App.4th 1057,1080.)

For the sake of clarity, it must be emphasized that an assessment is not measured by the precise amount of special benefits enjoyed by the assessed property. (*White v. County of San Diego* (1980) 26 Cal.3d 897, 905, 163 Cal.Rptr. 640, 608 P.2d 728.) Instead, an assessment reflects costs allocated according to relative benefit received. As a general matter, an assessment represents the entirety of the cost of the improvement or property-related service, less any amounts attributable to general benefits (which may not be assessed), allocated to individual properties in proportion to the relative special benefit conferred on the property. (*Ibid.*; Art. XIII D, § 4, subd. (a).) Proportional special benefit is the “ ‘equitable, nondiscriminatory basis’ ” upon which a project's assessable costs are spread among benefited properties. (*White v. County of San Diego, supra*, at p. 905, 163 Cal.Rptr. 640, 608 P.2d 728.) Thus, the “reasonable cost of the proportional special benefit,” which an assessment may not exceed, simply reflects an assessed property's proportionate share of total assessable costs as measured by relative special benefits. (See Art. XIII D, § 4, subd. (a).) (*Tiburon v. Bonander, supra*, 180 Cal.App.4th 1057, 1081.)

The costs of an improvement project must be considered as a whole. A public improvement such as a utility undergrounding project is either undertaken in an entire district or not at all. In the hypothetical involving certain properties with higher construction costs, the neighboring properties enjoy the benefits of the undergrounding project *only* because the project was pursued in the entire assessment district, which necessarily includes the properties with higher construction costs. It is for this reason that the individual assessments for benefited properties must be apportioned in relation to the *entirety* of the project's assessable costs, as article XIII D requires. (Art. XIII D, § 4, subd. (a).) To reiterate, proportionate special benefit is the basis upon which a project's total assessable costs are apportioned among parcels within an assessment district. This method ensures that each property owner pays an equitable share of the overall assessable cost as measured by the relative special benefit conferred on the property. (*Tiburon v. Bonander, supra*, 180 Cal.App.4th 1057, 1083-1084.)

The court in *Dahms* stated that the formula for determining special benefit turned upon lot size and street frontage because some properties received “more special benefit than others.” (*Dahms v. Downtown Pomona Property* (2009) 174 Cal.App.4th 708, 720, 96 Cal.Rptr.3d 10.) Specifically rejecting an argument that the apportionment formula should have been based on the total length of streets bordering all sides of a business instead of the business's front street footage, the court explained that “[i]t makes sense to use front footage rather than total street length to determine the *proportional special benefit* that a parcel will derive from the services of the [business district] (e.g., increased security, litter removal, and graffiti removal). For example, a clean and safe front entrance to a commercial parcel is more likely to constitute a *special benefit* to that parcel than a clean and safe side or rear, where there may or may not be any entrance at all. At the same time, the City's formula also takes into account other measures (namely, building size and lot size) of each parcel's size and consequent *proportional special benefit*, and those other measures should compensate for any disproportionality that might have resulted from exclusive reliance on front footage.” (*Id.* at p. 721, 96 Cal.Rptr.3d 10, italics added.) The apportionment formula in *Dahms* turned on special benefits and not upon costs. (*Tiburon v. Bonander, supra*, 180 Cal.App.4th 1057, 1085.)

On September 22, 2011, the San Diego Court of Appeal issued a decision on the Golden Hill Neighborhood Association v. City of San Diego appeal. This decision overturned an assessment for street and landscaping maintenance in the Greater Golden Hill neighborhood of San Diego, California. The court described two primary reasons for its decision. First, like in *Beutz*, the court found the general benefits associated with services were not explicitly calculated, quantified and separated from the special benefits. Second, the court found that the City had failed to record the basis for the assessment on its own parcels.

Compliance with Current Law

This assessment outlined in this Engineer’s Report is consistent current law because of the following elements of its design:

- The Assessment District (“District”) is narrowly drawn.
- Each parcel in the District receives a direct advantage from the improvement.
- The amount of the assessments has been calculated by and set at the amount of benefit to be received by each parcel.
- The special benefit derived by each identified parcel has been set as a proportional share of the entirety of the service being provided.
- General benefits (e.g., common roadways and indirect, derivative benefits to properties adjacent to but outside the District) have been segregated from special benefits to the parcels within the District, and specified other funding will be utilized for the general benefits.

Baseline Level of Service

The District has been faced with difficulties in delivering its fire and emergency services primarily due to declining revenues and increasing operational expenses. In response to its decreased revenues, the District took several steps to decrease expenses, including keeping firefighters' salaries below average and using part-time staff whenever possible. In addition, the District had not replaced old equipment and vehicles that were in need of repair, and deferred some facility maintenance.

Even after taking these steps to reduce costs, expenses were still projected to exceed revenues. Therefore, the District projected that it would need to make additional cuts to its firefighting capabilities to bring its operational costs in line with revenues. The additional cuts that would be necessary, absent a new revenue source, were eliminating one full-time professional firefighter position starting in fiscal year 2011-12, and a second one in fiscal year 2012-13. This reduced level of service after these cuts, would be the level of service the District would be able to provide in future years, absent approval of the new assessment. In this Report, this reduced level of service, absent the new assessment, was defined as the "Baseline" level of Service.

Assessment Process

In Fiscal Year 2010-11, the Twain Harte Community Service District Board of Directors (the "Board") by Resolution No. 11-09 passed on April 14, 2011, called for an assessment ballot proceeding and public hearing on the proposed establishment of a fire protection and emergency services assessment district. The new assessment was proposed in order to fund the cost of the engine company and thereby improve Services for property in the Assessment District. The Report was prepared to quantify a new benefit assessment that would provide funding for Services within the Assessment District.

On April 14, 2011, the Board approved Resolution No. 11-09, and a notice of assessment and assessment ballot was mailed to property owners within the proposed Assessment District boundaries. Such notice included a description of the Services to be funded by the proposed assessments, a proposed assessment amount for each parcel owned, and an explanation of the method of voting on the assessments. Each notice also included a postage prepaid ballot on which the property owner could mark his or her approval or disapproval of the proposed assessments as well as affix his or her signature.

After the ballots were mailed to property owners in the Assessment District, the required minimum 45 day time period was provided for the return of the assessment ballots. Following this 45 day time period, a public hearing was held on July 14, 2011 for the purpose of allowing public testimony regarding the proposed assessments. At the public hearing, the public had the opportunity to speak on the issue.

It was determined that the assessment ballots submitted in opposition to the proposed assessments did not exceed the assessment ballots submitted in favor of the assessments (weighted by the proportional financial obligation of the property for which ballots were submitted). Of the ballots received, 54.85% were in support of the proposed assessments.

As a result, Board gained the authority to approve the levy of the assessments for fiscal year 2011-12 and to continue to levy them in future years. The Board took action, by Resolution No. 11-18 passed on July 14, 2011, to approve the first year levy of the assessments for fiscal year 2011-12.

The authority granted by the ballot proceeding was for a maximum assessment rate of \$150.00 per single family home, increased each subsequent year by the San Francisco Bay Area Consumer Price Index (CPI) not to exceed 4% per year. In the event that the annual change in the CPI exceeds 4%, any percentage change in excess of 4% can be cumulatively reserved and can be added to the annual change in the CPI for years in which the CPI change is less than 4%.

In each subsequent year for which the assessments will be continued, the Board must preliminarily approve at a public meeting a budget for the upcoming fiscal year's costs and services, an updated annual Engineer's Report, and an updated assessment roll listing all parcels and their proposed assessments for the upcoming fiscal year. A new Engineer's Report is prepared each year in order to establish the CPI adjustment for that year; the new maximum authorized assessment rate for that year; the budget for that year; and the amount to be charged to each parcel in the District that year, subject to that year's assessment rate and any changes in the attributes of the properties in the District, including but not limited to use changes, parcel subdivisions, and/or parcel consolidations. At this meeting, the Board will also call for the publication in a local newspaper of a legal notice of the intent to continue the assessments for the next fiscal year and set the date for the noticed public hearing. At the annual public hearing, members of the public can provide input to the Board prior to the Board's decision on continuing the services and assessments for the next fiscal year.

If the assessments are so confirmed and approved, the assessments will be submitted to the Tuolumne County Auditor/Controller for inclusion on the property tax roll for Fiscal Year 2026-27. The assessments will continue year-to-year until terminated by the District Board of Directors.

The fiscal year 2026-27 assessment budget includes outlays for supplies, firefighter salaries, and other fire suppression and protection programs. If the Board approves this Engineer's Report for fiscal year 2026-27 and the assessments by Resolution, a notice of assessment must be published in a local paper at least 10 days prior to the date of the public hearing. Following the minimum 10-day time period after publishing the notice, a public hearing will be held for the purpose of allowing public testimony about the proposed continuation of the assessments for fiscal year 2026-27.

The public hearing is currently scheduled for June 10, 2026. At this hearing, the Board would consider approval of a resolution confirming the assessments for fiscal year 2026-27. If so confirmed and approved, the assessments would be submitted to the Tuolumne County Auditor/Controller for inclusion on the property tax rolls for Fiscal Year 2026-27.

Description of Services

The Twain Harte Community Services District provides a range of fire suppression, protection, prevention, and educational services to its residents. The Services to be undertaken by the District and the cost thereof paid from the continued levy of the annual assessment will provide special benefit to Assessor Parcels within the Assessment District as defined in the Method of Assessment herein.

Following is a description of the Services that are provided for the direct benefit of property in the Assessment District. With the passage of this assessment, the fire protection and emergency medical services within the Assessment District were enhanced significantly above the Baseline level of service, and such Services are all over and above what otherwise would be provided. The formula below describes the relationship between the final level of services, the Baseline level of service if the assessment is not instituted, and the enhanced level of services funded by the assessment.

$$\text{Final Level of Improvements} = \text{Baseline Level of Improvements} + \text{Enhanced Level of Improvements}$$

In addition to the definitions provided by the Code, the Services to be funded by the Assessment District are generally described as follows: salaries and benefits of firefighting personnel, fire protection and emergency services equipment and apparatus; and direct costs, training and administration of volunteer firefighting personnel.

The Assessment District will also contribute to cover the general costs of administering the District, its facilities and operations, as well as the salaries and benefits of firefighting personnel who provide fire suppression, protection and emergency services to parcels, improvements or property in the Assessment District.

Cost and Budget

The following budget lists the expenditures to be funded by the Assessment District in Fiscal Year 2026-27.

Table 1 - Cost and Budget

| Twain Harte Community Services District Improved Fire Protection and Emergency Response Assessment Estimate of Cost Fiscal Year 2026-27 | | | <i>Total Budget</i> |
|--|-------------|--|---------------------|
| Beginning Fund Balance | | | \$0 |
| Fire and Emergency Response Services Expenditures | | | |
| Services Costs | | | \$1,391,604 |
| Salaries and Employee Benefits | \$1,136,004 | | |
| Maintenance and Repairs | \$101,100 | | |
| Materials and Supplies | \$10,000 | | |
| Outside Services | \$24,400 | | |
| Utilities, Prop/Liab Ins, TUD, etc. | \$120,100 | | |
| Debt Service | \$0 | | |
| Administrative Cost | | | \$151,999 |
| Capital Expenses/Outlay | | | \$437,500 |
| Total Service, Administrative and Capital Expenditures | | | \$1,981,103 |
| Additional Expenditures | | | |
| Allowance for Uncollectable Assessments | | | \$3,985 |
| County Collection, Levy Administration, and Other Incidentals | | | \$4,280 |
| Total Additional Expenditures | | | \$8,265 |
| Total Service, Administrative, Capital and Additional Expenditures | | | \$1,989,368 |
| Total Benefit of Services and Related Expenses | | | \$1,989,368 |
| SFE Units | | | 1735.78 |
| Benefit received per Single Family Equivalent Unit | | | \$1,146.09 |
| Less: | | | |
| District Contribution for General Benefits | | | (\$181,032) |
| District Contribution toward Special Benefits | | | (\$1,002,157) |
| Transfers to (from) reserves | | | (\$396,188) |
| Total Revenue from Other Sources ² | | | (\$1,579,377) |
| Net Cost of Fire Suppression & Protection Costs | | | \$409,991 |
| Total Fire Suppression & Protection Costs to Assessment | | | \$409,991 |
| (Net Amount to be Assessed) | | | |
| Budget Allocation to Property | | | |
| | Assessment | | Total |
| | per SFE | | Assessment |
| Total SFE Units ⁴ | | | |
| 1,736 | \$236.20 | | \$409,991 |

Method of Apportionment

Method of Apportionment

This section includes an explanation of the special benefits to be derived from the Services, the criteria for the expenditure of assessment funds and the methodology used to apportion the total assessments to properties within the Assessment District.

The Assessment District area consists of all Assessor Parcels within the Twain Harte Community Services District, including all parcels within the Town of Twain Harte of Tuolumne County. The method used for apportioning the assessment is based upon the proportional special benefits from the Services to be received by the properties in the assessment area over and above general benefits conferred on real property not subject to assessment (such as public roads) or to the public at large. Special benefit is calculated for each parcel in the Assessment District using the following process:

1. Identification of all benefit factors derived from the Services
1. Calculation of the proportion of these benefits that are general
2. Determination of the relative special benefit within different areas within the Assessment District
3. Determination of the relative special benefit per property type
4. Calculation of the specific assessment for each individual parcel based upon special vs. general benefit; location, property type, property characteristics, improvements on property and other supporting attributes

Discussion of Benefit

California Government Code Section 50078 et. seq. allows agencies which provide fire suppression services, such as Twain Harte Community Services District of Tuolumne County to levy assessments for fire suppression services. Section 50078 states the following:

“Any local agency which provides fire suppression services directly or by contract with the state or a local agency may, by ordinance or by resolution adopted after notice and hearing, determine and levy an assessment for fire suppression services pursuant to this article.”

In addition, California Government Code Section 50078.1 defines the term “fire suppression” as follows:

“(c) “Fire suppression” includes firefighting and fire prevention, including, but not limited to, vegetation removal or management undertaken, in whole or in part, for the reduction of a fire hazard.”

Therefore, the Services to be provided by the Assessment District fall within the scope of services that may be funded by assessments under the Code.

The assessments can only be levied based on the special benefit to property. This benefit is received by property over and above any general benefits. Moreover, such benefit is not based on any one property owner’s specific use of the Services or a property owner’s specific demographic status. With reference to the requirements for assessments, Section 50078.5 of the California Government Code states:

“(b) The benefit assessment shall be levied on a parcel, class of improvement to property, or use of property basis, or a combination thereof, within the boundaries of the local agency, zone, or area of benefit.”

“The assessment may be levied against any parcel, improvement, or use of property to which such services may be made available whether or not the service is actually used.”

Proposition 218, as codified in Article XIID of the California Constitution, has confirmed that assessments must be based on the special benefit to property:

“No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel.”

Since assessments are levied on the basis of special benefit, they are not a tax and are not governed by Article XIII A of the California Constitution.

The following section describes how and why the Services specially benefit properties. This benefit is particular and distinct from its effect on property in general or the public at large.

Benefit Factors

In order to allocate the assessments, the Engineer identified the types of special benefit arising from the Services that will be provided to property in the Assessment District. These benefit factors must confer a direct advantage to the assessed properties; otherwise, they would be general benefit.

The following benefit categories have been established that represent the types of special benefit conferred to residential, commercial, industrial, institutional and other lots and parcels resulting from the improved fire protection and emergency response services that will be provided in the Assessment District. These types of special benefit, which clearly enhance the utility and desirability of property and make them more functional to use, are summarized as follows:

Protection of real property assets and occupants from fires, fire damage and property loss

The Assessments will fund improved fire protection and emergency response services and thereby will reduce the risk of property damage associated with fires for property in the Assessment District. This is a direct and tangible special benefit to property in the Assessment District.

“Over 140,000 wildfires occurred on average each year, burning a total of almost 14.5 million acres. And since 1990, over 900 homes have been destroyed each year by wildfires.”^[i]

“Fire is the largest single cause of property loss in the United States. In the last decade, fires have caused direct losses of more than \$120 billion and countless billions more in related cost.”^[ii]

“The strategies and techniques to address fire risks in structures are known. When implemented, these means have proven effective in the reduction of losses.”^[iii]

“Statistical data on insurance losses bears out the relationship between excellent fire protection...and low fire losses.”^[iv]

Prompt response to fires and emergencies directly to any property in the Assessment District and direct delivery of fire and emergency services to any property in the Assessment District

The Enhanced Services funded by the Assessments will be directly provided for and received by property in the Assessment District. These Enhanced Services will result in an improved and more effective response to fires and other emergencies, thereby enhancing the protection of property and reducing the risk of property damage associated with fires. Such improved fire protection services are a tangible and direct advantage that will be received by properties in the Assessment District.

“A reasonably disaster-resistant America will not be achieved until there is greater acknowledgment of the importance of the fire service and a willingness at all levels of government to adequately fund the needs and responsibilities of the fire service.”^[v]

Protection of the use of property and use of improvements on property and protection of the life and safety of occupants of property

The Enhanced Services funded by the Assessments will allow the District to respond to fires and emergencies much more promptly and with more appropriate levels of firefighters and resources in comparison to the Baseline Level of Service. Prompter and more effective responses will better protect the use of property and the life and safety of occupants. This is another direct special benefit from the Assessments.

Enhanced access to properties in the Assessment District, and utility of such properties.

As noted, the Assessments will fund improved fire protection and emergency response services in the Assessment District. In addition to preventing damage to property from fires, the Assessments will also protect access to property, because fires can impede or prevent access to property. Furthermore, the Enhanced Services will enhance the utility of the properties in the Assessment District because safer properties are more functional, usable and desirable. These are additional direct benefits to property in the Assessment District that are not received by other properties or the public at large because the Enhanced Services will be provided for properties in the Assessment District.

Benefit Finding

In summary, real property located within the boundaries of the Assessment District distinctly and directly benefits from the availability and delivery as needed of the Enhanced Services to any property from fire damage; the increased safety of real property, protection of the use and utility of property; and enhanced access and utility of properties in the Assessment District. These are special benefits to property in much the same way that sewer and water facilities, sidewalks and paved streets enhance the utility and desirability of property and make them more functional to use, safer and easier to access for occupants.

General Versus Special Benefit

Article XIII C of the California Constitution requires any local agency proposing to increase or impose a benefit assessment to “separate the general benefits from the special benefits conferred on a parcel.” The rationale for separating special and general benefits is to ensure that property owners subject to the benefit assessment are not paying for general benefits. The assessment can fund special benefits but cannot fund general benefits. Accordingly, a separate estimate of the special and general benefit is given in this section.

In other words:

| | | | | |
|--------------------------|----------|----------------------------|----------|----------------------------|
| Total Benefit | = | General Benefit | + | Special Benefit |
|--------------------------|----------|----------------------------|----------|----------------------------|

There is no widely accepted or statutory formula for general benefit. General benefits are benefits from improvements or services that are not special in nature, are not “particular and distinct” and are not “over and above” benefits received by other properties. The decision in *SVTA vs. SCCOSA* provides some clarification by indicating that general benefits provide “an indirect, derivative advantage” and are not necessarily proximate to the improvements.

In this report, the general benefit is conservatively estimated and described, and then budgeted so that it is funded by sources other than the assessment.

The starting point for evaluating general and special benefits is the 2011 baseline level of service, if the assessment is not approved by the community. The assessment will fund Services “over and above” this general, baseline level and the general benefits estimated in this section are over and above the baseline.

A formula to estimate the general benefit is listed below:

| | | | | | | |
|----------------------------|---|---|---|--|---|---|
| General Benefit | = | Benefit to real property outside of improvement district | + | Benefit to real property inside of improvement district | + | Benefit to public at large |
|----------------------------|---|---|---|--|---|---|

Special benefit, on the other hand, is defined in the State Constitution as “a particular and distinct benefit over and above general benefits conferred on real property located in the district or to the public at large.” The *SVTA v. SCCOSA* decision indicates that a special benefit is conferred to a property if it “receives a direct advantage from the improvement (e.g., proximity to a park).” In this assessment, as noted, the improved Services will be available when needed to all properties in the Assessment District, so the overwhelming proportion of the benefits conferred to property is special, and there are only minimal benefits that will be received by property outside the Assessment District or the public at large.

It should be noted that in the 2009 *Dahms* case, the court ruled that an assessment was properly considered to be a 100% special benefit because the services funded by the assessments were directly provided only to property in the assessment district. Similar to the assessments in Pomona that were approved in *Dahms*, the Assessments described in this Engineer’s Report fund fire suppression services directly provided only to property in the assessment area. Moreover, every property within the Assessment District will receive the Services if and when a fire occurs. Although the court in *Dahms* found a zero general benefit determination to be acceptable, this report calculates the general benefit more conservatively and then that general benefit is budgeted so that it is funded by sources other than the Assessment.

In the 2010 *Beutz* Case, the Appellate Court overturned an assessment for parks in Wildomar, California based upon the lack of a specific quantification of the general benefit(s) in the Engineer's Report. As a part of this decision, the court indicated that "virtually all public improvement projects provide general benefits." At first review, this statement and decision seem to contradict the 2009 *Dahms* decision which upheld an assessment with a 100% special benefit finding. However, the *Beutz* decision concludes by clarifying that the specific facts of *Dahms* are fundamentally different from *Beutz* – and the two decisions do not contradict one another. Essentially, in assessment(s), like in the *Dahms* case (and the Assessment described in this Report), the improvements and services provided within each District are specifically provided to and intended for the assessed parcels only. (The Wildomar assessment in the *Beutz* case, on the other hand, supports improvements and services for area parks only, which arguably have an inherent use by, and benefit to, the general public.)

Proposition 218 twice uses the phrase "over and above" general benefits in describing special benefit. (Art. XIID, sections 2(i) & 4(f).) Arguably, all of the Services being funded by the assessment would be a special benefit because the Services would particularly and distinctly benefit the properties in the Assessment District over an only to properties in the Assessment District.

Nevertheless, some of the Services could benefit the public at large and properties outside the Assessment District. In this report, the general benefit is conservatively estimated and described, and then budgeted so that it is funded by sources other than the assessment.

Calculating General Benefit

This section provides a measure of the general benefits from the assessments.

Benefit to Property Outside the Assessment District

Properties within the Assessment District receive almost all of the special benefits from the Services because the Services will be provided solely in the Assessment District boundaries.¹ Properties proximate to, but outside of, the boundaries of the Assessment District receive some benefit from the Services due to some degree of indirectly reduced fire risk to their property. These parcels that are proximate to the boundaries of the Assessment District are estimated to receive less than 50% of the benefits relative to parcels within the Assessment District because they do not directly receive the improved fire protection resulting from the Services funded by the Assessments.

At the time the Assessment District was formed, the Assessment Engineer, using the Geographic Information System parcel map, counted the number of parcels proximate to the Assessment District boundary but outside the Assessment District, and thereby determined that there were approximately 130 of these “proximate” properties.

CRITERIA:

130 PARCELS OUTSIDE THE DISTRICT BUT PROXIMATE TO THE DISTRICT BOUNDARIES
 1,794 PARCELS IN THE ASSESSMENT DISTRICT
 50% RELATIVE BENEFIT COMPARED TO PROPERTY WITHIN THE ASSESSMENT DISTRICT

CALCULATION:

GENERAL BENEFIT TO PROPERTY OUTSIDE THE ASSESSMENT DISTRICT =
 $130 / (1,794 + 130) * .5 = 3.3\%$

Although it can reasonably be argued that properties protected inside, but near the Assessment District boundaries are offset by similar fire protection provided outside the District boundaries, we use the more conservative approach of finding that 3.3% of the Services may be of general benefit to property outside the Assessment District.

¹ It should be noted that the Services may, at times, be used outside the District boundaries. However, this use is part of a mutual aid agreement and would be offset by the provision of Services by other agencies within the Assessment District boundaries.

Benefit to Property *Inside* the District that is *Indirect and Derivative*

The “indirect and derivative” benefit to property within the Assessment District is particularly difficult to calculate. A solid argument can be presented that all benefit within the Assessment District is special, because the Services are clearly “over and above” and “particular and distinct” when compared with the baseline level of fire suppression and fire protection services had the Assessment District not passed.

In determining the Assessment District area, the District has been careful to limit it to an area of parcels that will directly receive the benefit of the improved Services. All parcels will directly benefit from the use of the improved Services throughout the Assessment District in order to maintain the same improved level of fire suppression and protection throughout the area. Fire protection and suppression will be provided as needed throughout the area. The shared special benefit - reduced severity and number of fires - will be received on an equivalent basis by all parcels in the Assessment District. Furthermore, all parcels in the Assessment District would directly benefit from the ability to request service from the District and to have a District firefighter promptly respond directly to the parcel and address the owner’s or resident’s service need.

The *SVTA vs. SCCOSA* decision indicates that the fact that a benefit is conferred throughout the Assessment District area does not make the benefit general rather than special, so long as the Assessment District is narrowly drawn and limited to the parcels directly receiving shared special benefits from the service. This concept is particularly applicable in situations involving a landowner-approved assessment-funded extension or improvement of a local government service to benefit lands. Therefore, other than the small general benefit to properties outside the Assessment District (discussed above) and to the public at large (discussed below), all of the benefits of the Services to the parcels within the Assessment District are special benefits.

Benefit to the Public At Large

Because the Services will be available to and provide for all of the property in the Assessment District, the *Dahms* decision provides a clear basis for a finding of zero general benefit conferred on the public at large. Nevertheless, to establish a more conservative measure, any general benefit to the public at large is quantified in the following paragraph:

The public at large uses the public highways, streets and sidewalks, and when traveling in and through the Assessment District and they may benefit from the services without contributing to the assessment. Although the protection of this critical infrastructure is certainly a benefit to all the property within the district, it is arguably “indirect and derivative”. A reasonable and appropriate measure of the general benefit to the public at large therefore is the amount of highway, street and sidewalk area within the Assessment District relative to the overall land area. An analysis of maps of the Assessment District shows that approximately 5.8% of the land area in the Assessment District is covered by highways, streets and sidewalks. This 5.8% therefore is a reasonable quantified measure of the general benefit to the public at large within the Assessment District.

Summary of General Benefits

Using a sum of the measures of general benefit for the public at large and land outside the Assessment Area, we find that approximately 9.1% of the benefits conferred by the Fire Protection and Emergency Response Assessment may be general in nature and should be funded by sources other than the assessment.

| |
|--|
| <p>GENERAL BENEFIT =</p> <p>3.3 % (OUTSIDE THE DISTRICT)</p> <p>+ 0.0 % (INSIDE THE DISTRICT - INDIRECT AND DERIVATIVE)</p> <p>+ 5.8 % (PUBLIC AT LARGE)</p> <p>= 9.1 % (TOTAL GENERAL BENEFIT)</p> |
|--|

Although this analysis supports the findings that 9.1% of the assessment may provide general benefits, this number is increased by the Assessment Engineer to 10% to conservatively ensure that no assessment revenue is used to support general benefit. This additional amount allocated to general benefit also covers general benefit to parcels in the Assessment Area if it is later determined that there is some general benefit conferred on those parcels.

The Assessment District’s budget for 2026-27 is \$1,989,368. The District will contribute approximately \$1,579,377 for fire suppression, fire protection and emergency response services and administrative services costs from revenue sources other than this Fire Protection and Emergency Response Services Assessment. This contribution constitutes significantly more than the 10% calculated above for general benefits, plus an additional 10% allocation for time used on non-fire related services as estimated by the Assessment Engineer.

Zones of Benefit

The assessment area is small and is readily served by a single fire station. The National Fire Protection Association (NFPA) has adopted a standard of response time equal to six minutes. All parcels in the Assessment District will be served within this NFPA response standard. Therefore, all properties will receive substantially the same level of benefit and this Assessment District has been drawn to include the entire area; no zones within the district have been designated.

In *SVTA v. SCCOSA*, the court noted that a local agency-wide assessment district is appropriate under the right conditions: “Thus, if an assessment district is narrowly drawn, the fact that a benefit is conferred throughout the district does not make it general rather than special. In that circumstance, the characterization of a benefit may depend on whether the parcel receives a direct advantage from the improvement (e.g., proximity to a park) or receives an indirect, derivative advantage resulting from the overall public benefits of the improvement (e.g., general enhancement of the district's property values).” The court therefore acknowledged the appropriateness of a District-wide assessment so long as each parcel receives a direct advantage from the assessment-funded improvement or service.

As demonstrated in this engineer’s report, the assessments will fund improved fire suppression and protection services relatively uniformly throughout the Assessment District, and the Assessment District boundaries have been narrowly drawn to only include the parcels that directly receive the Services. It therefore is appropriate to provide a District-wide Assessment District without zones of benefit because all parcels of similar type and features benefit similarly and will receive a direct advantage from the Services.

Assessment Apportionment

In the process of determining the appropriate method of assessment, the Assessment Engineer considered various alternatives. For example, an assessment only for all residential improved property was considered but was determined to be inappropriate because vacant, commercial, industrial and other properties also receive special benefits from the assessments.

Moreover, a fixed or flat assessment for all properties of similar type was deemed to be inappropriate because larger commercial/industrial properties and residential properties with multiple dwelling units receive a higher degree of benefit than other similarly used properties that are significantly smaller. For properties used for commercial purposes, there clearly is a higher benefit provided to a larger commercial property than to a smaller commercial property because the larger property generally supports a larger building and has higher numbers of employees, customers and guests that would benefit from improved fire protection and emergency response services. This benefit ultimately flows to the property. Larger parcels, therefore, receive an increased benefit from the assessments.

The Assessment Engineer determined that the appropriate method of assessment should be based on the type of property, the relative risk of fire by type of property, the relative size of the property, and the relative damage value of fires by property type. This method is further described below.

Method of Assessment

The next step in apportioning assessments is to determine the relative special benefit for each property. This process involves determining the relative benefit received by each property in relation to a "benchmark" property, a single family detached dwelling on one parcel (one "Single Family Equivalent Benefit Unit" or "SFE"). This SFE methodology is commonly used to distribute assessments in proportion to estimated special benefits and is generally recognized as providing the basis for a fair and appropriate distribution of assessments. In this Engineer's Report, all properties are assigned an SFE value, which is each property's relative benefit in relation to a single family home on one parcel.

The relative benefit to properties from fire related services is:

Equation 1 – Relative Benefit to Properties

$$\text{Benefit} \approx \sum (\text{Fire Risk Factors}) * \sum (\text{Structure Value Factors})$$

That is, the benefit conferred to property is the "sum" of the fire risk factors multiplied by the "sum" of the structure replacement factors, and then normalized by average areas.

Fire Risk Factors

Typical fire assessments are evaluated based upon the fire risk of a certain property type. These evaluations consider factors such as use of structure (e.g. used for cooking), type of structure (centralized heating), etc.

In 2003, the National Fire Protection Association (“NFPA”), one of the pre-eminent authorities on fire protection in the United States, published the 2003 US Fire Problem Overview Report. This report comprehensively tabulates the number of fires for each property type within the United States in the year 1999, and serves as a reasonable and rational basis to determine fire risk.

The number of fires for each property type is then divided by the total number of that property type to determine un-normalized fire risk factor. Finally, the risk factors are normalized based upon a factor of 1.00 for a single-family property. Table 2 below tabulates the Fire Risk Factors for each property type.

Table 2 – Fire Risk Factors

| Property Type | Normalized Fire Risk Factors |
|---|------------------------------|
| Single Family | 1.0000 |
| Multi-Family & Condo | 1.8769 |
| Mobile Home | 0.6028 |
| Commercial/Industrial | 0.9982 |
| Office | 0.3571 |
| Institutional | 0.9675 |
| Storage | 2.8916 |
| Vacant | 0.2221 |
| Agriculture - Orchards & Vineyards | 0.3796 |
| Agriculture - Rice & Flood Irrigation | 0.3796 |
| Agriculture - Pasture & Row Crops | 0.3451 |
| Agriculture - Dairy, Livestock, Animals | 0.3106 |
| Range Land & Open Space | 0.0598 |

Analysis based upon: 2003 US Fire Problem Overview Report, NFPA

Structure Replacement Factors

The relative replacement factors of different property types were evaluated within the District area to determine the Structure Replacement Factors according to the following formula:

Equation 2 - Structure Replacement Factors

| | | |
|---|-----------|--|
| $\sum (\text{Structure Replacement Factors})$ | \approx | f (Structure Weighting Factor, Average Improved Value, Structure Replacement Factor) $+f$ (Land Weighting Factor, Average Total Value) $*$ (Adjustment Factor) |
|---|-----------|--|

Where:

- “Structure Weighting Factor” = 10 to “weight” relative importance of structure over land.
- "Structure Replacement Factor" is based upon the replacement cost per property type, and the adjusted structure square footage per property type, as provided by the County Assessor records.
- “Average Improved Value” is average of value of all improvements (e.g. structures), per property type, as provided by County Assessor records. It is used as a reference only and the Structure Replacement Value is not derived from it.
- Land Weighting Factor = 1
- “Average Total Value” is average of value of all land + improvements (e.g. structures), per property type, as provided by County Assessor records. County assessor land values were not used directly because experience has shown total values to be more comprehensive. It is used as a reference only and the Structure Replacement Value is not derived from it.
- "Adjustment Factor" may be applied including real estate data, demographic data, economic data and other relevant data.

Table 3 is a tabulation of the Structure Replacement Factors for each property type as defined by Equation 2, above.

Table 3 – Structure Replacement Factors

| Property Type | Replacement Factor |
|---|--------------------|
| Single Family | 1.0000 |
| Multi-Family & Condo | 0.6400 |
| Mobile Home | 0.8000 |
| Commercial/Industrial | 0.6400 |
| Office | 1.6000 |
| Institutional | 0.6400 |
| Storage | 0.2400 |
| Vacant | 0.1000 |
| Agriculture - Orchards & Vineyards | 0.0500 |
| Agriculture - Rice & Flood Irrigation | 0.0500 |
| Agriculture - Pasture & Row Crops | 0.0500 |
| Agriculture - Dairy, Livestock, Animals | 0.0500 |
| Range Land & Open Space | 0.0100 |

An Example of Benefit Calculation

Below is an example of the benefit calculation per Equation 1 for Commercial/Industrial parcels to illustrate the methodology. (A summary of the results of all calculations is given in Table 4):

Commercial/Industrial Example

The benefit is the normalized Fire Risk Factor times the normalized Structure Replacement Factor, then normalized per average square footage.

Benefit = ((Fire Risk Factor) * (Structure Replacement Factor)) * ((Average Structure Sqft by type / Avg Structure Sqft for single family home))

The fire risk of commercial/industrial parcels is determined by taking the percentage of all fires in commercial/industrial parcels, and dividing it by the percentage of square footage area that are commercial/industrial. The fire percentages are taken from the NFPA 2003 US Fire Problem Overview Report. The resulting figure is normalized relative to the risk of a single family home by taking the percentage of fires in single family homes over the percentage of square footage area that are single family homes, and dividing that figure into the commercial/industrial fire risk figure.

Fire Risk \approx ((% of all fires) / (% of square footage area)) / (normalization factor versus Single Family Homes)

% of all fires = 9.222% for commercial/industrial, and 53.846% for single family homes

% of area = 10.664% for commercial/industrial, and 62.157% for single family homes

Fire Risk Factor = ((9.222% of all fires) / (10.644% of all square footage area)) / ((53.846% of all fires) / (62.157% of all square footage area))

Fire Risk Factor = 0.9982

The Structure Replacement Factor is determined by analyzing the County Assessor's data including the average structure square footage area. Also, the local average structure replacement cost is established for each structure type. The local average structure replacement cost is normalized and multiplied by the average square footage area for each property type. These values are then compared against the weighted average improved value, weighted average total value, real estate data, etc. and an Adjustment Factor is applied if necessary.

Structure Replacement Factor \approx Normalized Local Average Replacement Costs * Adjustment Factor

Local Average Replacement Cost for commercial/industrial \approx \$80.00/sqft

Local Average Replacement Cost for single family homes \approx \$125.00/sqft

Structure Replacement Factor = (80.00/125.00) * Adjustment Factor (if needed)

Structure Replacement Factor = 0.6400

Since the Benefit is the Fire Risk Factor times the Structure Replacement Factor, then normalized by average square footage, the Commercial/Industrial benefit is 6.884:

Benefit = (0.9982 * 0.6400) * (14,957/1,396) = 6.884/acre

Summary of Benefits for Each Property Type

Per Equation 1, the relative special benefit for each property type (the "SFE" or "Single Family Equivalent" Benefit Units) is determined as the product of the normalized Fire Risk Factors and the normalized Structure Replacement Factors. Table 4 below, summarizes the benefit for each property type.

Table 4 – Benefit Summary per Property Type

| Property Type | Fire Risk Factors | Structure Replacement Factors | SFE Factors | Average Structure Sq Footage (From Previous Tab) | Flat Rate Converted SFE | Unit |
|---|-------------------|-------------------------------|-------------|--|-------------------------|----------|
| Single Family | 1.0000 | 1.0000 | 1.000000 | 1,396 | 1.000 | per each |
| Multi-Family & Condo | 1.8769 | 0.6400 | 1.201190 | 857 | 0.737 | per unit |
| Mobile Home | 0.6028 | 0.8000 | 0.482240 | 1,440 | 0.497 | per each |
| Commercial/Industrial | 0.9982 | 0.6400 | 0.638879 | 14,957 | 6.844 | per acre |
| Office | 0.3571 | 1.6000 | 0.571387 | 10,000 | 6.670 | per acre |
| Institutional | 0.9675 | 0.6400 | 0.619212 | 3,543 | 1.523 | per each |
| Storage | 2.8916 | 0.2400 | 0.693982 | 10,000 | 0.464 | per acre |
| Vacant | 0.3451 | 0.1000 | 0.034511 | | 0.173 | per each |
| Agriculture - Orchards & Vineyards | 0.3796 | 0.0500 | 0.018981 | | 0.019 | per acre |
| Agriculture - Rice & Flood Irrigation | 0.3796 | 0.0500 | 0.018981 | | 0.019 | per acre |
| Agriculture - Pasture & Row Crops | 0.3451 | 0.0500 | 0.017255 | | 0.017 | per acre |
| Agriculture - Dairy, Livestock, Animals | 0.3106 | 0.0500 | 0.015530 | | 0.016 | per acre |
| Range Land & Open Space | 0.3451 | 0.0100 | 0.003451 | | 0.003 | per acre |

*SFE factor has been converted from “Per Acre” to “Per Each Parcel” by multiplying by effective average area.

Residential Properties

All improved residential properties with a single residential dwelling unit are assigned one Single Family Equivalent or 1.0 SFE. Residential properties on parcels that are larger than one acre receive additional benefit and are assigned additional SFEs on an “Agricultural/Rangeland” basis. Detached or attached houses, zero-lot line houses and town homes are included in this category.

Properties with more than one residential unit are designated as multi-family residential properties. These properties benefit from the Services in proportion to the number of dwelling units that occupy each property. The relative benefit for multi-family properties was determined per Equation 1 to be 0.737 SFEs per residential unit. This rate applies to condominiums as well.

Mobile home properties are assigned 0.497 SFEs per residential unit. Parcels that are larger than one acre receive additional benefit and are assigned additional SFEs on an “Agricultural/Rangeland” basis.

Commercial/Industrial & Office Properties

Commercial and industrial properties are assigned benefit units per acre, since there is a relationship between effective parcel size, structure size and relative benefits. The relative benefit for commercial and industrial properties was determined per Equation 1 to be 6.844 SFEs per acre. The relative benefit for office properties was determined per Equation 1 to be 6.670 SFEs per acre.

Vacant and Undeveloped Properties

The relative benefit for vacant properties was determined per Equation 1 to be 0.173 SFEs per parcel.

Rangeland, Open Space and Duck Club Properties

The relative benefit for range land & open space properties was determined per Equation 1 to be 0.003 SFEs per acre.

Agricultural Properties

The relative benefit for agricultural properties requires additional analysis, as required by Government Code 50078 and the unique agricultural properties within the boundaries. This analysis considered how agricultural operations may mitigate risk, onsite or proximate water availability, response time, capability of the fire suppression service, and any other factors which reflect the benefit to the land resulting from the fire suppression service provided. Agricultural properties have been categorized as Agriculture - Orchards & Vineyards; Agriculture - Rice & Flood Irrigation; Agriculture - Pasture & Row Crops; and Agriculture - Dairy, Livestock, Animals according to use and other attributes, and have been analyzed for fire risk and structure replacement per Equation 1. The relative benefit for agricultural properties was determined per Equation 1 to be 0.019 SFEs per parcel for Agriculture - Orchards & Vineyards; 0.019 SFEs per parcel for Agriculture - Rice & Flood Irrigation; 0.017 SFEs per parcel for Agriculture - Pasture & Row Crops; and 0.016 SFEs per parcel for Agriculture - Dairy, Livestock, Animals. These SFE rates are doubled for parcels between 50 acres and 100 acres and are tripled for parcels greater than 100 acres.

Other Properties

Institutional properties such as publicly owned properties are assessed 1.523 SFEs. The relative benefit for storage properties was determined per Equation 1 to be 0.464 SFEs per acre.

Article XIID, Section 4 of the California Constitution states that publicly owned properties shall not be exempt from an assessment unless there is clear and convincing evidence that those properties receive no special benefit. Here, all public properties that are specially benefited are assessed. Publicly owned property that is used for purposes similar to private residential, commercial, industrial or institutional uses is benefited and assessed at the same rate as such privately owned property.

Miscellaneous, small and other parcels such as roads, right-of-way parcels, and common areas typically do not generate significant numbers of employees, residents, customers or guests and have limited economic value. These miscellaneous parcels receive no special benefit from the fire suppression Apparatus and Equipment and are assessed an SFE benefit factor of 0.

Criteria and Policies

This sub-section describes the criteria that shall govern the expenditure of assessment funds and ensures equal levels of benefit for properties of similar type. The criteria established in this Report, as finally confirmed, cannot be substantially modified; however, the Board may adopt additional criteria to further clarify certain criteria or policies established in this Report or to establish additional criteria or policies that do not conflict with this Report.

Duration of Assessment

The Assessment was levied for fiscal year 2011-12 and may be continued every year thereafter, so long as the risk of fire on property in the Assessment District remains in existence and the Twain Harte Community Services District requires funding from the Assessment for its fire suppression Services. As noted previously, if the Assessment and the duration of the Assessment are approved by property owners in an assessment ballot proceeding, the Assessment can be imposed and levied annually after the Twain Harte Community Services District Board of Directors approves an annually updated Engineer's Report, budget for the Assessment, Services to be provided, and other specifics of the Assessment. In addition, the District Board of Directors must hold an annual public hearing to continue the Assessment.

Appeals of Assessments on Property

Any property owner who feels that the assessment on the subject property is in error as a result of incorrect information being used to apply the foregoing method of assessment or for any other reason may file a written appeal with the General Manager of the Twain Harte Community Services District or his or her designee. Any such appeal is limited to correction of an assessment during the then current fiscal year. Upon the filing of any such appeal, the General Manager or his or her designee will promptly review the appeal and any information provided by the property owner. If the General Manager or his or her designee finds that the assessment should be modified, the appropriate changes shall be made to the assessment roll. If any such changes are approved after the assessment roll has been filed with the County for collection, the General Manager or his or her designee is authorized to refund to the property owner the amount of any approved reduction. Any dispute over the decision of the General Manager or his or her designee shall be referred to the Twain Harte Community Services District Board of Directors and the decision of the Board shall be final.

Assessment

WHEREAS, the Board of Directors of the Twain Harte Community Services District is proceeding with the Fire Protection and Emergency Response Services Assessment District and continuation of assessments under California Government Code sections 50078 et seq. (the “Code”) and Article XIID of the California Constitution (the “Article”);

WHEREAS, the undersigned Engineer of Work has prepared and filed a report presenting an estimate of costs, a diagram for the Assessment District and an assessment of the estimated costs of the Services upon all assessable parcels within the Assessment District;

NOW, THEREFORE, the undersigned, by virtue of the power vested in me under said Code and Article and the order of the Board of said District, hereby make the following assessment to cover the portion of the estimated cost of said Services, and the costs and expenses incidental thereto to be paid by the Assessment District.

The amount to be paid for said Services and the expense incidental thereto, to be paid by the Assessment District for the fiscal year 2026-27 is generally as follows:

Table 5 – Summary Cost Estimate

| | FY 2026-27 Budget |
|----------------------------------|------------------------------|
| Services Costs | \$1,391,604 |
| Administrative Cost Allocation | \$151,999 |
| Capital Expenses/Outlay | \$437,500 |
| Incidental Expenses | \$8,265 |
| TOTAL BUDGET | \$1,989,368 |
| Less: District Contribution | (\$1,183,189) |
| Transfer To/(From) Reserve | (\$396,188) |
| NET AMOUNT TO ASSESSMENTS | \$409,991 |

An Assessment Diagram is hereto attached and made a part hereof showing the exterior boundaries of the Assessment District. The distinctive number of each parcel or lot of land in the Assessment District is its Assessor Parcel Number appearing on the Assessment Roll.

I do hereby assess and apportion the net amount of the cost and expenses of the Services, including the costs and expenses incident thereto, upon the parcels and lots of land within said Assessment District, in accordance with the special benefits to be received by each parcel or lot, from the Services, and more particularly set forth in the Cost Estimate and Method of Assessment hereto attached and by reference made a part hereof.

The assessment is subject to an annual adjustment tied to the Consumer Price Index-U for the San Francisco Bay Area as of December of each succeeding year (the "CPI"), with a maximum annual adjustment not to exceed 4%. Any change in the CPI in excess of 4% shall be cumulatively reserved as the "Unused CPI" and shall be used to increase the maximum authorized assessment rate in years in which the CPI is less than 4%. The maximum authorized assessment rate is equal to the maximum assessment rate in the first fiscal year the assessment was levied adjusted annually by the minimum of 1) 4% or 2) the change in the CPI plus any Unused CPI as described above.

The change in the CPI from December 2024 to December 2025 was 3.04% and there is no unused CPI carried forward from the previous fiscal year. Therefore, the maximum authorized assessment rate for fiscal year 2026-27 is increased by 3.04% which equates to \$236.20 per single family equivalent benefit unit. The estimate of cost and budget in this Engineer's Report proposes assessments for fiscal year 2026-27 at the rate of \$236.20, which is equal to the maximum authorized assessment rate.

Since property owners in the Assessment District, in an assessment ballot proceeding, approved the initial fiscal year benefit assessment for special benefits to their property including the CPI adjustment schedule, the assessment may be continued annually and may be adjusted by up to the maximum annual CPI adjustment without any additional assessment ballot proceeding. In the event that in future years the assessments are assessed at a rate less than the maximum authorized assessment rate, the assessment rate in a subsequent year may be increased up to the maximum authorized assessment rate without any additional assessment ballot proceeding.

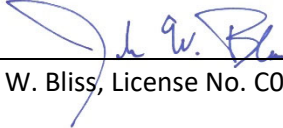
Each parcel or lot of land is described in the Assessment Roll by reference to its parcel number as shown on the Assessor's Maps of the County of Tuolumne for the fiscal year 2026-27. For a more particular description of said property, reference is hereby made to the deeds and maps on file and of record in the office of the County Recorder of Tuolumne County.

I hereby place opposite the Assessor Parcel Number for each parcel or lot within the Assessment Roll, the amount of the assessment for the fiscal year 2026-27 for each parcel or lot of land within the said Assessment District.

Dated: May 5, 2026

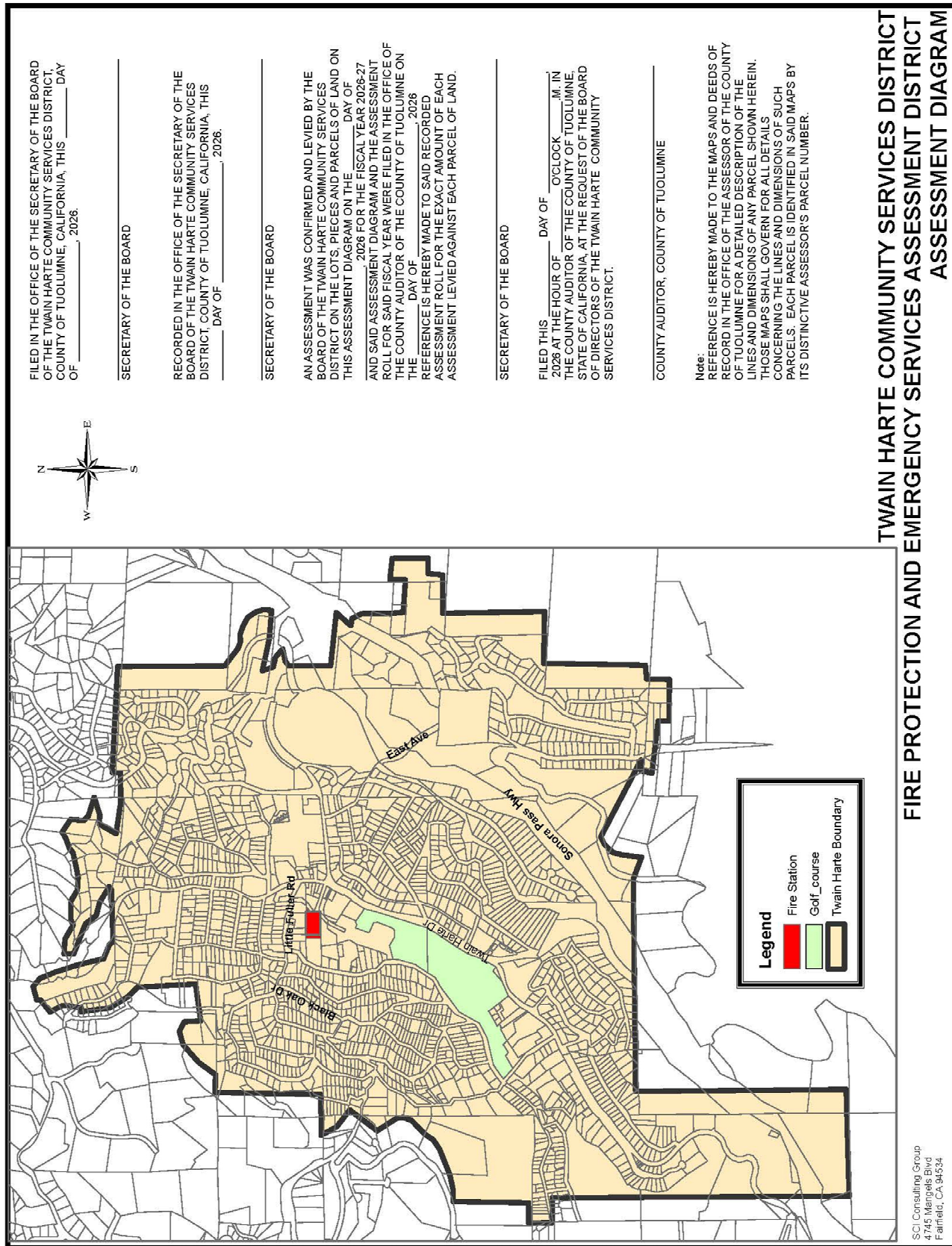


Engineer of Work,

By  _____
John W. Bliss, License No. C052091

Assessment Diagram

The Assessment District includes all properties within the boundaries of the Fire Protection and Emergency Response Services District. The boundaries of the Assessment District are displayed on the following Assessment Diagram. The lines and dimensions of each lot or parcel within the Assessment District are those lines and dimensions as shown on the maps of the Assessor of Tuolumne County, and are incorporated herein by reference, and made a part of this Diagram and this Report.



FILED IN THE OFFICE OF THE SECRETARY OF THE BOARD OF THE TWAIN HARTE COMMUNITY SERVICES DISTRICT, COUNTY OF TUOLUMNE, CALIFORNIA, THIS _____ DAY OF _____, 2026.

SECRETARY OF THE BOARD

RECORDED IN THE OFFICE OF THE SECRETARY OF THE BOARD OF THE TWAIN HARTE COMMUNITY SERVICES DISTRICT, COUNTY OF TUOLUMNE, CALIFORNIA, THIS _____ DAY OF _____, 2026.

SECRETARY OF THE BOARD

AN ASSESSMENT WAS CONFIRMED AND LEVIED BY THE BOARD OF THE TWAIN HARTE COMMUNITY SERVICES DISTRICT ON THE LOTS, PIECES AND PARCELS OF LAND ON THIS ASSESSMENT DIAGRAM ON THE _____ DAY OF _____, 2026 FOR THE FISCAL YEAR 2026-27 AND SAID ASSESSMENT DIAGRAM AND THE ASSESSMENT ROLL FOR SAID FISCAL YEAR WERE FILED IN THE OFFICE OF THE COUNTY AUDITOR OF THE COUNTY OF TUOLUMNE ON THE _____ DAY OF _____, 2026. REFERENCE IS HEREBY MADE TO SAID RECORDED ASSESSMENT ROLL FOR THE EXACT AMOUNT OF EACH ASSESSMENT LEVIED AGAINST EACH PARCEL OF LAND.

SECRETARY OF THE BOARD

FILED THIS _____ DAY OF _____ O'CLOCK _____ M. IN THE COUNTY AUDITOR OF THE COUNTY OF TUOLUMNE, STATE OF CALIFORNIA, AT THE REQUEST OF THE BOARD OF DIRECTORS OF THE TWAIN HARTE COMMUNITY SERVICES DISTRICT.

COUNTY AUDITOR, COUNTY OF TUOLUMNE

Note: REFERENCE IS HEREBY MADE TO THE MAPS AND DEEDS OF RECORD IN THE OFFICE OF THE ASSESSOR OF THE COUNTY OF TUOLUMNE FOR A DETAILED DESCRIPTION OF THE LINES AND DIMENSIONS OF ANY PARCEL SHOWN HEREIN. THOSE MAPS SHALL GOVERN FOR ALL DETAILS CONCERNING THE LINES AND DIMENSIONS OF SUCH PARCELS. EACH PARCEL IS IDENTIFIED IN SAID MAPS BY ITS DISTINCTIVE ASSESSOR'S PARCEL NUMBER.

**TWAIN HARTE COMMUNITY SERVICES DISTRICT
FIRE PROTECTION AND EMERGENCY SERVICES ASSESSMENT DISTRICT
ASSESSMENT DIAGRAM**

SCI Consulting Group
4745 Mangels Blvd
Fairfield, CA 94534

Appendices

Appendix A – Assessment Roll, Fiscal Year 2026-27

The Assessment Roll is made part of this report and is available for public inspection during normal office hours. Each lot or parcel listed on the Assessment Roll is shown and illustrated on the latest County Assessor records and these records are, by reference, made part of this report. These records shall govern for all details concerning the description of the lots of parcels.

End Notes

^[i] Institute for Business & Home Safety, “Protect Your Home Against Wildfire Damage,”
<http://www.ibhs.org/publications/view.asp?id=125>

^[ii] Insurance Services Offices Inc.
<http://www.rockwall.com/FireDepartment/Insurance%20Services%20Office%20Rating%20Information.pdf>

^[iii] U.S. Fire Administration, Department of Homeland Security, “America Burning, Re-commissioned: Principal Findings and Recommendations,” p.2,
<http://www.usfa.fema.gov/downloads/pdf/abr-rep.PDF>

^[iv] Insurance Services Offices Inc., p. 1,
<http://www.rockwall.com/FireDepartment/Insurance%20Services%20Office%20Rating%20Information.pdf>

^[v] U.S. Fire Administration, Department of Homeland Security, “America Burning, Re-commissioned: Principal Findings and Recommendations,” p.1,
<http://www.usfa.fema.gov/downloads/pdf/abr-rep.PDF>



Board Meeting Agenda Item Summary

June 10, 2026

| | | | |
|------------------------------------|---|-------------------|--|
| ITEM #: | 06H | ITEM TYPE: | <input type="checkbox"/> Discussion <input type="checkbox"/> Action <input checked="" type="checkbox"/> Both |
| SUBJECT: | Discussion/action to adopt Resolution #26-16 – Approval of Engineer’s Report, Diagram and Assessment and Order to Continue Assessments for the Parks and Recreation Maintenance District for Fiscal Year 2026-27. | | |
| RELATION TO STRATEGIC PLAN: | <input checked="" type="checkbox"/> N/A <input type="checkbox"/> Advances Goal/Objective #'s: _____ | | |

RECOMMENDED ACTION:

Adopt Resolution #26-16 – Approval of Engineer’s Report, Diagram and Assessment and Order to Continue Assessments for the Parks and Recreation Maintenance District for Fiscal Year 2026-27.

SUMMARY:

In 2006, the District’s limited Park Fund revenue was insufficient to properly maintain and repair the District’s aging park facilities. As a result, the District proposed the establishment of its Park and Recreation Maintenance District special benefit assessment (Park Assessment). The Park Assessment was approved by a majority vote of property owners and was levied by the District’s Board of Directors on June 4, 2006, via Resolution #06-09. The voter-approved Park Assessment does not sunset and allows a maximum 3% annual adjustment based on the January Consumer Price Index (CPI) for the San Francisco Bay Area. The annual CPI adjustment is not automatic and is subject to the approval of the Board.

Since 2006, the Park Assessment has continued to provide annual revenue to the Park Fund to:

- Improve park maintenance
- Improve safety and security
- Improve children’s playground equipment
- Maintain sports fields and Twain Harte Community Center

A Park Assessment Engineer’s report is prepared each year to evaluate the Park Fund’s budget requirements, the annual CPI adjustment, the maximum authorized assessment rate, and any changes to parcels within the assessment area. The Engineer’s Report this year reflects a December 2025 Bay Area CPI increase of 3.04% and recommends the maximum capped authorized increase of 3% be levied for Fiscal Year 2026–27.

Based on the Park Fund’s projected revenue needs for the coming year, staff recommends that the Board approve the Park Assessment Engineer’s Report, diagram and assessment, and orders the continuance of the Park Assessment with a 3% CPI adjustment for Fiscal Year 2026-27.

FINANCIAL IMPACT:

With a 3% CPI adjustment, the Park Assessment is projected to generate \$136,342 in revenue for the Park Fund in Fiscal Year 2026-27.

ATTACHMENTS:

- Affidavit of Publication for Public Hearing – Union Democrat
- Resolution #26-16 – Approval of Engineer’s Report, Diagram and Assessment and Order to Continue Assessments for the Parks and Recreation Maintenance District for Fiscal Year 2026-27.
- FY 26/27 Engineer’s Report – Parks and Recreation Maintenance District

**NOTICE OF PUBLIC HEARING FOR THE
TWIN HARTE COMMUNITY SERVICES
DISTRICT'S PARK AND RECREATION
MAINTENANCE ASSESSMENT DISTRICT
FOR FISCAL YEAR 2026-27.**

NOTICE IS HEREBY GIVEN that the Board of Directors for the Twain Harte Community Services District intends to conduct a public hearing for the CONTINUATION of the benefit assessment in fiscal year 2026-27 that funds the District's Park and Recreation Maintenance District. The public hearing to consider the ordering of improvements and services and the continuation of the assessments for the fiscal year 2026-27 for the Park and Recreation Maintenance District shall be held on Wednesday, June 10, 2026, at 9:00 a.m. at the Twain Harte Community Services District offices located at 22912 Vantage Pointe Drive, Twain Harte, California. The proposed assessment rate for Park and Recreation Maintenance District is \$84.10 per single-family equivalent (SFE). Members of the public are invited to provide comments at the public hearing, or, in writing, which must be received by the District on or before June 10, 2026. If you desire additional information concerning the above, please contact the Twain Harte Community Services District at (209) 586-3172. Publication date: 5/29/2026
The Union Democrat, Sonora CA

**THE TWAIN HARTE COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 26-16**

**APPROVAL OF ENGINEER'S REPORT, DIAGRAM OF ASSESSMENT AND ORDER TO
CONTINUE ASSESSMENT FOR THE PARKS AND RECREATION MAINTENANCE
DISTRICT FOR FISCAL YEAR 2026-27**

WHEREAS, on April 18, 2006, by its Resolution No. 06-07, after receiving a weighted majority of ballots in support of the proposed assessment, this Board ordered the formation of and continuation of the assessments within the Twain Harte Community Services District Parks and Recreation Maintenance District (the "Assessment District") pursuant to the provisions of Article XIID of the California Constitution, and the Landscaping and Lighting Act of 1972 (the "Act"), Part 2 of Division 15 of the California Streets and Highways Code (commencing with Section 22500 thereof); and

WHEREAS, the first Engineer's Report for Fiscal Year 2006-07 described how the assessment district would be established, determined the uses of the assessment funds, established the methodology by which the assessments would be applied to properties in the District, established that the assessment is subject to an annual adjustment tied to the annual change in the Consumer Price Index for the San Francisco Bay Area, and stated that the assessment would continue year-to-year until terminated by the District Board of Directors; and

WHEREAS, although the methodology by which the assessments are applied to properties in the District does not change from year to year, a new Engineer's Report is prepared each year in order to establish the CPI adjustment for that year; the new maximum authorized assessment rate for that year; the budget for that year; and the amount to be charged to each parcel in the District that year, subject to that year's assessment rate and any changes in the attributes of the properties in the District, including but not limited to use changes, parcel subdivisions, and/or parcel consolidations; and

WHEREAS, the purpose of the Assessment District shall be to acquire, install, maintain and service those improvements as, as described in the annual Engineer's Report; and

WHEREAS, by Resolution No. 26-02, the Board of Directors ordered the preparation of an Engineer's Report for the Parks and Recreation Maintenance District (the "District") for the fiscal year 2026-27; and

WHEREAS, pursuant to said Resolution, the Engineer's Report was prepared by SCI Consulting Group, Engineer of Work, in accordance with Section 22565, et. seq., of the Streets and Highways Code (the "Report") and Article XIID of the California Constitution; and

WHEREAS, by Resolution No. 26-09, the Board of Directors preliminarily approved the Engineer's Report for said District and set a date for a Public Hearing; and

WHEREAS, said report was duly made and filed with the Clerk of the Board and duly considered by this Board and found to be sufficient in every particular, whereupon it was determined that the report should stand as the Engineer's Report for all subsequent proceedings under and pursuant to the aforesaid resolution, and that June 10, 2026, at the hour of 9:00 a.m.

at the Twain Harte Services District offices, located at 22912 Vantage Point Drive, Twain Harte, California, were appointed as the time and place for a hearing by this Board on the question of the continuation of the levy of the proposed assessment, notice of which hearing was given as required by law; and

WHEREAS, at the appointed time and place the hearing was duly and regularly held, and all persons interested and desiring to be heard were given an opportunity to be heard, and all matters and things pertaining to the continuation of the levy were fully heard and considered by the Board, and all oral statements and all written protests or communications were duly heard, considered and overruled, and this board thereby acquired jurisdiction to order the continuation of the levy and the confirmation of the diagram and assessment prepared by and made a part of the Engineer's Report to pay the costs and expenses thereof.

NOW, THEREFORE, BE IT RESOLVED, the board of directors of the Twain Harte Community Services District, that:

1. The public interest, convenience and necessity require that the continuation be made.
2. The Assessment District benefited by the improvements and assessed to pay the costs and expenses thereof, and the exterior boundaries thereof are as shown by a map thereof filed in the office of the Clerk of the Board, which map is made a part hereof by reference thereto.
3. The assessment is levied without regard to property valuation.
4. The Engineer's Report as a whole and each part thereof, to wit:
 - a) the Engineer's estimate of the itemized and total costs and expenses of maintaining the improvements and of the incidental expenses in connection therewith;
 - b) the diagram showing the assessment district, plans and specifications for the improvements to be maintained and the boundaries and dimensions of the respective lots and parcels of land within the Assessment District; and
 - c) the assessment of the total amount of the cost and expenses of the proposed maintenance of the improvements upon the several lots and parcels of land in the Assessment District in proportion to the estimated special benefits to be received by such lots and parcels, respectively, from the maintenance, and of the expenses incidental thereto; are finally approved and confirmed.
5. Final adoption and approval of the Engineer's Report as a whole, and of the plans and specifications, estimate of the costs and expenses, the diagram and the assessment, as contained in the report as hereinabove determined and ordered, is intended to and shall refer and apply to the report, or any portion thereof as amended, modified, or revised or corrected by, or pursuant to and in accordance

with, any resolution or order, if any, heretofore duly adopted or made by this Board.

6. The assessments for fiscal year 2026-27 shall be continued at the rate of EIGHTY-FOUR AND TEN CENTS (\$84.10) per single family equivalent benefit unit as specified in the Engineer's Report for fiscal year 2026-27 with estimated total annual assessment revenues as set forth in the Engineer's Report; and
7. The assessment to pay the costs and expenses of the maintenance of the improvements for fiscal year 2026-27 is hereby continued. For further particulars pursuant to the provisions of the Landscaping and Lighting Act of 1972, reference is hereby made to the Resolution Directing Preparation of Engineer's Report.
8. Based on the oral and documentary evidence, including the Engineer's Report, offered and received at the hearing, this Board expressly finds and determines (a) that each of the several lots and parcels of land will be specially benefited by the maintenance of the improvements at least in the amount if not more than the amount, of the assessment apportioned against the lots and parcels of land, respectively, and (b) that there is substantial evidence to support, and the weight of the evidence preponderates in favor of, the aforesaid finding and determination as to special benefits.
9. Immediately upon the adoption of this resolution, but in no event later than the third Monday in August following such adoption, the Clerk of the Board shall file a copy of the diagram and assessment and a certified copy of this resolution with the Auditor of the County of Tuolumne. Upon such filing, the County Auditor shall enter on the County assessment roll opposite each lot or parcel of land the amount of assessment thereupon as shown in the assessment. The assessments shall be collected at the same time and in the same manner as County taxes are collected and all laws providing for the collection and enforcement of County taxes shall apply to the collection and enforcement of the assessments. After collection by the County, the net amount of the assessments, after deduction of any compensation due the County for collection, shall be paid to the Twain Harte Community Services District Parks and Recreation Maintenance District.
10. Upon receipt of the moneys representing assessments collected by the County, the County shall deposit the moneys in the District Treasury to the credit of the improvement fund previously established under the distinctive designation of the Assessment District. Moneys in the improvement fund shall be expended only for the maintenance, servicing, construction or installation of the improvements.
11. The Clerk of the Board shall certify the adoption of this resolution and shall cause a certified resolution to be filed in the book of original resolutions.

PASSED AND ADOPTED by the Board of Directors of the Twain Harte Community Services District at their regular meeting held on June 10, 2026, by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

ATTEST:

Mary Dearborn, Board President

Kimberly Silva, Board Secretary

FY 2026-27

ENGINEER'S REPORT

Twain Harte Community Services District

Park and Recreation Maintenance District

May 2026

Final Report

Engineer of Work:



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Twain Harte Community Services District

Board of Directors

Mary Dearborn, President
Charlotte Bohlman, Vice President
Dennis Mitchell, Director
Eileen Mannix, Director
Gary Sipperley, Director

General Manager

Tom Trott

Operations Manager

Lewis Giambruno

Secretary of the Board

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Assessment Engineer

SCI Consulting Group

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Introduction

Overview

The Twain Harte Community Services District (“District”) is a California governmental entity formed when the Tuolumne County Water District #1 was dissolved. Formed in 1996, the District provides water, sewer, and fire as well as recreation services. The district maintains Eproson Park and its amenities including the Rotary Stage, youth and tot playgrounds, a skate park, baseball field, and picnic and barbeque areas, the Twain Harte Community Center, Twain Harte Tennis Courts and Twain Harte Creek Trail. The map on page 28 depicts the area served by the District. The District is responsible for operating parks, recreation areas, and other recreation facilities and public resources in the community of Twain Harte. The District encompasses approximately 1,794 parcels within its boundaries, which are primarily of residential single-family and multi-family use.

Prior to 2006, the maintenance and upkeep of local park and recreation areas in the Twain Harte community were funded by a very small amount of property taxes allocated to the District. Since its formation the District’s costs for maintaining park services, such as insurance, fuel, electricity, supplies and maintenance, had increased significantly and the available revenues for park maintenance had actually declined. The District simply did not have sufficient revenues to properly maintain Twain Harte park and recreation facilities and to handle the repairs of aging facilities. Therefore, in absence of a new local revenue source, the baseline level of park and recreation facilities in the District (the “Baseline Service”) was poorly maintained park and recreation facilities.

As a result, the District proposed the establishment of a benefit assessment district that would allow property owners, in an assessment ballot proceeding, to decide if funding should be increased to:

- Improve Park Maintenance
- Improve Safety and Security
- Improve Children’s Playground Equipment
- Maintain Sports Fields
- Maintain the Twain Harte Community Center

The Assessments fund the continued improvements listed above that are provided throughout the District, extending above and beyond the baseline level of service.

Assessment Process

In 2006, the Twain Harte Community Service District Board of Directors (the "Board") conducted an assessment ballot proceeding pursuant to the requirements of Article XIID of the California Constitution ("The Taxpayer's Right to Vote on Taxes Act") and the Landscaping and Lighting Act of 1972. During this ballot proceeding, property owners in the District were provided with a notice and ballot for the proposed Park and Recreation Maintenance District (the "Assessment District"). A 45-day period was provided for balloting and a public hearing was conducted on June 20, 2006. After the close of the public input portion of the public hearing, the returned ballots were tabulated. The results of the tabulation were announced at 7 p.m. the same evening.

It was determined at the public hearing that the assessment ballots submitted in opposition to the proposed assessments did not exceed the assessment ballots submitted in favor of the assessments (with each ballot weighted by the proportional financial obligation of the property for which ballot was submitted). The final weighted ballot result was 59.28% support for the proposed assessments.

As a result, the District Board (the "Board") gained the authority to approve the levy of the assessments for fiscal year 2006-07 and to continue to levy them in future years. The authority granted by the ballot proceeding includes an annual adjustment in the assessment levies equal to the annual change in the Consumer Price Index for the San Francisco Bay Area as of January of each succeeding year, with the maximum annual adjustment not to exceed 3%. In the event that the annual change in the CPI exceeds 3%, any percentage change in excess of 3% can be cumulatively reserved and can be added to the annual change in the CPI for years in which the CPI change is less than 3%.

In each subsequent year for which the assessments will be continued, the Board must direct the preparation of an Engineer's Report ("Report"), budgets and proposed assessments for the upcoming fiscal year. After the Report is completed, the Board may preliminarily approve the Report and proposed assessments and establish the date for a noticed public hearing on the continuation of the assessments.

This Engineer's Report ("Report") was prepared to establish the budget for the improvements, installation, and maintenance and servicing costs that would be funded by the proposed 2026-27 assessments, determine the benefits received by property from such improvements within the Assessment District and apportion the assessments to lots and parcels within the District. This Report and the proposed assessments have been made pursuant to the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code (the "Act") and Article XIID of the California Constitution (the "Article").

If the Board approves this Engineer's Report and the continuation of the assessments by resolution, a notice of public hearing must be published in a local paper at least 10 days prior to the date of the public hearing. The resolution preliminarily approving the Engineer's Report and establishing the date for a public hearing is used for this notice.

Following the minimum 10-day time period after publishing the notice, a public hearing must be held for the purpose of allowing public testimony about the proposed continuation of the assessments. This hearing is currently scheduled for June 10, 2026. At this hearing, the Board would consider approval of a resolution confirming the continuation of the assessments for fiscal year 2026-27. If so confirmed and approved, the assessments would be submitted to the County Auditor for inclusion on the property tax rolls for the fiscal year 2026-27.

Legal Analysis

Proposition 218

This assessment was formed consistent with Proposition 218, The Right to Vote on Taxes Act, which was approved by the voters of California on November 6, 1996, and is now codified as Articles XIIC and XIID of the California Constitution. Proposition 218 provides for benefit assessments to be levied to fund the cost of providing services, improvements, as well as maintenance and operation expenses to a public improvement which benefits the assessed property.

Proposition 218 describes a number of important requirements, including property-owner balloting, for the imposition, increase and extension of assessments, and these requirements were satisfied by the process used to establish this assessment.

Silicon Valley Taxpayers Association, Inc. v Santa Clara County Open Space Authority

In July of 2008, the California Supreme Court issued its ruling on the Silicon Valley Taxpayers Association, Inc. v. Santa Clara County Open Space Authority ("SVTA vs. SCCOSA"). This ruling is the most significant legal document in further legally clarifying Proposition 218. Several of the most important elements of the ruling included further emphasis that:

- Benefit assessments are for special, not general, benefit
- The services and/or improvements funded by assessments must be clearly defined
- Special benefits are directly received by and provide a direct advantage to property in the assessment district

This Engineer's Report is consistent with the SVTA vs. SCCOSA decision and with the requirements of Article XIII C and XIII D of the California Constitution because the improvements to be funded are clearly defined; the benefiting property in the Assessment District enjoys close and unique proximity, access and views to the Improvements; the Improvements serve as an extension of usable land area for benefiting properties in the Assessment District and such special benefits provide a direct advantage to property in the Assessment District that is not enjoyed by the public at large or other property. There have been a number of clarifications made to the analysis, findings and supporting text in this Report to ensure that this consistency is well communicated.

Dahms v. Downtown Pomona Property

On June 8, 2009, the 4th Court of Appeal amended its original opinion upholding a benefit assessment for property in the downtown area of the City of Pomona. On July 22, 2009, the California Supreme Court denied review. On this date, Dahms became good law and binding precedent for assessments. In Dahms the court upheld an assessment that was 100% special benefit (i.e. 0% general benefit) on the rationale that the services and improvements funded by the assessments were directly provided to property in the assessment district. The Court also upheld discounts and exemptions from the assessment for certain properties.

Bonander v. Town of Tiburon

On December 31, 2009, the 1st District Court of Appeal overturned a benefit assessment approved by property owners to pay for placing overhead utility lines underground in an area of the Town of Tiburon. The Court invalidated the assessments on the grounds that the assessments had been apportioned to assessed property based in part on relative costs within sub-areas of the assessment district instead of proportional special benefits.

Beutz v. County of Riverside

On May 26, 2010 the 4th District Court of Appeal issued a decision on the Steven Beutz v. County of Riverside ("Beutz") appeal. This decision overturned an assessment for park maintenance in Wildomar, California, primarily because the general benefits associated with improvements and services were not explicitly calculated, quantified and separated from the special benefits.

Golden Hill Neighborhood Association v. City of San Diego

On September 22, 2011, the San Diego Court of Appeal issued a decision on the Golden Hill Neighborhood Association v. City of San Diego appeal. This decision overturned an assessment for street and landscaping maintenance in the Greater Golden Hill neighborhood of San Diego, California. The court described two primary reasons for its decision. First, like in *Beutz*, the court found the general benefits associated with services were not explicitly calculated, quantified and separated from the special benefits. Second, the court found that the City had failed to record the basis for the assessment on its own parcels.

Compliance with Current Law

This Engineer's Report is consistent with the requirements of Article XIIC and XIID of the California Constitution and with the *SVTA* decision because the Improvements to be funded are clearly defined; the Improvements are directly available to and will directly benefit property in the Assessment District; and the Improvements provide a direct advantage to property in the Assessment District that would not be received in absence of the Assessments.

This Engineer's Report is consistent with *Beutz, Dahms and Greater Golden Hill* because the Improvements will directly benefit property in the Assessment District and the general benefits have been explicitly calculated and quantified and excluded from the Assessments. The Engineer's Report is consistent with *Bonander* because the Assessments have been apportioned based on the overall cost of the Improvements and proportional special benefit to each property.

Plans and Specifications

DEFINITIONS AND DESCRIPTIONS

The improvements to be funded by the Assessment District (the “Improvements”) provide special benefit to parcels within the Assessment District as defined in the Method of Assessment herein. Improvements are legally defined by the Act (Streets & Highways Code §22525) and include, but are not limited to the following:¹

Acquisition, installation, maintenance and servicing of public areas and public facilities, property owned or property rights, easements and/or rights of entry, leases or dedications including, but not limited to, parks, recreation facilities, open space lands, greenbelts, playground equipment, trails, hillsides, viewsheds and watersheds, utility right-of-ways, signage, fencing, fire breaks, picnic areas, restrooms, lighting and other improvements and land preparation such as grading, irrigation or drainage on (1) real property owned by, or encumbered by property rights held by, or maintained by, the Assessment District; or (2) on real property owned by, or encumbered by property rights held by, or maintained by any local agency or non-profit entity within the jurisdictional area of the Assessment District that participates with the Twain Harte Community Services District in any of the installations, maintenance and servicing described herein.

Maintenance means the furnishing of services and materials for the ordinary and usual maintenance, operation and servicing of any Improvement, including (a) repair, removal, or replacement of all or part of any Improvement; (b) providing for the life, growth, health and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or injury; (c) the removal of trimmings, rubbish, debris, and other solid waste; and (d) the cleaning, sandblasting and painting of walls and other Improvements to remove or cover graffiti. (Streets & Highways Code §22531)

Servicing means the furnishing of (a) electric current or energy, gas or other illuminating agent for any public lighting facilities or for the lighting or operation of any other Improvements; and (b) water for irrigation of any landscaping, the operation of any fountains, or the maintenance of any other Improvements. (Streets & Highways Code §22538)

¹. Any Plans and specifications for the Improvements will be filed with the Twain Harte Community Services District and are incorporated herein by reference.

Incidental expenses include all of the following: (a) The costs of preparation of the report, including plans, specifications, estimates, diagram, and assessment; (b) the costs of printing, advertising, and the giving of published and posted notices; (c) compensation payable to the County for collection of assessments; (d) compensation of any engineer or attorney employed to render services in proceedings pursuant to this part; (e) any other expenses incidental to the construction, installation, or maintenance and servicing of the Improvements; (f) any expenses incidental to the issuance of bonds or notes pursuant to Streets & Highways Code Section 22662.5; and (g) costs associated with any elections held for the approval of a new or increased assessment. (Streets & Highways Code §22526)

The assessment proceeds will be exclusively used for Improvements within the District plus Incidental expenses. Reference is made to the plans and specifications, including specific expenditure and improvement plans by park/recreation site, which are on file with the District.

Estimate of Costs And Budget

Introduction

Following are the proposed Improvements, and resulting level of improved park and recreation facilities, for the Assessment District. As previously noted, the baseline level of service included minimal and inadequate maintenance of local park and recreation facilities due to shortages of funds for the District. Improvements funded by the assessments are over and above this baseline level of service. The formula below describes the relationship between the final level of Improvements, the existing baseline level of service, and the enhanced level of Improvements to be funded by the proposed assessment.

$$\text{Final Level of Improvements} = \text{Baseline Level of Improvements} + \text{Enhanced Level of Improvements}$$

Estimate of Costs

The following is an estimate of the cost of the Improvements that would be funded by the Assessment District in Fiscal Year 2026-2027. The expenditures would be governed by the policies and criteria established within this Report.

Table 1 - Estimate of Costs

| Twain Harte Community Services District Parks and Recreation Maintenance District Estimate of Cost Fiscal Year 2026-27 | | | <i>Total Budget</i> |
|---|-----------------|-----------------------|---------------------|
| Beginning Fund Balance | | | \$0 |
| Installation, Maintenance & Servicing Costs | | | |
| Services Costs | | | \$109,365 |
| Salaries and Employee Benefits | \$35,765 | | |
| Maintenance and Repairs | \$30,100 | | |
| Materials and Supplies | \$2,300 | | |
| Outside and Debt Services | \$5,500 | | |
| Utilities, Prop/Liab Ins, TUD, etc. | \$35,700 | | |
| Administrative Cost | | | \$89,036 |
| Capital Expenses/Outlay | | | \$113,500 |
| Total Service, Administrative and Capital Expenditures | | | \$311,900 |
| Additional Expenditures | | | |
| Allowance for Uncollectable Assessments | | | \$0 |
| County Collection, Levy Administration, and Other Incidentals | | | \$4,675 |
| Total Additional Expenditures | | | \$4,675 |
| Total Service, Administrative, Capital and Additional Expenditures | | | \$316,575 |
| Total Benefit of Services and Related Expenses | | | \$316,575 |
| SFE Units | | | 1621.49 |
| Benefit received per Single Family Equivalent Unit | | | \$195.24 |
| Less: | | | |
| District Contribution for General Benefits | | (\$113,967) | |
| District Contribution toward Special Benefits | | (\$60,833) | |
| Transfers to (from) reserves | | (\$5,409) | |
| Total Revenue from Other Sources | | (\$180,209) | |
| Net Cost of Installation, Maintenance and Servicing to Assessment District | | | \$136,366 |
| Total Installation, Maintenance and Servicing to Assessment District | | | \$136,367 |
| (Net Amount to be Assessed) | | | |
| Budget Allocation to Property | | | |
| | Total SFE Units | Assessment per SFE | Total Assessment |
| | 1,621 | \$84.10 | \$136,367 |

Method of Assessment Apportionment

Method of Apportionment

This section of the Engineer's Report explains the special benefits to be derived from the Improvements, the criteria for the expenditure of assessment funds to ensure equal levels of benefit for properties of similar type and the methodology used to apportion the total assessments to properties within the Assessment District.

The Assessment District area consists of all Assessor Parcels within the District as defined by the State Board of Equalization tax rate areas. The method used for apportioning the assessments is based upon the proportional special benefits conferred to the properties over and above the general benefits conferred to real property in the Assessment District or to the public at large. Special benefit is calculated for each parcel in the Assessment District using the following process.

1. Identification of all benefit factors derived from the Improvements
1. Calculation of the proportion of these benefits that are general
2. Determination of the relative special benefit within different areas within the Assessment District
3. Determination of the relative special benefit per property type
4. Calculation of the specific assessment for each individual parcel based upon special vs. general benefit; location, property type, property characteristics, improvements on property and other supporting attributes.

Discussion of Benefit

Assessments can only be levied based on the special benefit to property. Any and all general benefit, including benefit that is indirect or derivative, must be funded from another source. This special benefit is received by property over and above any general benefits from the Improvements. With reference to the requirements for assessments, Section 22573 of the Landscaping and Lighting Act of 1972 states:

"The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements."

Proposition 218 (Article XIII D of the California Constitution), has confirmed that assessments must be based on the special benefit to property and that the value of the special benefits must reasonably exceed the cost of the assessment:

"No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel."

Since assessments are levied on the basis of special benefit, they are not a tax and are not governed by Article XIII A of the California Constitution.

The SVTA v. SCCOSA decision also clarifies that a special benefit is a service or improvement that provides a direct advantage to a parcel and that indirect or derivative advantages resulting from the overall public benefits from a service or improvement are general benefits. The SVTA v. SCCOSA decision also provides specific guidance that park improvements are a direct advantage and special benefit to property that is proximate to a park that is improved by an assessment:

The characterization of a benefit may depend on whether the parcel receives a direct advantage from the improvement (e.g. proximity to a park) or receives an indirect, derivative advantage resulting from the overall public benefits of the improvement (e.g. general enhancement of the district's property values).

Finally, Proposition 218 twice uses the phrase "over and above" general benefits in describing special benefit. (Art. XIID, sections 2(i) & 4(f).)

Benefit Factors

Extension of a property's outdoor areas and green spaces for properties within close proximity to the Improvements

The park and recreation facilities in the Assessment District provide larger outdoor areas that serve as an effective extension of the land area for proximate properties because the Improvements are uniquely proximate and accessible to property in the Assessment District. The Improvements, therefore, provide an important, valuable and desirable extension of usable land area for the direct advantage and special benefit of properties with good and close proximity to the Improvements.

According to the industry-standard guidelines established by the National Park and Recreation Association (the “NPRA”), neighborhood parks in urban areas have a service area radius of generally one-half mile and community parks have a service area radius of approximately two miles. The service radii for parks were specifically established to give all properties within this service radii close proximity and easy access to such public land areas. Eproson Park within the Assessment District is more similar to a community park, since it is larger and has a parking lot and restroom. However, given the somewhat enclosed nature of the properties and roads within the Assessment District, the service area radius for Eproson Park is determined to be approximately one mile. Since proximate and accessible parks serve as an extension of the usable land area for property in the service radii and since the service radii was specifically designed to provide close proximity and access, the parcels within this service area clearly receive a direct advantage and special benefit from the Improvements - and this advantage is not received by many other properties or the public at large. The parcels that are outside of the Assessment District but may also have good proximity and assess the Improvements are addressed in the following general versus special benefit section.

An analysis of the service radii for the Improvements finds that all properties in the Assessment District enjoy the distinct and direct advantage of being close and proximate to a park and recreation facilities within the Assessment District. The benefiting properties in the Assessment District therefore uniquely and specially benefit from the Improvements.

Proximity to improved park and recreational facilities

Only the specific properties within close proximity to the Improvements are included in the Assessment District. Therefore, property in the Assessment District enjoys unique and valuable proximity and access to the Improvements that the public at large and property outside the Assessment District do not share.

In absence of the assessments, the Improvements would not be provided and Eproson Park would be degraded due to insufficient funding for maintenance, upkeep and repair. Therefore, the assessments provide Improvements that are over and above what otherwise would be provided. Improvements that are over and above what otherwise would be provided do not by themselves translate into special benefits but when combined with the unique proximity and access enjoyed by parcels in the Assessment District, they provide a direct advantage and special benefit to property in the Assessment District.

Access to improved park, open space and recreational areas

Since the parcels in the Assessment District are nearly the only parcels that enjoy close access to the Improvements, they directly benefit from the unique close access to improved park, open space and recreation areas that are provided by the Assessments. This is a direct advantage and special benefit to property in the Assessment District.

Improved Views

The District, by maintaining the landscaping at its park, recreation and open space facilities provides improved views to properties with direct line-of-sight as well as other local properties which benefit from improved views when property is accessed. Therefore, the improved and protected views provided by the Assessments are another direct and tangible advantage that is uniquely conferred upon property in the Assessment District.

Benefit Finding

In summary, real property located within the boundaries of the Assessment District distinctly and directly benefits from closer proximity, access and views of the Improvements funded by the Assessments. The Improvements are specifically designed to serve local properties in the Assessment District, not other properties or the public at large. The public at large and other properties outside the Assessment District receive only limited benefits from the Improvements because they do not have proximity, good access or views of the Improvements. These are special benefits to property in the Assessment District in much the same way that sewer and water facilities, sidewalks and paved streets enhance the utility and desirability of property and make them more functional to use, safer and easier to access.

Criteria and Policies

This sub-section describes the criteria that shall govern the expenditure of assessment funds and ensure equal levels of benefit for properties of similar type. The criteria established in this Report, as finally confirmed, cannot be substantially modified; however, the Board may adopt additional criteria to further clarify certain criteria or policies established in this Report or establish additional criteria or policies that do not conflict with this Report.

Assessment Funds Must Be Expended Within the Assessment District

The net available assessment funds, after incidental, administrative, financing and other costs, shall be expended exclusively for Improvements within the boundaries of the Assessment District.

Citizen’s Oversight Committee

A Citizens’ Oversight Committee (the “Citizens’ Oversight Committee”) will be established for the Assessment District. The Citizens’ Oversight Committee shall review potential projects that may be funded by the assessments and shall make recommendations on the expenditure of assessment funds. Members of the Citizen’s Oversight Committee will be nominated by Twain Harte homeowners and/or other recognized organized citizen’s groups and appointed by the Twain Harte Community Services District Board. All members of the Citizens’ Oversight Committee shall own property within Twain Harte Community Services District and shall not have conflicts of interest with the Assessment District or the Improvements and Services funded by the Assessments.

Matching Funds

Matching funds and contributions from other sources are required, thereby maximizing the special benefits from the Assessment District and offsetting any general benefits from the Improvements funded by the Assessments. The District will continue its annual fundraising drives, seek grant funding and special donations towards projects.

General versus Special Benefit

Article XIII C of the California Constitution requires any local agency proposing to increase or impose a benefit assessment to “separate the general benefits from the special benefits conferred on a parcel.” The rationale for separating special and general benefits is to ensure that property owners subject to the benefit assessment are not paying for general benefits. The assessment can fund special benefits but cannot fund general benefits. Accordingly, a separate estimate of the special and general benefit is given in this section.

In other words:

| | | | | |
|--------------------------|----------|----------------------------|----------|----------------------------|
| Total Benefit | = | General Benefit | + | Special Benefit |
|--------------------------|----------|----------------------------|----------|----------------------------|

There is no widely accepted or statutory formula for general benefit. General benefits are benefits from improvements or services that are not special in nature, are not “particular and distinct” and are not “over and above” benefits received by other properties. SVTA vs. SCCOSA provides some clarification by indicating that general benefits provide “an indirect, derivative advantage” and are not necessarily proximate to the improvements.

In this report, the general benefit is conservatively estimated and described, and then budgeted so that it is funded by sources other than the assessment.

The starting point for evaluating general and special benefits is the current, baseline level of service. The assessment will fund Improvements “over and above” this general, baseline level and the general benefits estimated in this section are over and above the baseline.

A formula to estimate the general benefit is listed below:

$$\text{General Benefit} = \text{Benefit to real property outside of improvement district} + \text{Benefit to real property inside of improvement district} + \text{Benefit to public at large}$$

Special benefit, on the other hand, is defined in the state constitution as “a particular and distinct benefit over and above general benefits conferred on real property located in the district or to the public at large.” The SVTA v. SCCOSA decision indicates that a special benefit is conferred to a property if it “receives a direct advantage from the improvement (e.g., proximity to a park).” In this assessment, as noted, properties in the Assessment District have close and unique proximity, views and access to the Improvements and uniquely improved desirability from the Improvements and other properties and the public at large do not receive significant benefits because they do not have proximity, access or views of the Improvements. Therefore, the overwhelming proportion of the benefits conferred to property is special, and is only minimally received by property outside the Assessment District or the public at large.

In the 2009 Dahms case, the court upheld an assessment that was 100% special benefit on the rationale that the services funded by the assessments were directly provided within the assessment district. It is also important to note that the improvements and services funded by the assessments in Pomona are similar to the improvements and services funded by the Assessments described in this Engineer’s Report and the Court found these improvements and services to be 100% special benefit. Also similar to the assessments in Pomona, the Assessments described in this Engineer’s Report fund improvements and services directly provided within the Assessment District and every benefiting property in the Assessment District enjoys proximity and access to the Improvements. Therefore, Dahms establishes a basis for minimal or zero general benefits from the Assessments. However, in this Report, the general benefit is more conservatively estimated and described, and then budgeted so that it is funded by sources other than the Assessment.

Calculating General Benefit

In this section, the general benefit is conservatively estimated and described, and then budgeted so that it is funded by sources other than the assessment.

Benefit to Property Outside the Assessment District

Properties within the Assessment District receive almost all of the special benefits from the Improvements because properties in the Assessment District enjoy unique close proximity and access to the Improvements that is not enjoyed by other properties or the public at large. However, certain properties within the proximity/access radius of the Improvements, but outside of the boundaries of the Assessment District, may receive some benefit from the Improvements. Since this benefit is conferred to properties outside the Assessment District boundaries, it contributes to the overall general benefit calculation and will not be funded by the Assessments.

The properties outside the Assessment District and within the proximity/access radii for park and recreation facilities in the Assessment District may receive benefits from the Improvements. Since these properties are not assessed for their benefits because they are outside of the area that can be assessed by the District, this is a form of general benefit to the public at large and other property. A 50% reduction factor is applied to these properties because they are over twice the average distance from the Improvements compared to properties in the Assessment District. The general benefit to property outside of the Assessment District is calculated as follows with the parcel and data analysis performed by SCI Consulting Group.

Assumptions:

450 parcels outside the district but with good proximity/access of the Improvements within the Assessment District

1,794 parcels in the Assessment District

50% relative benefit compared to property within the Assessment District

Calculation

General benefit to property outside the Assessment District = $450 / (1,794 + 450) * .5 = 10.0\%$

Although it can reasonably be argued that Improvements inside, but near the District boundaries are offset by similar park and recreational improvements provided outside, but near the District's boundaries, we use the more conservative approach of finding that 9.7% of the Improvements may be of general benefit to property outside the Assessment District.

Benefit to Property *Inside* the District that is *Indirect and Derivative* and to the *Public at Large*

The "indirect and derivative" benefit to property within the Assessment District is particularly difficult to calculate. A solid argument can be presented that all benefit within the Assessment District is special, because the Improvements are clearly "over and above" and "particular and distinct" when compared with the baseline level of service and the unique proximity, access and views of the Improvements enjoyed by benefiting properties in the Assessment District.

Nevertheless, the SVTA vs. SCCOSA decision indicates there may be general benefit “conferred on real property located in the district”. A measure of the general benefits to property within the Assessment area and/or to the public at large is the percentage of land area within the Assessment District that is publicly owned and used for regional purposes such as major roads, rail lines and other regional facilities because such properties used for regional purposes could provide general benefits. Approximately 5.8% of the land area in the Improvement District is used for such regional purposes, so this is a measure of the general benefits to property within the Improvement District and/or to the public at large.

The general benefit to the public at large can also be estimated by the proportionate amount of time that the District’s park and recreational facilities are used and enjoyed by individuals who are not residents, employees, customers or property owners in the District². Research conducted by SCI Consulting Group of the park use in similar communities in California has found that between 5% and 10% of park and recreational facility usage in similar rural communities is by those who do not live, work or shop within the jurisdiction’s boundaries. For this Report, we shall use the average of 7.5%. When people outside the Assessment District use the park and recreation facilities, they diminish the availability of the park for people within the Assessment District. Therefore, another 5% of general benefits are allocated for people within the Assessment District.

Combining these measures of general benefits, we find that 18.3% of the benefits from the Improvements may be general benefits to the public at large and property in the Assessment District.

Total General Benefits

Using a sum of these three measures of general benefit, we find that approximately 30% of the benefits conferred by the Improvements may be general in nature and should be funded by sources other than the assessment.

GENERAL BENEFIT =

10.0% (Outside the district)

+ 18.3% (Inside the district - indirect and derivative and Public at Large)

= **28.3%** (Total General Benefit)

² . When District facilities are used by those individuals, the facilities are not providing benefit to property within the District. Use under these circumstances is a measure of general benefit. For example, a non-resident who is drawn to utilize the District facilities and shops at local businesses while in the area would provide special benefit to business properties as a result of his or her use of the Improvements. Conversely, one who uses District facilities but does not reside, work, shop or own property within the District boundaries does not provide special benefits to any property and is considered to be a measure of the general benefits.

Although this analysis finds that 28.3% of the assessment may provide general benefits, the Assessment Engineer establishes a requirement for a minimum contribution from sources other than the assessments of 36%. This minimum contribution above the measure of general benefits will serve to provide additional coverage for any other general benefits.

The proposed Assessment District's total budget for installation, maintenance and servicing of the Improvements is \$316,575. Of this total budget amount, the District and other partner agencies and contributors will contribute \$180,209 from sources other than the assessments. This contribution equates to approximately 56.92% of the total budget for installation, maintenance and servicing and constitutes more than the 36% calculated above for general benefits.

Zones of Benefit

The Assessment District is coterminous with the District boundaries. Eproson Park is centrally located so all parcels in the Assessment District are within close proximity to the Improvements. It therefore is appropriate to provide a District-wide Assessment District because all parcels benefit similarly.

In *SVTA v. SCCOSA*, the court noted that a local agency-wide assessment district is appropriate under the right conditions: "Thus, if an assessment district is narrowly drawn, the fact that a benefit is conferred throughout the district does not make it general rather than special. In that circumstance, the characterization of a benefit may depend on whether the parcel receives a direct advantage from the improvement (e.g., proximity to a park) or receives an indirect, derivative advantage resulting from the overall public benefits of the improvement (e.g., general enhancement of the district's property values)." The court therefore acknowledged the appropriateness of a District-wide assessment so long as each parcel receives a direct advantage from the assessment-funded improvement or service. As demonstrated in this engineer's report, in light of the small District size and the central location of the Improvements in the District, each parcel in the Assessment District receives a direct advantage and special benefit from the Improvements.

Method of Assessment

As previously discussed, the assessments provide specific Improvements that confer direct and tangible special benefits to properties in the District. These benefits can partially be measured by the occupants on property in the District because such parcel population density is a measure of the relative benefit a parcel receives from the Improvements. Therefore, the apportionment of benefit is partially based the population density of parcels.

It should be noted that many other types of “traditional” assessments also use parcel population densities to apportion the assessments. For example, the assessments for sewer systems, roads and water systems are typically allocated based on the population density of the parcels assessed. Moreover, assessments have a long history of use in California and are in large part based on the principle that benefits from a service or improvement funded by assessments that is enjoyed by tenants and other non-property owners ultimately is conferred directly to the underlying property.³

The next step in apportioning assessments is to determine the relative special benefit for each property. This process involves determining the relative benefit received by each property in relation to a "benchmark" property, a single family detached dwelling on one parcel (one “Single Family Equivalent Benefit Unit” or “SFE”). This SFE methodology is commonly used to distribute assessments in proportion to estimated special benefits and is generally recognized as providing the basis for a fair and appropriate distribution of assessments. For the purposes of this Engineer’s Report, all properties are designated a SFE value, which is each property’s relative benefit in relation to a single-family home on one parcel.

In the process of determining the appropriate method of assessment, the Engineer considered various alternatives. For example, an assessment only for residential improved property was considered but was determined to be inappropriate because commercial, industrial and other property also receive direct benefits from the Improvements.

Moreover, a fixed or flat assessment for all properties of similar type was deemed to be inappropriate because larger properties receive a higher degree of benefit than other similarly used properties that are significantly smaller. (For two properties used for commercial purposes, there is clearly a higher benefit provided to the larger property in comparison to a smaller commercial property because the larger property generally supports a larger building and has higher numbers of employees, customers and guests that would benefit from proximity and improved access to well maintained and improved parks and recreational facilities. So the potential population of employees or residents is a measure of the special benefits received by the property.) Larger parcels, therefore, receive an increased benefit from the assessments.

³ For example, in *Federal Construction Co. v. Ensign* (1922) 59 Cal.App. 200 at 211, the appellate court determined that a sewer system specially benefited property even though the direct benefit was to the people who used the sewers: “Practically every inhabitant of a city either is the owner of the land on which he resides or on which he pursues his vocation, or he is the tenant of the owner, or is the agent or servant of such owner or of such tenant. And since it is the inhabitants who make by far the greater use of a city’s sewer system, it is to them, as lot owners or as tenants, or as the servants or agents of such lot owners or tenants, that the advantages of actual use will redound. But this advantage of use means that, in the final analysis, it is the lot owners themselves who will be especially benefited in a financial sense.”

Finally, the special benefits derived from the assessments are conferred on property and are not based on a specific property owner's use of the improvements, or a specific property owner's occupancy of property or the property owner's demographic status such as age or number of dependents. However, it is ultimately people who value the special benefits described above and use and enjoy the District's park and recreational facilities. In other words, the benefits derived to property are related to the average number of people who could potentially live on, work at, or otherwise could use a property, not how the property is currently used by the present owner. Therefore, the number of people who could or potentially live on, work at or otherwise use a property is one indicator of the relative level of benefit received by a property.

In conclusion, the Assessment Engineer determined that the appropriate method of assessment apportionment should be based on the type and use of property, the relative size of the property, its relative population and usage potential and its proximity to park and recreational facilities. This method is further described below.

Residential Properties

Residential properties in the District that contain a single residential dwelling unit are assigned one Single Family Equivalent or 1.0 SFE. Detached or attached houses, zero-lot line houses and town homes are included in this category of single-family residential property.

Properties with more than one residential unit are designated as multi-family residential properties. These properties benefit from the improvements in proportion to the number of dwelling units that occupy each property, the average number of people who reside in multi-family residential units versus the average number of people who reside in a single family home and the relative size of each type of residential dwelling unit. The population density factors for District, as depicted below, provide the basis for determining the SFE factors for residential properties. Using the total population in a certain property type in the area of the District from the 2000 Census and dividing it by the total number of such households, finds that approximately 2.50 persons occupy each single-family residence, whereas an average of 2.33 persons occupy each condominium, 2.29 people per dwelling unit in a multi-family unit, and 2.06 persons per mobile home. These averages, shown in the table below, result in population density equivalent factors for each. Next the relative building areas are factored into the analysis because special benefits are related average size of a property, in addition to average population densities. For example, this calculation results in an SFE factor of 0.85 per dwelling unit for condominiums. As shown in Table 2 on the following page, a similar calculation is used for the SFE Rates for other the residential property types.

Table 2 – Residential Population Factors

| | Total Population | Occupied Households | Persons per Household | Pop. Density Equivalent | SqFt Factor | SFE Rate |
|---------------------------|-----------------------------|--------------------------------|----------------------------------|------------------------------------|------------------------|---------------------|
| Single Family Residential | 14,428 | 5,777 | 2.50 | 1.00 | 1.00 | 1.000 |
| Condominium | 543 | 233 | 2.33 | 0.93 | 0.92 | 0.8500 |
| Multi-Family Residential | 934 | 412 | 2.29 | 0.92 | 0.71 | 0.6500 |
| Mobile Homes | 1,737 | 844 | 2.06 | 0.82 | 0.50 | 0.4100 |

Source: 2000 Census, Tuolumne County Assessor

Commercial/Industrial Properties

Commercial and industrial properties are generally open and operated for more limited times, relative to residential properties. Therefore, the relative hours of operation can be used as a measure of benefits, since employee density also provides a measure of the relative benefit to property. Since commercial and industrial properties are typically open and occupied by employees approximately one-half the time of residential properties, it is reasonable to assume that commercial land uses receive one-half of the special benefit on a land area basis relative to single family residential property.

The average size of a single-family home with 1.0 SFE factor in the District is 0.40 acres. Therefore, a commercial property with 0.40 acres receives one-half the relative benefit of a single-family home or a 0.50 SFE factor.

The SFE values for various commercial and industrial land uses are further defined by using average employee densities because the special benefit factors described previously are also related to the average number of people who work at commercial/industrial properties.

To determine employee density factors, this Report utilizes the findings from the San Diego County Association of Governments Traffic Generators Study (the "SANDAG Study") because these findings were approved by the State Legislature which determined the SANDAG Study to be a good representation of the average number of employees per acre of land area for commercial and industrial properties. As determined by the SANDAG Study, the average number of employees per acre for commercial and industrial property is 24. As presented in Table 2, the SFE factors for other types of businesses are determined relative to their typical employee density in relation to the average of 24 employees per acre of commercial property.

Commercial and industrial properties in excess of 5 acres generally involve uses that are more land intensive relative to building areas and number of employees (lower coverage ratios). As a result, the benefit factors for commercial and industrial property land area in excess of 5 acres is determined to be the SFE rate per .40 acres for the first 5 acres and the relevant SFE rate per each additional acre over 5 acres. Institutional properties that are used for residential, commercial or industrial purposes are also assessed at the appropriate residential, commercial or industrial rate.⁴

Table 3 - Commercial/Industrial Density and Assessment Factors

| Type of Commercial/Industrial Land Use | Average Employees Per Acre ¹ | SFE Units per Fraction Acre ² | SFE Units per Acre After 5 |
|--|---|--|----------------------------|
| Commercial | 24 | 0.500 | 0.500 |
| Office | 68 | 1.420 | 1.420 |
| Shopping Center | 24 | 0.500 | 0.500 |
| Industrial | 24 | 0.500 | 0.500 |
| Self Storage or Parking Lot | 1 | 0.021 | 0.021 |
| Golf Course | 3 | 0.063 | 0.063 |

Notes:

¹ Source: San Diego Association of Governments Traffic Generators Study

² The SFE factors for commercial and industrial parcels are applied by 0.40 acre of commercial / industrial use land area or portion thereof. (Therefore, the minimum assessment for any assessable parcel in these categories is the SFE Units listed herein.)

⁴. Benefits to commercial and industrial properties are deemed to be related to the area of parcels that are used for such purposes. In the event that a business/industrial parcel includes undeveloped land area that is clearly not related to the business/industrial use of the parcel, such unused land area shall not be included in the SFE benefit unit calculation.

Vacant/Undeveloped Properties

The benefit to vacant properties is determined to be proportional to the corresponding benefits for similar type developed properties; however, at a lower rate due to the lack of Improvements on the property. A measure of the benefits accruing to the underlying land value of land in relation to Improvements for developed property. An analysis of the assessed valuation data from the County of Tuolumne found that approximately 30% of the assessed value of improved properties is classified as the land value. It is reasonable to assume, therefore, that approximately 30% of the benefits are related to the underlying land and 70% are related to the Improvements and the day-to-day use of the property. Using this ratio, the SFE factor for vacant/undeveloped parcels is 0.30 per parcel.

Other Properties

Article XIID, Section 4 of the California Constitution states that publicly owned properties shall not be exempt from assessment unless there is clear and convincing evidence that those properties receive no special benefit.

All public properties that are specially benefited are assessed. Public right-of-way parcels, well, reservoir or other water rights parcels that cannot be developed into other improved uses offer similar public resource and open space benefits and/or typically do not generate employees, residents, customers or guests. Moreover, many of these parcels have limited economic value and, therefore, do not benefit from specific enhancement of property value. Such parcels are, therefore, not specially benefited and are not assessed.

Open space parcels, watershed parcels, parks, properties used for educational purposes, greenbelt lands without improvements and common areas typically offer open space and recreational areas on the property that serve to offset the benefits from the Assessment District. Therefore, these parcels receive minimal benefit and are assessed an SFE factor of 0. If such parcels are converted to residential or commercial use they shall be classified to such new use category and shall be assessed as previously described in this Report.

Other publicly owned property that is used for purposes similar to private residential, commercial, industrial or institutional uses is benefited and assessed at the same rate as such privately owned property.

Appeals of Assessments Levied to Property

Any property owner who feels that the assessment levied on the subject property is in error as a result of incorrect information being used to apply the foregoing method of assessment may file a written appeal with the General Manager of the Twain Harte Community Services District or his or her designee. Any such appeal is limited to correction of an assessment during the then current fiscal year. Upon the filing of any such appeal, the General Manager or his or her designee will promptly review the appeal and any information provided by the property owner. If the General Manager or his or her designee finds that the assessment should be modified, the appropriate changes shall be made to the assessment roll. If any such changes are approved after the assessment roll has been filed with the County for collection, the General Manager or his or her designee is authorized to refund to the property owner the amount of any approved reduction. Any dispute over the decision of the General Manager or his or her designee shall be referred to the Board and the decision of the Board shall be final.

Assessment

WHEREAS, this Engineer's Report (the "Report") has been prepared pursuant to the provisions of the Landscaping and Lighting Act of 1972 (the "Act") and Article XIID of the California Constitution;

WHEREAS, the undersigned Engineer of Work has prepared and filed a report presenting an estimate of costs, a diagram for the assessment district and an assessment of the estimated costs of the Improvements upon all assessable parcels within the assessment district;

NOW, THEREFORE, the undersigned, by virtue of the power vested in me under the Act, Article XIID of the California Constitution and the order of the Board of the Twain Harte Community Services District, hereby make the following assessment to cover the portion of the estimated cost of the Improvements, and the costs and expenses incidental thereto to be paid by the assessment district.

The amount to be paid for the Improvements and the expenses incidental thereto, to be paid by the Assessment District for the fiscal year 2026-27 is generally as follows:

Summary Cost Estimates

| | FY 2026-27 |
|--------------------------------|-------------------------|
| | Budget |
| Services Costs | \$109,365 |
| Administrative Cost Allocation | \$89,036 |
| Capital Expenses/Outlay | \$113,500 |
| Incidental Expenses | <u>\$4,675</u> |
| TOTAL BUDGET | \$316,576 |
| Less: District Contribution | (\$174,800) |
| Transfer To/(From) Reserve | (\$5,409) |
| NET AMOUNT TO ASSESSMENTS | <u><u>\$136,367</u></u> |

As required by the Act, an Assessment Diagram showing the exterior boundaries of the Assessment District is hereto attached and incorporated herein by reference. The distinctive number of each parcel or lot of land in the Assessment District is its Assessor Parcel Number appearing on the Assessment Roll.

I do hereby assess and apportion the net amount of the cost and expenses of the Improvements, including the costs and expenses incident thereto, upon the parcels and lots of land within the Assessment District, in accordance with the special benefits to be received by each parcel or lot, from the Improvements, and more particularly set forth in the Estimate of Cost and Method of Assessment in the Report.

The assessment is subject to an annual adjustment tied to the Consumer Price Index-U for the San Francisco Bay Area as of December of each succeeding year (the "CPI"), with a maximum annual adjustment not to exceed 3%. Any change in the CPI in excess of 3% shall be cumulatively reserved as the "Unused CPI" and shall be used to increase the maximum authorized assessment rate in years in which the CPI is less than 3%. The maximum authorized assessment rate is equal to the maximum assessment rate in the first fiscal year the assessment was levied adjusted annually by the minimum of 1) 3% or 2) the change in the CPI plus any Unused CPI as described above.

The change in the CPI from December 2024 to December 2025 was 3.04% and the Unused CPI carried forward from the previous fiscal year is 2.71%. Therefore, the maximum authorized assessment rate for the fiscal year 2026-27 is increased by 3% which equates to \$84.10 per single-family equivalent benefit unit. The estimate of cost and budget in this Engineer's Report proposes assessments for the fiscal year 2026-27 at the rate of \$84.10, which is equal to the maximum authorized assessment rate.

The assessment is made upon the parcels or lots of land within the Assessment District in proportion to the special benefits to be received by the parcels or lots of land, from the Improvements.

Each parcel or lot of land is described in the Assessment Roll by reference to its parcel number as shown on the Assessor's Maps of the County of Tuolumne for the fiscal year 2026-27. For a more particular description of the property, reference is hereby made to the deeds and maps on file and of record in the office of the County Recorder of the County.

I hereby place opposite the Assessor Parcel Number for each parcel or lot within the Assessment Roll, the amount of the assessment for the fiscal year 2026-27 for each parcel or lot of land within the Assessment District.

Dated: May 5, 2026



Engineer of Work

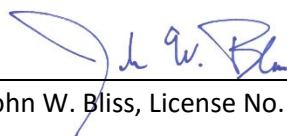
By  _____
John W. Bliss, License No. C52091

Exhibit A - Assessment Diagram

The Assessment District includes all properties within the boundaries of Twain Harte Community Services District, as defined by County Tax Rate Areas. The boundaries of the Assessment District are displayed on the following Assessment Diagram. The lines and dimensions of each lot or parcel within the Assessment District are those lines and dimensions as shown on the maps of the Assessor of the County of Tuolumne, for fiscal year 2026-27, and are incorporated herein by reference, and made a part of this Diagram and this Report.

FILED IN THE OFFICE OF THE SECRETARY OF THE BOARD OF THE TWAIN HARTE COMMUNITY SERVICES DISTRICT, COUNTY OF TUOLUMNE, CALIFORNIA, THIS _____ DAY OF _____, 2026.

SECRETARY OF THE BOARD _____

RECORDED IN THE OFFICE OF THE SECRETARY OF THE BOARD OF THE TWAIN HARTE COMMUNITY SERVICES DISTRICT, COUNTY OF TUOLUMNE, CALIFORNIA, THIS _____ DAY OF _____, 2026.

SECRETARY OF THE BOARD _____

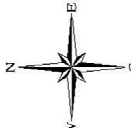
AN ASSESSMENT WAS CONFIRMED AND LEVIED BY THE BOARD OF THE TWAIN HARTE COMMUNITY SERVICES DISTRICT ON THE LOTS, PIECES AND PARCELS OF LAND ON THIS ASSESSMENT DIAGRAM ON THE _____ DAY OF _____, 2026 FOR THE FISCAL YEAR 2026-27 AND SAID ASSESSMENT DIAGRAM AND THE ASSESSMENT ROLL FOR SAID FISCAL YEAR WERE FILED IN THE OFFICE OF THE COUNTY AUDITOR OF THE COUNTY OF TUOLUMNE ON THE _____ DAY OF _____, 2026. REFERENCE IS HEREBY MADE TO SAID RECORDED ASSESSMENT ROLL FOR THE EXACT AMOUNT OF EACH ASSESSMENT LEVIED AGAINST EACH PARCEL OF LAND.

SECRETARY OF THE BOARD _____

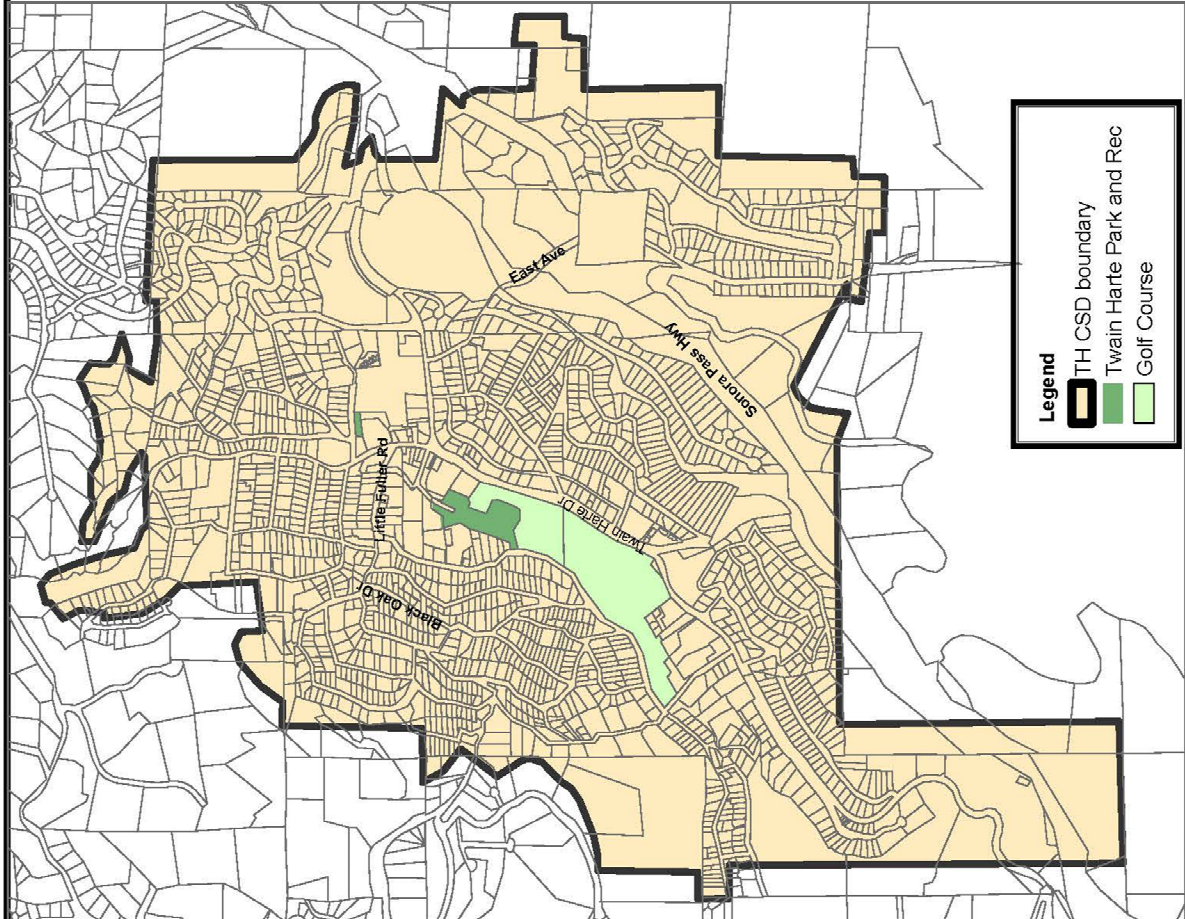
FILED THIS _____ DAY OF _____ O'CLOCK _____ M. IN THE COUNTY AUDITOR OF THE COUNTY OF TUOLUMNE, STATE OF CALIFORNIA, AT THE REQUEST OF THE BOARD OF DIRECTORS OF THE TWAIN HARTE COMMUNITY SERVICES DISTRICT.

COUNTY AUDITOR, COUNTY OF TUOLUMNE _____

Note:
REFERENCE IS HEREBY MADE TO THE MAPS AND DEEDS OF RECORD IN THE OFFICE OF THE ASSESSOR OF THE COUNTY OF TUOLUMNE FOR A DETAILED DESCRIPTION OF THE LINES AND DIMENSIONS OF ANY PARCEL SHOWN HEREIN. THOSE MAPS SHALL GOVERN FOR ALL DETAILS CONCERNING THE LINES AND DIMENSIONS OF SUCH PARCELS. EACH PARCEL IS IDENTIFIED IN SAID MAPS BY ITS DISTINCTIVE ASSESSOR'S PARCEL NUMBER.



**TWAIN HARTE COMMUNITY SERVICES DISTRICT
PARK & RECREATION MAINTENANCE ASSESSMENT DISTRICT
ASSESSMENT DIAGRAM**



SCI Consulting Group
4745 Merriells Blvd
Fairfield, CA 94534

Exhibit B - Assessment Roll

An Assessment Roll (a listing of all parcels assessed within the Assessment District and the amount of the assessment) will be filed with the Secretary of the Board and is, by reference, made part of this Report and is available for public inspection during normal office hours.

Each lot or parcel listed on the Assessment Roll is shown and illustrated on the latest County Assessor records and these records are, by reference made part of this Report. These records shall govern for all details concerning the description of the lots or parcels.



Board Meeting Agenda Item Summary

June 10, 2026

| | | | |
|------------------------------------|---|-------------------|--|
| ITEM #: | 06I | ITEM TYPE: | <input type="checkbox"/> Discussion <input type="checkbox"/> Action <input checked="" type="checkbox"/> Both |
| SUBJECT: | Discussion/action to adopt Resolution #26-17 – Adoption of the Fiscal Year 2026-27 Budget, Salary Plan, Capital Outlay Plan and Reserve Designations. | | |
| RELATION TO STRATEGIC PLAN: | <input checked="" type="checkbox"/> N/A <input type="checkbox"/> Advances Goal/Objective #'s: _____ | | |

RECOMMENDED ACTION:

Adopt Resolution #26-17 – Adoption of the Fiscal Year 2026-27 Budget, Salary Plan, Capital Outlay Plan and Reserve Designations.

SUMMARY:

As required by California Government Code 61110 and District Policy #3010 (Budget Preparation), the District Board of Directors must adopt an annual budget that conforms to generally accepted budgeting and accounting practices for special districts. The attached Fiscal Year (FY) 2026-27 Budget includes estimated income, operating expenses, capital expenses, a salary plan, and estimated reserve designations.

California Government Code also requires budgets to be presented at a public hearing and the announcement of the public hearing must be published in a local newspaper before the public hearing. A public hearing notice was published in the Union Democrat on May 29, 2026.

The proposed FY 2026-27 Budget was reviewed in detail at each of the May and June Board Committee meetings and all Committees recommended that the Board approve the FY 2026-27 Budget.

FINANCIAL IMPACT:

Adoption of the FY 2026-27 Budget, as presented, will result in revenue collection of approximately \$5,928,026 and will authorize staff to make expenditures in an amount not to exceed \$6,649,791.

ATTACHMENTS:

- Affidavit of Publication for Public Hearing – Union Democrat
- Resolution #26-17 – Adoption of the Fiscal Year 2026-27 Budget, Salary Plan, Capital Outlay Plans and Reserve Designations
- FY 2026-27 Budget, Salary Plan, Capital Outlay Plan and Reserve Designations

NOTICE OF PUBLIC HEARING

The Board of Directors for the Twain Harte Community Services District (District) will conduct a Public Hearing on Wednesday, June 10, 2026, at 9:00 a.m. located at 22912 Vantage Pointe Dr, Twain Harte, CA to consider the following:

Final adoption of the District's 2026/2027 annual budget, salary plan and capital outlay plan. A copy of the proposed budget may be requested through e-mail info@twainhartecsd.com or by phoning the District office at (209) 586-3172.

Members of the public are invited to attend in person or remotely and provide comments. Remote access will be made available through a link in the hearing agenda.

Published May 29, 2026
The Union Democrat, Sonora CA

**TWAIN HARTE COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 26-17**

**ADOPTION OF THE FISCAL YEAR 2026-27 BUDGET, SALARY PLAN, CAPITAL
OUTLAY PLAN AND RESERVE DESIGNATIONS**

WHEREAS, it is estimated that the minimum amount of money required to provide District services for Fiscal Year 2026-27 (FY 26-27) is the sum of \$6,649,791 as detailed in the FY 26-27 Budget, Salary Plan, Capital Outlay Plan, and Reserve Designations (Budget) proposal attached hereto; and

WHEREAS, said Budget expenses include payment of District salaries in accordance with the with the FY 26/27 Salary Plan, included in the Budget; and

WHEREAS, Budget expenses also include payment of capital project and equipment purchases as outlined in the Capital Outlay Plans included in the Budget; and

WHEREAS, the Budget anticipates receipt of \$5,928,026 in service charges, taxes, assessments, and other sources of revenue during FY 26-27; and

WHEREAS, an additional \$721,765 will need to be transferred from reserve accounts to cover Budget expenses; and

WHEREAS, the Budget also includes a Reserve Designation Summary, which proposes the amounts from each reserve account from which said additional money should be transferred; and

WHEREAS, each of the Board's committees reviewed and commented on draft Budget proposals at their May and June public meetings.

NOW THEREFORE, BE IT RESOLVED, by the Board of Directors of Twain Harte Community Services District that:

1. The attached Fiscal Year 2026-27 Budget, Salary Plan, Capital Outlay Plan and Reserve Designations be adopted and implemented, and staff be authorized to make expenditures within said budget pursuant to law and current Board Policy effective July 1, 2026; and
2. The District Secretary is hereby directed to furnish a certified copy of this resolution and the approved Budget to the Tuolumne County Board of Supervisors and Tuolumne County Auditor.

PASSED AND ADOPTED, by the Board of Directors of Twain Harte Community Services District at their Regular Meeting held on June 10, 2026 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

ATTEST:

Eileen Mannix, Board President

Kimberly Silva, Board Secretary

Twain Harte Community Services District



FISCAL YEAR 2026/27 BUDGET, SALARY PLAN, CAPITAL OUTLAY PLAN, & RESERVE DESIGNATIONS

APPROVED:
June 10, 2026

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1.0 Introduction

1.1 Purpose

The Twain Harte Community Services District’s (District) mission is to provide quality and efficient services to the community in a professional, reliable and fiscally responsible manner. Providing fiscally responsible services is achieved in part through the creation and approval of the annual budget. The budget process allocates the necessary resources to ensure quality, efficient and reliable services and establishes the District’s direction for the near term.

1.2 Services

The District currently provides services to 1,604 customers – 1,510 residential customers and 94 commercial customers and public entities. It is governed by an elected five-member Board of Directors and is operated by a 17-member staff with assistance from approximately 10 volunteers. The District’s services are generally described as follows:

- **Water:** The District provides treated water to all of its customers. Raw water stored in Lyons Reservoir is transported to the District via an open ditch system and is purchased from the Tuolumne Utilities District. The water is treated at the District’s water treatment plant (one million gallons per day capacity), pumped through two pump stations, distributed through approximately 25 miles of pipeline and stored in six storage tanks (totaling 2.5 million gallons of storage). The District also owns and operates three groundwater wells capable of producing 150 gallons per minute and Shadybrook Reservoir, which serves as an emergency water supply source.



- **Sewer:** The District owns and operates a wastewater collection system consisting of approximately 21 miles of sewer mains. All wastewater collected by the District is conveyed to Tuolumne Utilities District for treatment. The Sherwood Forest subdivision is the only area within the District that utilizes individual septic systems to treat wastewater.



- **Fire Protection:** The District provides fire protection and rescue services to the District and the greater Twain Harte area through mutual aid contracts with nearby fire agencies. With full-time staffing, three engines and a centrally located fire station, the District is able to provide emergency response in less than five minutes.



- **Park and Recreation:** The District operates and maintains several facilities to serve the communities' recreation needs – tennis courts, pickleball courts, bocce courts, baseball field, skateboard park, water play area, playground, outdoor stage, pavilion and BBQ picnic areas, and Community Center building.



1.3 Basis of Budgeting

The District’s budget is organized through the utilization of funds, with each fund representing a different service component of the District. Every fund is considered its own separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that are comprised of assets, liabilities, fund net position, revenues, and expenditures or expenses, as appropriate. Financial activities are allocated to and accounted for in the individual funds based upon the purposes for which they are to be spent. The District currently utilizes five funds titled: Water, Sewer, Fire, Park, and Admin. The Admin Fund is transferred through an allocation methodology to the other four funds.

1.4 General Budget Definitions

1.4.1 Revenue

- **Service Charges:** Property-related charges imposed for a property-related service. Article XIII D of the California constitution determined that water and wastewater are property-related services.
 - **Water Service Charge:** Fees collected to recover the cost of providing water service to District customers.
 - **Wastewater Service Charge:** Fees collected to recover the cost of wastewater collection services to District customers.
- **Fees:** Miscellaneous set fees such as late fees, door notice fees, hookup fees, reconnection fees, property transfer fees and returned check fees. All fees are charged related to actions or non-actions specific to a customer’s water or wastewater account.
- **Taxes & Assessments**
 - **Property Taxes – Current Secured:** A portion of the ad valorem (value based) property taxes that are levied, collected and appropriated to the District by Tuolumne County (County) for all secured property (land, houses, real estate, etc.) within the District’s service area. This tax is secured by a lien on real property and is subject to 1% of market value per the limitations of Proposition 13.
 - **Property Taxes – Current Unsecured:** A portion of the ad valorem (value based) property taxes that are levied, collected and appropriated to the District by the County for all unsecured property within the District’s service area. The term “unsecured”

refers to property that is either for business personal property (office equipment, owned or leased), boats, berths, or possessory interest for use of a space.

- **Assessments:** A levy or charge upon real property by an agency for a special benefit conferred upon the real property that is subject to Proposition 218.
- **Grants & Donations:** Various grants or donations received for specific purposes or areas.
- **Other Revenue:**
 - **Strike Team Revenue:** Income received from the State of California and/or Federal Government to reimburse the District for expenses related to responding to a request for mutual aid to fight wildfire (Strike Team). This is applicable to the Fire Fund only.
 - **Training Revenue:** Income received from outside individuals/organizations who attend District sponsored training classes/seminars.
 - **Lease Revenue:** Income received from the rental of District property, equipment or buildings.
 - **Sale of Assets:** Monies received from the sale of buildings, vehicles, land or equipment owned by the District.
 - **Interest Revenue:** Interest earned on investment of District funds.

1.4.2 Expenses

- **Salaries:** Costs associated with compensation paid to employees and interns of the District including regular pay, overtime, standby, vacation, sick, strike team, cell phone stipend, uniform allowance, and intern stipends.
- **Benefits:** Costs associated with all fringe benefits and payroll-related expenses for District employees. Costs include payroll taxes, retirement contributions, health and vision insurance premiums, health reimbursement arrangement expenses, and workers compensation insurance premiums.
- **Equip, Auto, Maint, & Repairs:** Expenses related to maintenance and repair of equipment, facilities, and vehicles; fuel; new equipment purchases with a purchase price of less than \$5,000 per item; personal protective equipment; landscaping and janitorial services.
- **Materials & Supplies:** Costs associated with chemical, office, postage, emergency food and janitorial supplies.
- **Outside Services:** Costs from outside consultants/service providers including auditing, legal, engineering, medical, and IT service providers.

- **Other:** Expenses related to utilities, phone and communication expenses, property and liability insurance, property taxes, training, conferences, travel, certifications, public education, software licenses and maintenance. In the Water Fund, other costs include the cost of wholesale water purchased from Tuolumne Utilities District (TUD). In the Sewer Fund other costs include the amount charged by TUD for wastewater treatment.
- **Debt Service:** The amount of principal and interest due during the fiscal year on debt incurred for previous capital improvement purchases/projects.
- **Capital Outlay:** Assets or improvements with a cost of \$5,000 or more and a useful life that is longer than ten years.

1.4.3 Reserves

Reserves are fund balances/net assets set aside to meet known and estimated future obligations and to ensure available cash for normal operations. The Board of Directors have established several reserve accounts for each fund, as set forth by District Policy #3011 and generally described below:

- **Operating Reserve:** This reserve ensures adequate levels of available cash to account for timing differences between revenue collection and payment of expenses. This reserve account has been established for Water, Sewer, Fire and Park Funds.
- **Revenue Stabilization Reserve:** This reserve is intended to provide a buffer should revenue estimates in any year not meet projections. This reserve account has been established for Water, Sewer, Fire and Park Funds.
- **Capital Improvement/Asset Replacement Reserve:** The Capital Improvement/Asset Replacement Reserve supports the future capital needs of the District with the intent to fund replacement costs of existing facilities or equipment as they reach the end of their useful lives, major repairs that extend the useful lives of facilities, or new capital projects. This reserve account has been established for Water, Sewer, Fire and Park Funds.
- **Water Rights Reserve:** The purpose of this reserve is to cover the cost associated with efforts to secure, protect and preserve the District's water rights, which may include funding projects and other activities that will enhance, protect, secure and preserve water rights for beneficial use. This reserve account is established for the Water Fund only.
- **Pension Liability:** Although reported on the Reserve Summary in Attachment C, Pension Liability is not an actual reserve account. It is a value provided each year by CalPERS that represents the unfunded pension liability each Fund is responsible for at that time. The liability changes (both up and down) each year depending on the health of the economic market and other factors. It is reported to show that this liability must be considered when looking at the District's overall reserve assets.

2.0 FISCAL YEAR 2026/27 ANNUAL BUDGET

2.1 Background

The District's Fiscal Year 2026/27 (FY 26/27) budget is made up of budgets for five individual funds: Water, Sewer, Fire, Park and Administrative. Except for the Administrative fund, which is allocated to the other four funds, revenues and expenses for each fund must remain within the fund and cannot be assigned to any other purpose. The overall District FY 26/27 budget is presented in Attachment A.

2.2 Budget Assumptions

The FY 26/27 District budget includes several general budget assumptions applicable to all funds. Many of the budget assumptions are related to inflation and other economy-related changes. Specific assumptions and impacts to the FY 26/27 Budget include adopted District water and sewer rate revenue increases, 3% increase in property tax revenue, 3% increases in special assessment revenues based on consumer price index increase, negotiated union salary increases, an increase to the CALPERS employer contribution percentage, an increase to employee health insurance benefits, increased fuel costs, and adopted Tuolumne Utilities District adopted rate increases. Fund-specific assumptions are described in the individual fund sections of this budget report.

2.3 Salary Plan

In May 2022, the District Board of Directors (Board) approved a labor agreement with Communications Workers of America (CWA), representing non-exempt water, sewer and administrative employees. The Board and CWA agreed to a 2%-3% cost of living (COLA) increase (based on CPI) for fiscal years 23/24 through 26/27. Since CPI was greater than 3% in March 2026, the FY 26/27 COLA is 3% for water, sewer and administrative employees.

In May 2023, the Board approved a labor agreement with IAFF, representing non-exempt fire personnel. The agreement granted a 2% COLA for fiscal years 24/25 through 27/28. As such, the FY 26/27 COLA is 2% for fire personnel.

Based on District Resolution #16-19, union-negotiated COLA wage increases also apply to non-represented exempt employees.

The FY 26/27 Salary Plan can be found in Appendix B. The Salary Plan reflects specific wage adjustments directed by the District Board and negotiated through labor agreements for all District staff positions.

The FY 26/27 Budget includes a total of 16.3 FTE's in the following positions:

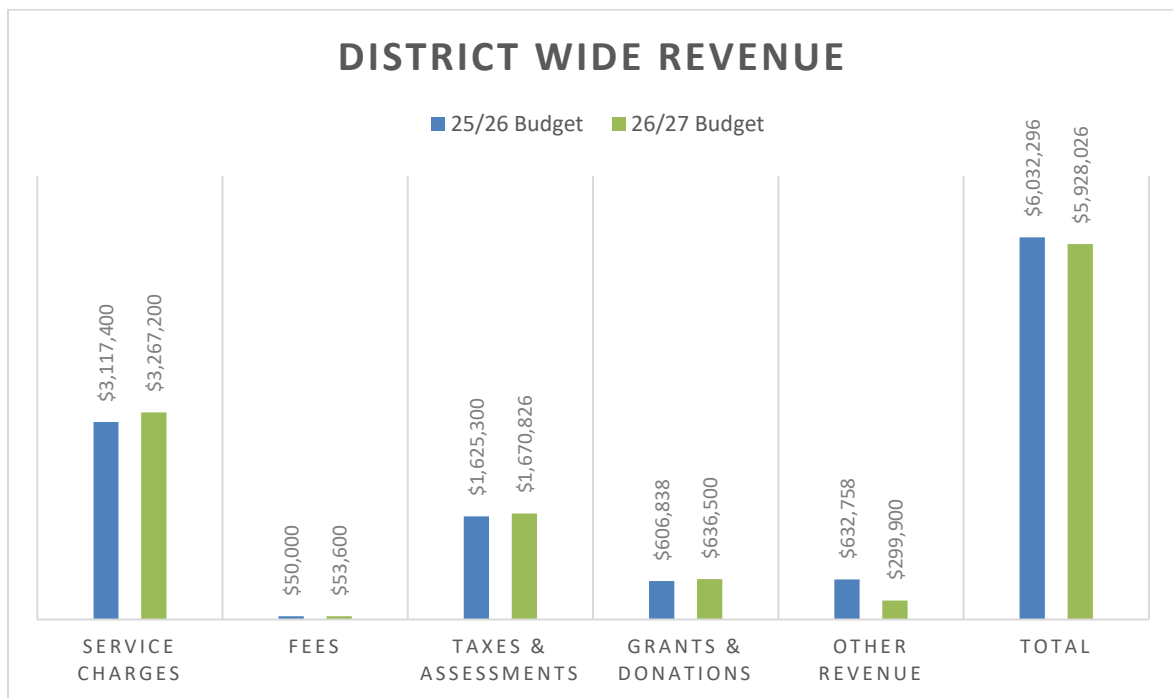
- Operations Division
 - Utility Worker – 1 FTE
 - Distribution Operator – 2 FTE
 - Treatment Operator – 1 FTE

- Water Engineering Tech – 0.5 FTE
- Operations Superintendent – 1 FTE
- Operations Manager/Assistant General Manager – 1 FTE
- Fire Division
 - Engineer – 3 FTE
 - Captain – 2 FTE
 - Fire Chief – 1 FTE
- Administration Division
 - Customer Services Manager – 0.75 FTE
 - Accountant – 0.8 FTE
 - HR/Executive Coordinator – 0.75 FTE
 - Water Engineering Tech – 0.5 FTE
 - General Manager – 1 FTE

2.4 Budget Summary

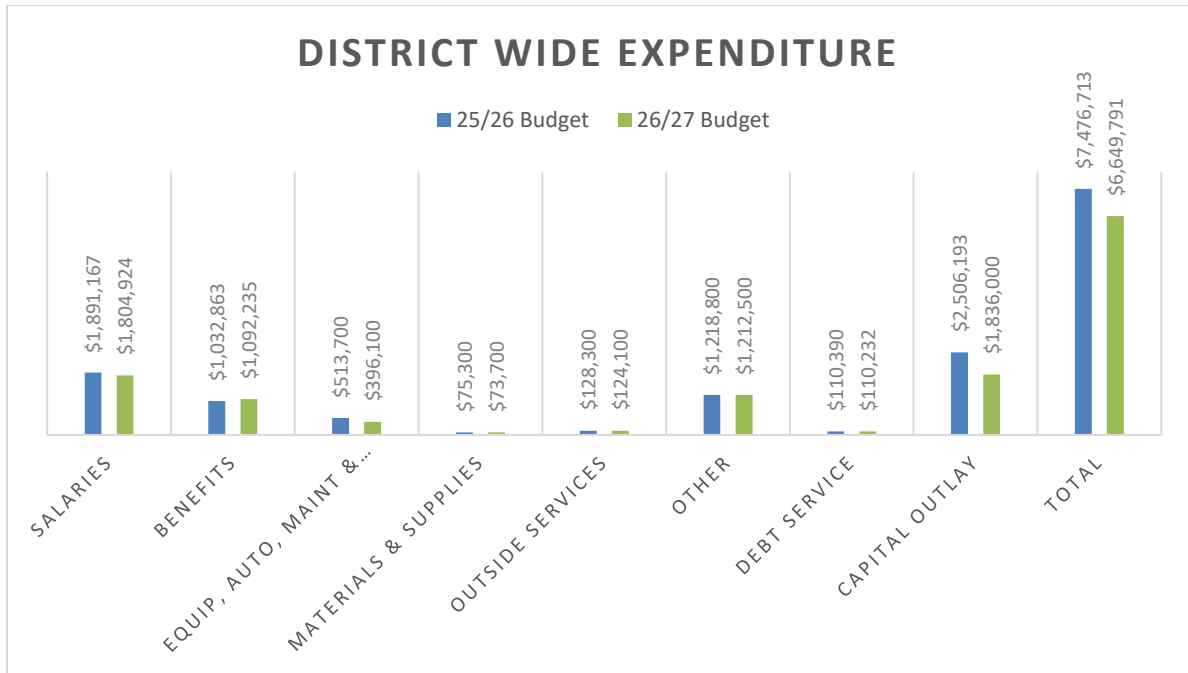
2.4.1 District-Wide Revenue

The FY 26/27 budgeted total revenue for the District is \$5,928,026 which is approximately \$104,270 less than the budgeted revenue for FY 26/27. This is primarily due to projected decreases in Fire Fund revenue resulting from state and federal mutual aid strike team assignments in FY 26/27 (Other Revenue).



2.4.2 District-Wide Expenses/Expenditure

The FY 26/27 budgeted total expense/expenditure for the District is \$6,649,791, which is approximately \$826,922 less than the FY 25/26 Budget. The primary reasons for the decrease is the completion of large one-time capital projects in FY 25/26.



2.4.3 District-Wide Reserve Levels

The FY 26/27 budgeted operating revenue (all revenue minus grant revenue) for all District Funds exceeds operating expenses (all expenses minus capital expenditures). However, the costs of planned capital projects exceed revenues, mainly due to the need to replace degrading infrastructure. Additional revenue to fund these projects is funded by capital improvement/asset replacement reserve accounts (Capital Reserves) in each fund. The projected total reduction of District capital reserves across all Funds is \$721,765, bringing the estimated total balance of all capital reserve accounts to a new total of \$3,573,660. Projected FY 26/27 Reserve Designations are presented in Attachment C.

3.0 Water Budget

3.1 Background

The Water Fund captures all financial transactions related to the acquisition, treatment, distribution and administration of providing potable water to District customers. The Water Fund is an enterprise fund and expenses for this service are recovered primarily through user charges. The detailed FY 26/27 Water Fund Budget is presented in Attachment D.

3.2 Budget Assumptions

3.2.1 Water Service Rate Increases

The District adopted a Water/Sewer Rate Study in November 2023, which recommended a 5-year water rate increase schedule to cover rising inflation, wholesale water rate increases, and capital expenses to repair/replace degrading infrastructure. After completing the Proposition 218 process, the Board approved the 5-year rate schedule in January 2024. The rate schedule includes incremental increases between January 15, 2024, and July 15, 2027. The FY 26/27 Water Fund Budget assumes water service charges will be based on the rate increase effective July 15, 2026, with customer water consumption remaining the same as in FY 25/26.

3.2.2 Secured & Unsecured Taxes Revenue

Based on a 10-year average, property tax revenue is projected to increase by 3% over projected actual property tax revenue in FY 25/26.

3.2.3 Grant Revenue

The District was awarded a Community Development Block Grant through Tuolumne County to design and install a SCADA (supervisory, control and data acquisition) system to monitor and control all of its critical water and sewer facilities. Grant revenue is included in the FY 26/27 Water Fund Budget.

3.2.4 Water Supplier Rate Increase

The District's wholesale water supplier, Tuolumne Utilities District, adopted a 5-year rate increase in June 2023. Rate increases effective July 1, 2026, are included in the FY 26/27 Water Fund Budget.

3.2.5 CalPERS Increases

The FY 26/27 Water Fund Budget includes projected CalPERS retirement increases, which are projected to increase 11% above FY 25/26 costs due to increased unfunded liability estimates.

3.2.6 Employee Health Benefit Increases

The FY 26/27 Water Fund Budget includes projected Health & Vision Insurance increases, which are projected to increase 9% above FY 25/26 costs due to insurance rate increases.

3.2.7 Reduced Maintenance Costs

While the FY 26/27 includes several large, one-time maintenance projects, a costly project to repair the District's hydro-excavation vacuum truck was completed in the FY 25/26 budget. Repairs of this magnitude are not anticipated in FY 26/27, making the FY 26/27 Water Fund Equipment, Automotive, Maintenance and Repairs budget much lower than the previous year's budget.

3.2.8 GIS Mapping System Savings

The District recently transitioned to a new GIS service provider, resulting in substantially lower ongoing annual fees. This change is expected to generate significant cost savings compared to prior years.

3.3 Revenue

After incorporating the above budget assumptions, the total Water Fund revenue is projected to be \$2,314,196. This represents an increase from the FY 25/26 budget of approximately \$342,526, primarily due to an increase in one-time grants and a water rate increase.

3.4 Expenditures

The FY 26/27 Water Fund expenses are projected to be \$2,376,316, approximately \$214,254 less than FY 25/26. This change is primarily due to less scheduled capital improvements in FY 26/27 than FY 25/26.

3.5 Capital Outlay Plan

The FY 26/27 Water Fund Capital Outlay Plan presented in Attachment D, includes the following capital projects:

3.5.1 FH/Service Line Replacement

Replace one to two substandard fire hydrants within the system to better meet California fire flow requirements. Replace three to five water service lines that either have a leak history, are located in a high-pressure area or are constructed of materials prone to failure.

3.5.2 Black Oak Pump/Motor Rehabilitation

Rehabilitate/realign two pump motors at Black Oak Pump Station to improve efficiency and extend pump and motor life. The project was initiated in FY 25/26 is anticipated to be completed in FY 26/27.

3.5.3 SCADA Upgrade

Upgrade and expand the District's Supervisory Control and Data Acquisition (SCADA) system, which monitors and controls the District's water treatment plant. The current SCADA system technology is outdated and not capable of monitoring and controlling the entire water system. SCADA upgrades will include greater monitoring and control measures, which will improve system operations, increase efficiency, and provide greater safety and reliability. This project will be combined with a project to provide SCADA for the District's sewer system. The project is grant-funded and anticipated to be complete in FY 27/28.

3.5.4 Confined Space Davit Lift Systems

Install davit man-lift systems at the water treatment plant clarifier, recycled water basin and sludge tank to meet confined space requirements. The project is anticipated to be completed in FY 26/27.

3.5.5 Shadybrook Raw Water Meter

Install a meter at the Shadybrook Pump Station to better control raw water flows from Shadybrook Reservoir to the water treatment plant. The project is anticipated to be completed in FY 26/27.

3.5.6 Cedar Pines Pressure Zone Upgrades

Upgrade undersized waterlines and construct new parallel lines near East Avenue to change the pressure zone of Cedar Pines Vista and a portion of the water system. The project will result in the replacement of aging water lines, the elimination of an aging water tank and pump station, improved system pressures, improved water quality, and reduced operations costs. Project design is anticipated to be initiated in FY 26/27 and construction is anticipated to be completed in FY 27/28.

3.6 Reserves

The FY 26/27 Water Fund Budget projects that revenue will exceed operating expenditures (all expenditures minus capital expenditures) by \$638,380. This surplus revenue will fund a portion of FY 26/27 water-related capital projects, with the remaining expense balance of \$62,120 funded by the Water Fund Capital Reserves. Attachment C details FY 26/27 Reserve Designations for the Water Fund.

4.0 Sewer Budget

4.1 Background

The Sewer Fund captures all financial transactions related to the acquisition, collections, treatment, and administration of providing wastewater collection and treatment services to District customers. The District provides and maintains lines for collection services and contracts with Tuolumne Utilities District for treatment services. The Sewer Fund is an enterprise fund and expenses for this service are recovered primarily through user charges. The detailed FY 26/27 Sewer Fund Budget is presented in Attachment E.

4.2 Budget Assumptions

4.2.1 Sewer Service Rate Increase

The District adopted a Water/Sewer Rate Study in November 2023, which recommended a 5-year sewer rate increase schedule to cover rising inflation, wastewater treatment contract rate increases, and capital expenses to repair/replace degrading infrastructure. After completing the Proposition 218 process, the Board approved the 5-year rate schedule in January 2024. The rate schedule includes incremental increases between January 15, 2024, and July 15, 2027. The FY 26/27 Sewer Fund Budget assumes sewer service charges will be based on the rate increase effective July 15, 2026.

3.2.9 Grant Revenue

The District was awarded a Community Development Block Grant through Tuolumne County to design and install a SCADA (supervisory, control and data acquisition) system to monitor and control all of its critical water and sewer facilities. Grant revenue is included in the FY 26/27 Sewer Fund Budget.

4.2.2 Wastewater Treatment Rate Increase

The District's wastewater treatment provider, TUD, adopted a 5-year rate increase in June 2023. Rate increases effective July 1, 2026, are included in the FY 26/27 Sewer Fund Budget.

4.2.3 CalPERS Increases

The FY 26/27 Sewer Fund Budget includes projected CalPERS retirement increases, which are projected to increase 11% above FY 24/25 costs due to increased unfunded liability estimates.

4.2.4 Employee Health Benefit Increases

The FY 26/27 Sewer Fund Budget includes projected Health & Vision Insurance increases, which are projected to increase 9% above FY 25/26 costs due to insurance rate increases.

4.2.5 Reduced Maintenance Costs

The FY 25/26 budget included a large project to repair the District's hydro-excavation vacuum truck. Repairs of this magnitude are not anticipated in FY 26/27, making the FY 26/27 Sewer Fund Equipment, Automotive, Maintenance and Repairs budget much lower than FY 25/26.

4.2.6 GIS Mapping Savings

The District recently transitioned to a new GIS service provider, resulting in substantially lower ongoing annual fees. This change is expected to generate significant savings compared to prior years.

4.3 Revenue

After incorporating the above budget assumptions, the total Sewer Fund revenue is projected to be \$1,716,250. This represents an increase from the FY 25/26 budget of approximately \$205,100, primarily due to sewer service rate increases and grant revenue.

4.4 Expenditures

The FY 26/27 Sewer Fund expenses are projected to be \$1,976,458, which is approximately \$83,499 higher than FY 25/26. This increase is primarily due to an increase in one-time capital projects.

4.5 Capital Outlay Plan

The Sewer Fund Capital Outlay Plan presented in Attachment E, includes the following capital projects in FY 26/27:

4.5.1 SCADA Upgrade

Upgrade and expand the District's Supervisory Control and Data Acquisition (SCADA) system, which currently monitors and controls the District's water treatment plant. SCADA upgrades will include monitoring and control measures at all of the District's sewer lift stations, which will improve system operations, increase efficiency, and provide greater safety and reliability. This project will be combined with a project to provide SCADA for the District's water system. The grant-funded project is anticipated to be complete in FY 27/28.

4.5.2 Cresta Dr./Tuolumne Dr. Sewer Relining

Repair and reline approximately 2,900 feet of 6-inch sewer main along Cresta Drive and Tuolumne Drive to extend life and prevent blockages caused by root intrusion. Lining the sewer line will reduce inflow and infiltration, prevent sewer overflows and increase the life of the line by more than 50 years. The project was initiated in FY 25/26 and is anticipated to be complete in FY 26/27.

4.5.3 Tamarack Manhole

Install a new manhole to bisect an over 500-foot long sewer main on Tamarack Drive. The manhole will enable sewer line cleaning and will comply with District Standards. The Project is anticipated to be completed in FY 26/27.

4.5.4 Twain Harte Dr. to Marquis Sewer Relining

Repair and reline approximately 900 feet of 6-inch and 10-inch sewer main on Twain Harte Drive and Marquis Drive to extend life and prevent blockages caused by root intrusion. Lining the sewer line will reduce inflow and infiltration, prevent sewer overflows and increase the life of the line by more than 50 years. The project is anticipated to be complete in FY 26/27.

4.5.5 Marquis Drive Sewer Replacement

Replace approximately 750 feet of 6-inch sewer main on Marquis Drive that experiences significant infiltration and inflow. Project design is anticipated to be complete in FY 26/27 and construction in FY 27/28.

4.6 Reserves

The FY 26/27 Sewer Fund Budget projects that revenue will exceed operating expenditures (all expenditures minus capital expenditures) by \$329,292. This surplus revenue will fund a portion of FY 26/27 sewer-related capital projects, with the remaining expense balance of \$260,208 funded by the Sewer Fund Capital Reserves. Attachment C details FY 26/27 Reserve Designations for the Sewer Fund.

5.0 Fire Budget

5.1 Background

The Fire Fund captures all financial transactions related to fire protection and rescue services provided to District customers. This includes the cost of full-time (24 hours per day) staffing levels, a fire station, fire engines, training facilities and other equipment and vehicles. The Fire Fund is a governmental fund and expenses are recovered through property taxes and voter-approved assessments. The detailed FY 26/27 Fire Fund Budget is presented in Attachment F.

5.2 Budget Assumptions

5.2.1 Secured and Unsecured Taxes

Based on a 10-year average, property tax revenue is projected to increase by 3% over projected actual property tax revenue in FY 25/26.

5.2.2 Assessment Rates

The Fire Fund currently receives income from three voter-approved assessments. Two of the three assessments are subject to an annual adjustment tied to the Consumer Price Index-U (CPI) for the San Francisco Bay Area as of December of each year. Both assessments contain language that the adjustment may not exceed a certain percentage, one of which is 3% and the other 4%. The change in the CPI from December 2024 to December 2025 was 3.04%. Therefore, one assessment is assumed to increase by its maximum 3% and the other by 3.04%. The third assessment is no longer subject to an annual adjustment calculation and remains at the FY 25/26 level.

5.2.3 Grant Revenue

The FY 25/26 budget included grant revenue from two grants. Those grants have been completed, and no grant revenue is anticipated in the FY 26/27 Fire Fund Budget.

5.2.4 Strike Team Revenue

The FY 26/27 Fire Fund Budget assumes a net revenue of \$80,000 due to strike team activity. This is approximately 80% of the average net strike team revenue over the last 10 years. The Fire Fund Rate/Revenue Stabilization Reserve includes \$160,000 to buffer years where strike team activity produces net revenue less than \$80,000. The budget will be adjusted later as District personnel and equipment respond to requests to respond to state or federal government mutual aid assignments.

5.2.5 Miscellaneous and Training Revenue

The FY 25/26 Budget included miscellaneous and training revenue associated with serving as the primary instructor for fire course offered through Columbia College at Summerville High School. It also included revenue for regional trainings that the District hosted. The District does not plan to instruct the fire course this fiscal year and it anticipates hosting one less regional training, reducing Miscellaneous and Training revenue in the FY 26/27 Budget when compared to the FY 25/26 Budget.

5.2.6 Interest Revenue

Interest revenue is expected to decrease due to lower reserve balances resulting from the purchase of a new Type 6 Engine.

5.2.7 Strike Team Salary Expense Reductions

The FY 26/27 Fire Fund Budget does not assume any salary and overtime expenses related to strike team assignments. The budget will be adjusted later as District personnel and equipment respond to requests to respond to state or federal government mutual aid assignments.

5.2.8 CalPERS Increases

The FY 26/27 Fire Fund Budget includes projected CalPERS retirement increases, which are projected to increase 8% above FY 25/26 costs due to increased unfunded liability estimates.

5.2.9 Employee Health Benefit Increases

The FY 26/27 Fire Fund Budget includes projected Health & Vision Insurance increases, which are projected to increase 9% above FY 25/26 costs due to anticipated rate increases.

5.2.10 Reduced Maintenance and Equipment Costs

The District completed large, one-time maintenance projects in FY 25/26, including major engine and station plumbing repairs. Additionally, the District received a grant to procure large quantities of structural PPE and purchased significant equipment to outfit its new Type 6 Engine. These large, one-time purchases are not anticipated in FY 26/27, making the FY 26/27 Fire Fund Equipment, Automotive, Maintenance and Repairs budget much lower than the previous year's budget.

5.2.11 Type 6 Engine Budget Impacts

The District is in the process of procuring a new Type 6 Engine to add to its fleet. The new engine is anticipated to have a variety of cost impacts that are included in the FY 26/27 Fire Fund Budget. These impacts included reduced fuel costs, reduced engine maintenance and repair costs, and increased insurance costs.

5.3 Revenue

After incorporating the above budget assumptions, total FY 26/27 Fire Fund revenue is projected to be \$1,593,180. This represents a decrease from the FY 25/26 Fire Fund Budget of approximately \$664,496, primarily due to the decrease in strike team and one-time grant revenue.

5.4 Expenditures

The FY 26/27 Fire Fund expenses are projected to be \$1,989,606, which is approximately \$603,746 lower than FY 25/26. This decrease is primarily due to a reduction in capital improvement projects and strike team-related expenses. All other budget assumptions and changes are detailed in Attachment F.

5.5 Capital Outlay Plan

The Fire Fund Capital Outlay Plan in Attachment F includes the following capital projects in FY 26/27:

5.5.1 Type 6 Fire Engine

Procure and put into service a new Type 6 Fire Engine. The engine will enable quicker emergency response, improve response in severe snow storms, extend the life of the District's larger, more expensive Type 1/3 engines, and reduce maintenance and fuel costs. The engine is anticipated to be received and put into service in September 2026.

5.6 Reserves

The FY 26/27 Sewer Fund Budget projects that revenue will exceed operating expenditures (all expenditures minus capital expenditures) by \$41,074. This surplus revenue will fund a portion of FY 26/27 fire-related capital projects, with the remaining expense balance of \$396,426 funded by the Fire Fund Capital Reserves. Attachment C details FY 26/27 Reserve Designations for the Fire Fund.

6.0 Park Budget

6.1 Background

The Park Fund captures all financial transactions related to park and recreation services provided to District customers. This includes the cost of maintaining the tennis courts/pickleball courts, baseball field, skateboard park, playground, bocce courts, bathrooms, outdoor stage, community center, and Twain Harte Meadows Park. Costs also include the cost of building new equipment or providing new recreational activities. The Park Fund is a governmental fund and expenses for this service are recovered through property taxes, one voter-approved assessment, donations and usage fees. The detailed FY 26/27 Park Fund Budget is presented in Attachment G.

6.2 Budget Assumptions

6.2.1 Facility Use Fee Increase

Facility rental revenue is projected to increase due to growing demand and facility usage trends.

6.2.2 Secured and Unsecured Taxes

Based on a 10-year average, property tax revenue is projected to increase by 3% over projected actual property tax revenue in FY 25/26.

6.2.3 Assessment Increase

The Park Fund currently receives income from one voter-approved assessment. The assessment is subject to an annual adjustment tied to the Consumer Price Index-U (CPI) for the San Francisco Bay Area as of December of each succeeding year with a maximum annual adjustment not to exceed 3%. The change in the CPI from December 2024 to December 2025 was 3.04%; therefore, the assessment revenue is anticipated to increase by its maximum 3% cap.

6.2.4 Grant Revenue

The District was awarded a \$93,500 Large Energy Efficiency Grant from Tuolumne Public Power Agency to support lighting improvements in our parks. This grant revenue is included in the FY 26/27 Park Fund Budget.

6.2.5 Lease Revenue

The District entered into a lease agreement for the Eporsen Park Baseball Field Snack Shack at the end of FY 25/26. The FY 26/27 Park Fund Budget includes a full year of lease revenue.

5.2.12 Interest Revenue

Interest revenue is projected to decrease due to lower reserve levels in FY 26/27 that FY 25/26.

6.2.6 Increased Equipment and Maintenance Costs

The FY 26/27 Park Fund Budget includes several one-time equipment and maintenance projects that were not included in the FY 25/26 budget. These projects include installing decomposed granite around the playground area in Eproson Park and installing permanent Christmas/decorative lighting on the Bocce Pavilion and Outdoor Stage. These one-time projects make the FY 26/27 Park Fund Equipment, Automotive, Maintenance and Repairs budget higher than the previous year.

6.3 Revenue

After incorporating the above budget assumptions, the total Park Fund revenue is projected to be \$304,400 an increase of \$12,600 over FY 25/26. This is primarily due to trending increases in facility rental use, increases in property taxes and assessments and one-time grant revenue.

6.4 Expenditures

The FY 26/27 Park Fund expenditures are projected to be \$307,410, approximately \$103,644 lower than FY 25/26. This decrease is primarily due to less schedule capital projects in FY 26/27. All other budget assumptions and changes are detailed in Attachment G.

6.5 Capital Outlay Plan

The Park Fund Capital Outlay Plan, presented in Attachment G, includes the following capital projects:

6.5.1 Eproson Parking Lot Solar Lights

Replace eleven electric street lights in Eproson Park with solar powered lights to produce ongoing electricity cost savings. This grant-funded project is anticipated to be complete in FY 26/27.

6.5.2 Skate Park Improvements

This project includes minor upgrades to the Skate Park over several years. The scope of improvements will be determined through outreach and engagement with Skate Park stakeholders. The project is anticipated to include improvements in FY 26/27 through FY 28/29.

6.5.3 Old Playground Replacement

Replace the deteriorated wooden playground in Eproson Park. Project design with community collaboration is anticipated to occur in FY 26/27, followed by construction in FY 27/28.

6.6 Reserves

The FY 26/27 Park Fund Budget projects that revenue will exceed operating expenditures (all expenditures minus capital expenditures) by \$105,490. This surplus revenue will fund a portion of FY 26/27 park-related capital projects, with the remaining expense balance of \$3,010 funded by the Park Fund Capital Reserves. Attachment C details Reserve Designations for the Park Fund.

7.0 Administrative Budget

7.1 Background

The Administrative Fund (Admin Fund) captures all financial transactions related to the provision of administrative duties to all service areas of the District. These include costs associated with customer service, accounting, management and other shared administrative activities. All costs are recovered from the various service funds, based on allocation methodologies such as amount of staff time spent on providing each type of service. Total Administrative Fund revenue and expenses are allocated at the end of each month by the following percentages:

- Water Fund: 47%
- Sewer Fund: 25%
- Fire Fund: 18%
- Park Fund: 10%

The detailed FY 26/27 Administration Fund Budget is presented in Attachment H.

7.2 Budget Assumptions

7.2.1 CalPERS Increases

The FY 26/27 Admin Fund Budget includes projected CalPERS retirement increases, which are projected to increase 10% above FY 25/26 costs due to increased unfunded liability estimates.

7.2.2 Employee Health Benefit Increases

The FY 26/27 Admin Fund Budget includes projected Health & Vision Insurance increases, which are projected to increase 9% above FY 25/26 costs due to anticipated rate increases.

7.2.3 Reduced Financial Consultant Services

The FY 26/27 Admin Fund Budget includes a significant reduction in financial consultant costs due to the addition of an Accountant position to create additional administrative capacity.

7.2.4 LAFCO Increases

The FY 26/27 Admin Fund Budget includes a one-time increase in Tuolumne County Local Agency Formation Commission (LAFCO) fees to conduct an engineering study to activate the District's authority to provide lighting services to the downtown Twain Harte area.

7.3 Revenue

The Administrative Fund does not represent a specific service area and, therefore, does not generate any revenue through service charges, property taxes, or assessments. Revenue is minimal and usually consists of items directly related to administration. FY 26/27 revenue is projected at \$1,000.

7.4 Expenditures

The FY 26/27 Administrative Fund expenditures are projected to be \$889,458, which is approximately \$30,791 higher than FY 25/26. This increase is primarily due to the increases described in the above budget assumptions detailed above. Administrative Fund expenses are detailed in Attachment H.

Attachment A: FY 26/27 Budget Summary

Twain Harte Community Services District
2026-2027 Budget

| | WATER | | | SEWER | | | FIRE | | | PARK | | | ADMIN | | | TOTAL |
|---------------------------------------|---------------------|---------------------|-------------|---------------------|---------------------|------------|---------------------|---------------------|-------------|---------------------|-------------------|-------------|-------------------|-------------------|-----------|---------------------|
| | FY 25/26 | Proposed | % Diff | FY 25/26 | Proposed | % Diff | FY 25/26 | Proposed | % Diff | FY 25/26 | Proposed | % Diff | FY 25/26 | Proposed | % Diff | PROJECTED |
| Revenue | | | | | | | | | | | | | | | | |
| Service Charges | \$ 1,670,400 | \$ 1,730,800 | 4% | \$ 1,447,000 | \$ 1,536,400 | 6% | \$ - | \$ - | 0% | \$ - | \$ - | 0% | \$ - | \$ - | 0% | \$ 3,267,200 |
| Fees | 20,600 | 21,400 | 4% | 15,900 | 17,100 | 8% | - | - | 0% | 13,500 | 15,100 | 12% | - | - | 0% | 53,600 |
| Taxes & Assessments | 43,700 | 45,026 | 3% | - | - | 0% | 1,419,100 | 1,458,900 | 3% | 162,500 | 166,900 | 3% | - | - | 0% | 1,670,826 |
| Grants & Donations | 130,500 | 410,500 | 215% | - | 114,500 | 114500% | 375,338 | - | -100% | 101,000 | 111,500 | 10% | - | - | 0% | 636,500 |
| Other Revenue | 106,000 | 106,000 | 0% | 48,000 | 48,000 | 0% | 463,058 | 134,100 | -71% | 14,700 | 10,800 | -27% | 1,000 | 1,000 | 0% | 299,900 |
| Total Program Revenue | \$ 1,971,200 | \$ 2,313,726 | 17% | \$ 1,510,900 | \$ 1,716,000 | 14% | \$ 2,257,496 | \$ 1,593,000 | -29% | \$ 291,700 | \$ 304,300 | 4% | \$ 1,000 | \$ 1,000 | 0% | \$ 5,928,026 |
| Admin Revenue Allocation | 470 | 470 | 0% | 250 | 250 | 0% | 180 | 180 | 0% | 100 | 100 | 0% | (1,000) | (1,000) | 0% | - |
| GRAND TOTAL REVENUE | \$ 1,971,670 | \$ 2,314,196 | 17% | \$ 1,511,150 | \$ 1,716,250 | 14% | \$ 2,257,676 | \$ 1,593,180 | -29% | \$ 291,800 | \$ 304,400 | 4% | \$ - | \$ - | 0% | \$ 5,928,026 |
| Operating Expenses | | | | | | | | | | | | | | | | |
| Salaries | \$ 373,978 | \$ 394,851 | 6% | \$ 198,336 | \$ 210,076 | 6% | \$ 856,167 | \$ 717,094 | -16% | \$ 17,793 | \$ 20,017 | 12% | \$ 444,893 | \$ 462,887 | 4% | \$ 1,804,924 |
| Benefits | 228,328 | 245,788 | 8% | 122,746 | 132,418 | 8% | 407,843 | 418,910 | 3% | 14,472 | 15,748 | 9% | 259,474 | 279,371 | 8% | 1,092,235 |
| Equip, Auto, Maint, & Repairs | 186,850 | 175,100 | -6% | 88,150 | 73,600 | -17% | 199,600 | 102,100 | -49% | 25,200 | 30,700 | 22% | 13,900 | 14,600 | 5% | 396,100 |
| Materials & Supplies | 50,400 | 50,900 | 1% | 6,700 | 6,800 | 1% | 11,900 | 10,000 | -16% | 2,500 | 2,300 | -8% | 3,800 | 3,700 | -3% | 73,700 |
| Outside Services | 30,700 | 31,800 | 4% | 25,500 | 26,100 | 2% | 24,400 | 24,500 | 0% | 4,700 | 5,500 | 17% | 43,000 | 36,200 | -16% | 124,100 |
| Other (Utilities, Prop/Liab Ins, TUD) | 251,500 | 249,100 | -1% | 713,300 | 715,600 | 0% | 125,500 | 119,400 | -5% | 34,900 | 35,700 | 2% | 93,600 | 92,700 | -1% | 1,212,500 |
| Debt Service | 110,390 | 110,232 | 0% | - | - | 0% | - | - | 0% | - | - | 0% | - | - | 0% | 110,232 |
| Total Program Expenses | \$ 1,232,146 | \$ 1,257,771 | 2% | \$ 1,154,732 | \$ 1,164,594 | 1% | \$ 1,625,410 | \$ 1,392,004 | -14% | \$ 99,565 | \$ 109,964 | 10% | \$ 858,667 | \$ 889,458 | 4% | \$ 4,813,791 |
| Administrative Cost Allocation | 408,848 | 418,045 | 2% | 217,472 | 222,364 | 2% | 156,580 | 160,102 | 2% | 86,989 | 88,946 | 2% | (858,667) | (889,458) | 4% | - |
| GRAND TOTAL OPERATING EXPENSES | \$ 1,640,994 | \$ 1,675,816 | 2% | \$ 1,372,204 | \$ 1,386,958 | 1% | \$ 1,781,990 | \$ 1,552,106 | -13% | \$ 186,554 | \$ 198,910 | 7% | \$ - | \$ - | 0% | \$ 4,813,790 |
| TOTAL OPERATING BALANCE | \$ 330,676 | \$ 638,380 | | \$ 138,946 | \$ 329,292 | | \$ 475,686 | \$ 41,074 | | \$ 105,246 | \$ 105,490 | | \$ - | \$ - | | |
| Capital Expenses | | | | | | | | | | | | | | | | |
| Capital Outlay | 949,576 | 700,500 | -26% | 520,755 | 589,500 | 13% | 811,362 | 437,500 | -46% | 224,500 | 108,500 | -52% | - | - | 0% | 1,836,000 |
| Total Capital Expenses | \$ 949,576 | \$ 700,500 | -26% | \$ 520,755 | \$ 589,500 | 13% | \$ 811,362 | \$ 437,500 | -46% | \$ 224,500 | \$ 108,500 | -52% | \$ - | \$ - | | \$ 1,836,000 |
| GRAND TOTAL EXPENSES | \$ 2,590,570 | \$ 2,376,316 | -8% | \$ 1,892,959 | \$ 1,976,458 | 4% | \$ 2,593,352 | \$ 1,989,606 | -23% | \$ 411,054 | \$ 307,410 | -25% | \$ - | \$ - | 0% | \$ 6,649,790 |
| Transfer To/(From) Reserve | \$ (618,900) | \$ (62,120) | | \$ (381,809) | \$ (260,208) | | \$ (335,676) | \$ (396,426) | | \$ (119,254) | \$ (3,010) | | \$ - | \$ - | | \$ (721,765) |

Attachment B: FY 26/27 Salary Plan

TWAIN HARTE COMMUNITY SERVICES DISTRICT
FISCAL YEAR 2026/27 HOURLY SALARY SCHEDULE - Effective July 1, 2026

| TITLE | Competence Salary Steps | | | | | Expertise Salary Steps** | | | |
|---|---|-----------|-----------|-----------|-----------|--------------------------|-----------|-----------|-----------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| UNION POSITIONS | | | | | | | | | |
| Accounting/Administrative Assistant* | \$ 26.372 | \$ 27.691 | \$ 29.076 | \$ 30.529 | \$ 32.056 | \$ 33.659 | \$ 35.342 | \$ 37.109 | \$ 38.964 |
| Customer Services Manager* | \$ 35.133 | \$ 36.889 | \$ 38.734 | \$ 40.671 | \$ 42.704 | \$ 44.839 | \$ 47.081 | \$ 49.435 | \$ 51.907 |
| Customer Services Representative* | \$ 29.029 | \$ 30.480 | \$ 32.004 | \$ 33.605 | \$ 35.285 | \$ 37.049 | \$ 38.902 | \$ 40.847 | \$ 42.889 |
| Fire Captain^ | \$ 26.785 | \$ 28.124 | \$ 29.531 | \$ 31.007 | \$ 32.557 | \$ 34.185 | \$ 35.895 | \$ 37.689 | \$ 39.574 |
| Fire Engineer | \$ 21.420 | \$ 22.491 | \$ 23.616 | \$ 24.796 | \$ 26.036 | \$ 27.338 | \$ 28.705 | \$ 30.140 | \$ 31.647 |
| Fire Relief Captain^ | \$ 20.428 | | | | | | | | |
| Water Engineering Tech* | \$ 33.672 | \$ 35.355 | \$ 37.123 | \$ 38.979 | \$ 40.928 | \$ 42.975 | \$ 45.123 | \$ 47.380 | \$ 49.748 |
| Utility Worker I* | \$ 22.724 | \$ 23.860 | \$ 25.053 | \$ 26.306 | \$ 27.621 | \$ 29.002 | \$ 30.452 | \$ 31.975 | \$ 33.574 |
| Utility Worker II* | \$ 24.315 | \$ 25.531 | \$ 26.807 | \$ 28.148 | \$ 29.555 | \$ 31.033 | \$ 32.585 | \$ 34.214 | \$ 35.925 |
| Utility Worker III* | \$ 26.017 | \$ 27.318 | \$ 28.684 | \$ 30.118 | \$ 31.624 | \$ 33.205 | \$ 34.866 | \$ 36.609 | \$ 38.439 |
| Distribution Operator II* | \$ 30.082 | \$ 31.586 | \$ 33.165 | \$ 34.824 | \$ 36.565 | \$ 38.393 | \$ 40.313 | \$ 42.328 | \$ 44.445 |
| Distribution Operator III* | \$ 34.302 | \$ 36.017 | \$ 37.818 | \$ 39.709 | \$ 41.694 | \$ 43.779 | \$ 45.968 | \$ 48.266 | \$ 50.680 |
| Treatment Operator II* | \$ 31.781 | \$ 33.370 | \$ 35.038 | \$ 36.790 | \$ 38.630 | \$ 40.561 | \$ 42.589 | \$ 44.719 | \$ 46.954 |
| Treatment Operator III* | \$ 35.195 | \$ 36.955 | \$ 38.803 | \$ 40.743 | \$ 42.780 | \$ 44.919 | \$ 47.165 | \$ 49.523 | \$ 51.999 |
| Operations Superintendent* | \$ 41.604 | \$ 43.684 | \$ 45.868 | \$ 48.162 | \$ 50.570 | \$ 53.098 | \$ 55.753 | \$ 58.541 | \$ 61.468 |
| MANAGEMENT POSITIONS (Exempt) | | | | | | | | | |
| HR/Executive Coordinator* | \$ 36.187 | \$ 37.996 | \$ 39.896 | \$ 41.891 | \$ 43.986 | \$ 46.185 | \$ 48.494 | \$ 50.919 | \$ 53.465 |
| Finance Officer* | \$ 55.225 | \$ 57.986 | \$ 60.886 | \$ 63.930 | \$ 67.126 | \$ 70.483 | \$ 74.007 | \$ 77.707 | \$ 81.592 |
| Accountant (Confidential)* | \$ 42.182 | \$ 44.291 | \$ 46.505 | \$ 48.830 | \$ 51.272 | \$ 53.836 | \$ 56.527 | \$ 59.354 | \$ 62.321 |
| Fire Chief~^ | \$ 54.238 | \$ 56.950 | \$ 59.798 | \$ 62.788 | \$ 65.927 | \$ 69.223 | \$ 72.685 | \$ 76.319 | \$ 80.135 |
| Operations Manager/Asst. General Manager* | \$ 56.241 | \$ 59.053 | \$ 62.006 | \$ 65.106 | \$ 68.361 | \$ 71.779 | \$ 75.368 | \$ 79.137 | \$ 83.093 |
| General Manager (By Contract) | | | | | | | | | |
| | 2026/27 Negotiated Contract Amount: \$93.334/hour | | | | | | | | |

Notes

* 3% Union Negotiated COLA Increase Effective July 1, 2025

^ 2% Union Negotiated COLA Increase Effective July 1, 2025

** Succession to the next step requires a minimum of five years at the previous step.

Attachment C: FY 26/27 Reserve Designations

| RESERVE SUMMARY | | | | | |
|---|---------------------|---------------------|---------------------|---------------------|----------------------|
| As Of June 30, 2026 (Estimated) | | | | | |
| | Water | Sewer | Fire | Parks | Total |
| Committed | | | | | |
| Capital Improvement/Asset Replacement Reserve | \$ 2,111,023 | \$ 1,037,398 | \$ 975,326 | \$ 171,677 | \$ 4,295,424 |
| Rate/Revenue Stabilization Reserve | \$ 173,080 | \$ 153,640 | \$ 232,237 | \$ 12,235 | \$ 571,192 |
| Water Rights Reserve | \$ 120,083 | \$ - | \$ - | \$ - | \$ 120,083 |
| Total Committed | \$ 2,404,186 | \$ 1,191,038 | \$ 1,207,563 | \$ 183,912 | \$ 4,986,699 |
| Assigned | | | | | |
| Operating Reserve | \$ 418,954 | \$ 346,740 | \$ 776,053 | \$ 99,455 | \$ 1,641,202 |
| Pension Liability | \$ (304,930) | \$ (164,195) | \$ (290,664) | \$ - | \$ (759,789) |
| Total Assigned | \$ 114,024 | \$ 182,545 | \$ 485,389 | \$ 99,455 | \$ 881,413 |
| PROPOSED ENDING BALANCE - FY 24/25 | \$ 6,250,697 | \$ 2,255,682 | \$ 3,470,886 | \$ 4,499,465 | \$ 16,476,730 |

| 26/27 Estimated Transfer To/(From) Reserve | | | | | |
|---|--------------------|---------------------|---------------------|-------------------|---------------------|
| Water Rights Reserve | | | | | \$ - |
| Rate/Revenue Stabilization Reserve | | | | | |
| Operating Reserve | | | | | |
| Capital Improvement/Asset Replacement Reserve | \$ (62,120) | \$ (260,208) | \$ (396,426) | \$ (3,010) | \$ (721,765) |
| TOTAL TRANSFERS TO/(FROM) RESERVE | \$ (62,120) | \$ (260,208) | \$ (396,426) | \$ (3,010) | \$ (721,765) |

| | | | | | |
|---|--------------|------------|------------|------------|--------------|
| Projected Capital Reserve as of 6/30/27 | \$ 2,048,902 | \$ 777,190 | \$ 578,901 | \$ 168,667 | \$ 3,573,660 |
|---|--------------|------------|------------|------------|--------------|

Attachment D: FY 26/27 Water Fund Budget & Capital Outlay Plan

Twain Harte Community Services District
2026-2027 Budget
WATER - REVENUE

| BUDGET ITEM | BUDGET | | CHANGE | | REASON FOR CHANGE |
|--------------------------------------|---------------------|---------------------|-------------------|-------------|-------------------------|
| | 25/26 Approved | 26/27 Proposed | \$ | % | |
| Service Charges | | | | | |
| Water Service Charge | \$ 1,670,400 | \$ 1,730,800 | \$ 60,400 | 4% | Scheduled rate increase |
| TOTAL SERVICE CHARGES | \$ 1,670,400 | \$ 1,730,800 | \$ 60,400 | 4% | |
| Fees | | | | | |
| Late Fee | \$ 11,000 | \$ 11,500 | \$ 500 | 5% | |
| Door Notice Fee | 2,900 | 2,900 | - | 0% | |
| Hookup Fees | 3,500 | 3,500 | - | 0% | |
| Reconnection Fees | 2,200 | 2,600 | 400 | 18% | |
| Property Transfer Fee | 900 | 800 | (100) | -11% | |
| Returned Check Fee | 100 | 100 | - | 0% | |
| TOTAL FEES | \$ 20,600 | \$ 21,400 | \$ 800 | 4% | |
| Taxes & Assessments | | | | | |
| Secured & Unsecured Taxes | \$ 43,700 | \$ 45,026 | \$ 1,326 | 3% | Assumed 3% increase |
| TOTAL TAXES & ASSESSMENTS | \$ 43,700 | \$ 45,026 | \$ 1,326 | 3% | |
| Grants & Donations | | | | | |
| Grant Revenue - Misc | \$ 130,500 | \$ 410,500 | \$ 280,000 | 215% | CDBG Grant |
| TOTAL GRANTS & DONATIONS | \$ 130,500 | \$ 410,500 | \$ 280,000 | 215% | |
| Other Revenue | | | | | |
| Miscellaneous Revenue | \$ 26,000 | \$ 26,000 | \$ - | 0% | |
| Interest Revenue | 80,000 | 80,000 | - | 0% | |
| Lease Revenue | | | - | 0% | |
| Sale of Assets | - | - | - | 0% | |
| TOTAL OTHER REVENUE | \$ 106,000 | \$ 106,000 | \$ - | 0% | |
| GRAND TOTAL REVENUE | \$ 1,971,200 | \$ 2,313,726 | \$ 342,526 | 17% | |
| Admin Transfer Out | \$ 470 | \$ 470 | \$ - | | |
| GRAND TOTAL WITH ADMIN | \$ 1,971,670 | \$ 2,314,196 | \$ 342,526 | 17% | |

**Twain Harte Community Services District
2026-2027 Budget
WATER - EXPENSES**

| BUDGET ITEM | BUDGET | | CHANGE | | REASON FOR CHANGE |
|---------------------------|-------------------|-------------------|------------------|-----------|--|
| | 25/26 Approved | 26/27 Proposed | \$ | % | |
| Salaries - 51XXX | | | | | |
| Regular Time | \$ 326,219 | \$ 347,091.83 | 20,873 | 6% | 3% COLA, Step increases, full staffing |
| Standby Pay | 10,075 | 10,075 | - | 0% | |
| Overtime | 26,000 | 26,000 | - | 0% | |
| Sick Leave/Vacation Pay | 6,300 | 6,300 | - | 0% | |
| Intern Stipend | 0 | 0 | - | 0% | |
| Uniform Allowance | 4,095 | 4,095 | - | 0% | |
| Cell Phone Stipend | 1,289 | 1,289 | - | 0% | |
| TOTAL SALARIES | \$ 373,978 | \$ 394,851 | \$ 20,873 | 6% | |
| Benefits - 52XXX | | | | | |
| Health & Vision Insurance | \$ 98,794 | \$ 107,722 | 8,928 | 9% | Projected rate increases |
| HRA Reimbursement | 27,921 | 27,921 | - | 0% | |
| CALPERS Retirement | 56,208 | 62,147 | 5,939 | 11% | Projected rate increases |
| FICA | 23,187 | 24,481 | 1,294 | 6% | COLA, Step increases, full staffing |
| Medicare | 5,423 | 5,725 | 303 | 6% | |
| Workers Comp | 15,931 | 16,200 | 269 | 2% | |
| Unemployment Ins/ETT | 865 | 1,592 | 727 | 84% | |
| TOTAL BENEFITS | \$ 228,328 | \$ 245,788 | \$ 17,461 | 8% | |

**Twain Harte Community Services District
2026-2027 Budget
WATER - EXPENSES**

| BUDGET ITEM | BUDGET | | CHANGE | | REASON FOR CHANGE |
|---|-------------------|-------------------|--------------------|------------|---|
| | 25/26 Approved | 26/27 Proposed | \$ | % | |
| Equipment, Automotive, Maintenance & Repairs | | | | | |
| Equipment Maintenance & Repair | \$ 40,050 | \$ 16,600 | (23,450) | -59% | Large Vac Truck Repair last fiscal year |
| Facilities Maintenance & Repair | | | | | |
| Source of Supply | 9,000 | 9,200 | 200 | 2% | |
| Pumping | 4,100 | 6,400 | 2,300 | 56% | Shadybrook pump in need of repairs |
| Water Treatment | 18,000 | 21,200 | 3,200 | 18% | Decreased sludge removal costs |
| Transmission & Distribution | 63,000 | 59,800 | (3,200) | -5% | Reduced pavement patching anticipated |
| General & Administrative | 2,000 | 2,000 | - | 0% | |
| Vehicle Maintenance & Repair | 12,000 | 10,800 | (1,200) | -10% | Major repair needed last fiscal year |
| Janitorial Cleaning Fees | 0 | | - | 0% | |
| Fuel | 20,000 | 24,000 | 4,000 | 20% | Fuel price and projected use increases |
| Equipment Under \$5,000 | | | - | 0% | |
| Source of Supply | 0 | 0 | - | 0% | |
| Pumping | 0 | 2,000 | 2,000 | 2000% | Backflow device needed in Sherwood Forest |
| Water Treatment | 8,100 | 12,200 | 4,100 | 51% | Need well sounders to measure depth |
| Transmission & Distribution | 6,300 | 6,600 | 300 | 5% | |
| General & Administrative | 2,500 | 2,500 | - | 0% | |
| Personal Protective Equipment | 1,800 | 1,800 | - | 0% | |
| TOTAL EQUIP, AUTO, MAINT & REPAIRS | \$ 186,850 | \$ 175,100 | \$ (11,750) | -6% | |
| Materials & Supplies - 54XXX | | | | | |
| Office Supplies - General | \$ 1,000 | \$ 1,000 | - | 0% | |
| Office Supplies - Billing | \$ 200 | \$ 200 | - | 0% | |
| Postage - General | 300 | 300 | - | 0% | |
| Postage - Billing | 5,500 | 5,600 | 100 | 2% | |
| Food Supplies | 500 | 500 | - | 0% | |
| Chemical Supplies | 42,500 | 42,900 | 400 | 1% | |
| Janitorial Supplies | 400 | 400 | - | 0% | |
| TOTAL MATERIALS & SUPPLIES | \$ 50,400 | \$ 50,900 | \$ 500 | 1% | |

**Twain Harte Community Services District
2026-2027 Budget
WATER - EXPENSES**

| BUDGET ITEM | BUDGET | | CHANGE | | REASON FOR CHANGE |
|--------------------------------------|-------------------|-------------------|-------------------|------------|--|
| | 25/26 Approved | 26/27 Proposed | \$ | % | |
| Outside Services - 55XXX | | | | | |
| Legal Fees | 2,000 | 2,000 | - | 0% | |
| IT Services | 2,600 | 3,500 | 900 | 35% | |
| Engineering Services | 20,000 | 20,000 | - | 0% | |
| Medical Exams | 500 | 500 | - | 0% | |
| Other Professional Services | 5,600 | 5,800 | 200 | 4% | |
| TOTAL OUTSIDE SERVICES | \$ 30,700 | \$ 31,800 | \$ 1,100 | 4% | |
| Other - 56XXX | | | | | |
| Utilities | | | - | 0% | |
| Source of Supply | \$ - | | - | 0% | |
| Pumping | \$ 17,400 | \$ 19,600 | 2,200 | 13% | Projecting higher usage of wells |
| Water Treatment | \$ 16,000 | \$ 15,500 | (500) | -3% | |
| Transmission & Distribution | \$ - | | - | 0% | |
| General & Administrative | \$ 4,300 | \$ 4,200 | (100) | -2% | |
| Phone/Communications | 7,900 | 8,300 | 400 | 5% | |
| Computer Licenses & Maintenance | 21,300 | 17,100 | (4,200) | -20% | New GIS provider savings |
| Property/Liability Insurance | 43,700 | 42,500 | (1,200) | -3% | SDRMA estimate projects decreased rate |
| Property Tax | 500 | 500 | - | 0% | |
| Memberships/Publications/Subscriptio | 12,200 | 12,600 | 400 | 3% | |
| Licenses & Certifications | 1,400 | 1,600 | 200 | 14% | |
| Training, Conferences & Travel | 5,400 | 5,400 | - | 0% | |
| Uncollectable accounts | 500 | 500 | - | 0% | |
| Advertising & Public Education | 2,400 | 2,000 | (400) | -17% | |
| Laboratory Fees | 25,600 | 25,300 | (300) | -1% | |
| Regulatory Fees | 21,500 | 22,600 | 1,100 | 5% | Assume 5% rate increases |
| Purchased Water | 57,000 | 58,500 | 1,500 | 3% | TUD rate increases |
| Bank & Credit Card Fees | 12,700 | 12,900 | 200 | 2% | |
| Claims | 1,700 | 0 | (1,700) | -100% | No claims anticipated |
| TOTAL OTHER | \$ 251,500 | \$ 249,100 | \$ (2,400) | -1% | |

**Twain Harte Community Services District
2026-2027 Budget
WATER - EXPENSES**

| BUDGET ITEM | BUDGET | | CHANGE | | REASON FOR CHANGE |
|------------------------------------|---------------------|---------------------|---------------------|-------------|--|
| | 25/26 Approved | 26/27 Proposed | \$ | % | |
| Debt Service - 58XXX | | | | | |
| Interest on Long Term Debt | \$ 12,688 | \$ 8,623 | (4,065) | -32% | Actual debt service scheduled payments |
| Principal on Long Term Debt | 97,702 | 101,609 | 3,907 | 4% | Actual debt service scheduled payments |
| TOTAL DEBT SERVICE | \$ 110,390 | \$ 110,232 | \$ (158) | 0% | |
| GRAND TOTAL EXPENSES | | | | | |
| | \$ 1,232,146 | \$ 1,257,771 | \$ 25,625 | 2% | |
| Admin Transfer Out | \$ 408,848 | \$ 418,045 | \$ 9,197 | | |
| GRAND TOTAL WITH ADMIN | \$ 1,640,994 | \$ 1,675,816 | \$ 34,822 | 2% | |
| Capital Outlay - 57XXX | | | | | |
| Manzanita Ct Waterline Upgrade | 90,000 | 0 | (90,000) | -100% | Completed last FY |
| Roundhouse Roof Replace | 17,290 | 0 | (17,290) | -100% | Completed last FY |
| Tower Safety Lights | 11,969 | 0 | (11,969) | -100% | Completed last FY |
| Water Fill Station | 160,317 | 0 | (160,317) | -100% | Completed last FY |
| FH/Service Line Replacement | 25,000 | 40,000 | 15,000 | 60% | Increased costs |
| Black Oak Pump/Motor Rehab | 20,000 | 5,000 | (15,000) | -75% | Rollover from last Fiscal Year |
| SCADA Upgrade | 425,000 | 410,500 | (14,500) | -3% | Rollover from last Fiscal Year |
| Cedar Pines Pressure Zone Upgrades | 200,000 | 200,000 | - | 0% | Rollover from last Fiscal Year |
| Confined Space Davit Lift Systems | | 20,000 | 20,000 | 20000% | Required for Confined Space Entry |
| Shadybrook Raw Water Meter | | 25,000 | 25,000 | 25000% | Needed to measure raw water intake |
| | | | - | 0% | |
| TOTAL CAPITAL OUTLAY | \$ 949,576 | \$ 700,500 | \$ (249,076) | -26% | |
| GRAND TOTAL WITH CAPITAL | \$ 2,590,570 | \$ 2,376,316 | \$ (214,254) | -8% | |

5-YEAR CAPITAL OUTLAY PLAN

Water Fund - FY 26/27

| | Previously Expended | Projected FY 25-26 | Requested FY 26-27 | FY 27-28 | FY 28-29 | FY 29-30 | FY 30-31 | Out Years 6 to 10 | TOTAL |
|---|---------------------|--------------------|--------------------|-------------------|-------------------|-------------------|-------------------|---------------------|----------------------|
| Manzanita Ct Waterline Upgrade | | \$ 73,604 | | | | | | | \$ 73,604 |
| Roundhouse Roof Replace ⁵ | | \$ 17,290 | | | | | | | \$ 17,290 |
| Tower Safety Lights ⁵ | | \$ 11,968 | | | | | | | \$ 11,968 |
| Water Fill Station ⁶ | | \$ 160,317 | | | | | | | \$ 160,317 |
| FH/Service Line Replacement ³ | | \$ 16,800 | \$ 40,000 | \$ 40,000 | \$ 40,000 | \$ 40,000 | \$ 40,000 | \$ 200,000 | \$ 416,800 |
| Black Oak Pump/Motor Rehabilitation | | \$ 15,000 | \$ 5,000 | | | | | | \$ 20,000 |
| SCADA Upgrade ^{4,7} | \$ 105,050 | \$ - | \$ 410,500 | | | | | | \$ 515,550 |
| Confined Space Davit Lift Systems | | | \$ 20,000 | | | | | | \$ 20,000 |
| Shadybrook Raw Water Meter | | | \$ 25,000 | | | | | | \$ 25,000 |
| Cedar Pines Pressure Zone Upgrades | | \$ - | \$ 200,000 | \$ 500,000 | | | | | \$ 700,000 |
| Sherwood Forest Water System Upgrade ⁸ | | | | \$ 270,000 | \$ 600,000 | \$ 600,000 | \$ 350,000 | \$ 4,000,000 | \$ 5,820,000 |
| Replace Truck #7 ⁵ | | | | \$ 21,320 | | | | | \$ 21,320 |
| Well #1 PFAS Filtration | | | | \$ 30,000 | | | | | \$ 30,000 |
| Replace Truck #2 ⁵ | | | | | | | \$ 62,075 | | \$ 62,075 |
| Recoat MG Tank #1 Interior Roof | | | | | | | | | \$ 115,000 |
| Recoat Sherwood Tank | | | | | | | | \$ 100,000 | \$ 100,000 |
| Rehab/Recoat Black Oak Tanks | | | | | | | | \$ 300,000 | \$ 300,000 |
| High Pressure Pipe/Lateral Replacement | | | | | | | | \$ 2,650,000 | \$ 2,650,000 |
| Shadybrook Dredging/Bypass | | | | | | | | \$ 950,000 | \$ 950,000 |
| Vehicle/Equipment Replacement | | | | | | | | \$ 240,970 | \$ 240,970 |
| TOTAL CAPITAL OUTLAY | \$ 105,050 | \$ 294,979 | \$ 700,500 | \$ 861,320 | \$ 640,000 | \$ 640,000 | \$ 452,075 | \$ 8,440,970 | \$ 12,249,894 |

NOTES:

- 1 Vehicle/Equipment replacement items match the THCS D Vehicle/Equipment Replacement Plan.
- 2 An inflation factor of 3% per year has been applied to future capital costs.
- 3 Ongoing project to replace substandard fire hydrants and problem service lines
- 4 Project was budgeted in previous fiscal year. New budget requests represent anticipated unspent funds and will be adjusted to reflect actuals at mid-year.
- 5 Project to be split with Sewer Fund - 65% Water / 35% Sewer
- 6 Grant Project: \$130,500 DWR grant
- 7 Grant Project: \$105,050 DWR grant / \$410,500 CDBG Grant
- 8 Project to be phased and completed over time

Attachment E: FY 26/27 Sewer Fund Budget & Capital Outlay Plan

Twain Harte Community Services District
2026-2027 Budget
SEWER - REVENUE

| BUDGET ITEM | BUDGET | | CHANGE | | REASON FOR CHANGE |
|------------------------------|---------------------|---------------------|------------------|-----------|-------------------------|
| | 25/26 Approved | 26/27 Proposed | \$ | % | |
| Service Charges | | | | | |
| Sewer Service Charge | 1,447,000 | 1,536,400 | 89,400 | 6% | Scheduled rate increase |
| TOTAL SERVICE CHARGES | \$ 1,447,000 | \$ 1,536,400 | \$ 89,400 | 6% | |

| | | | | | |
|-----------------------|------------------|------------------|-----------------|-----------|--|
| Fees | | | | | |
| Late Fee | \$ 8,200 | \$ 9,000 | \$ 800 | 10% | |
| Door Notice Fee | 2,700 | 2,700 | - | 0% | |
| Hookup Fees | 2,000 | 2,000 | - | 0% | |
| Reconnection Fees | 2,000 | 2,500 | 500 | 25% | |
| Inspection Fees | | | - | 0% | |
| Property Transfer Fee | 900 | 800 | (100) | -11% | |
| Returned Check Fee | 100 | 100 | - | 0% | |
| TOTAL FEES | \$ 15,900 | \$ 17,100 | \$ 1,200 | 8% | |

| | | | | | |
|-------------------------------------|-------------|-------------------|-------------------|----------------|----------------------|
| Grants & Donations | | | | | |
| Grant Revenue | - | \$ 114,500 | \$ 114,500 | 114500% | CDBG Grant for SCADA |
| TOTAL GRANTS & DONATIONS | \$ - | \$ 114,500 | \$ 114,500 | 114500% | |

| | | | | | |
|----------------------------|------------------|------------------|-------------|-----------|--|
| Other Revenue | | | | | |
| Interest Revenue | 48,000 | 48,000 | - | 0% | |
| Sale of Assets | - | - | - | 0% | |
| Other | | | - | 0% | |
| TOTAL OTHER REVENUE | \$ 48,000 | \$ 48,000 | \$ - | 0% | |

| | | | | | |
|----------------------------|---------------------|---------------------|-------------------|------------|--|
| GRAND TOTAL REVENUE | \$ 1,510,900 | \$ 1,716,000 | \$ 205,100 | 14% | |
|----------------------------|---------------------|---------------------|-------------------|------------|--|

Admin Transfer Out \$ 250 \$ 250 \$ -

| | | | | | |
|-------------------------------|---------------------|---------------------|-------------------|--|--|
| GRAND TOTAL WITH ADMIN | \$ 1,511,150 | \$ 1,716,250 | \$ 205,100 | | |
|-------------------------------|---------------------|---------------------|-------------------|--|--|

Twain Harte Community Services District
2026-2027 Budget

SEWER - EXPENSES

| BUDGET ITEM | BUDGET | | CHANGE | | REASON FOR CHANGE |
|---------------------------|-------------------|-------------------|------------------|-----------|--|
| | 25/26 Approved | 26/27 Proposed | \$ | % | |
| Salaries - 51XXX | | | | | |
| Regular Time | \$ 175,862 | \$ 187,102 | 11,240 | 6% | 3% COLA, Step Increases, Full staffing |
| Standby Pay | 10,075 | 10,075 | 0 | 0% | |
| Overtime | 6,500 | 7,000 | 500 | 8% | |
| Sick Leave/Vacation Pay | 3,000 | 3,000 | 0 | 0% | |
| Intern Stipend | 0 | 0 | 0 | 0% | |
| Uniform Allowance | 2,205 | 2,205 | 0 | 0% | |
| Cell Phone Stipend | 694 | 694 | 0 | 0% | |
| TOTAL SALARIES | \$ 198,336 | \$ 210,076 | \$ 11,740 | 6% | |
| Benefits - 52XXX | | | | | |
| Health & Vision Insurance | \$ 53,219 | \$ 58,028 | 4,810 | 9% | Projected rate increases |
| HRA Reimbursement | 14,181 | 14,181 | 0 | 0% | |
| CALPERS Retirement | 30,328 | 33,532 | 3,204 | 11% | Projected rate increases |
| FICA | 12,297 | 13,025 | 728 | 6% | |
| Medicare | 2,876 | 3,046 | 170 | 6% | |
| Workers Comp | 9,298 | 9,600 | 302 | 3% | |
| Unemployment Ins/ETT | 547 | 1,006 | 459 | 84% | |
| TOTAL BENEFITS | \$ 122,746 | \$ 132,418 | \$ 9,673 | 8% | |

Twain Harte Community Services District
2026-2027 Budget

SEWER - EXPENSES

| BUDGET ITEM | BUDGET | | CHANGE | | REASON FOR CHANGE |
|---|------------------|------------------|--------------------|-------------|---|
| | 25/26 Approved | 26/27 Proposed | \$ | % | |
| Equipment, Automotive, Maintenance & Repairs | | | | | |
| Equipment Maintenance & Repair | \$ 26,250 | \$ 11,100 | (15,150) | -58% | Major vac truck repair last fiscal year |
| Facilities Maintenance & Repair | | | | | |
| General & Administrative | 1,000 | 1,000 | 0 | 0% | |
| Lift Stations | 12,000 | 12,000 | 0 | 0% | |
| Collections | 16,700 | 16,300 | (400) | -2% | |
| Vehicle Maintenance & Repair | 7,000 | 6,200 | (800) | -11% | |
| Janitorial/Cleaning Fees | 0 | | 0 | 0% | |
| Fuel | 12,000 | 13,400 | 1,400 | 12% | Fuel price and projected use increase |
| Equipment Under \$5,000 | 11,800 | 12,200 | 400 | 3% | |
| Personal Protective Equipment | 1,400 | 1,400 | 0 | 0% | |
| TOTAL EQUIP, AUTO, MAINT & REPAIRS | \$ 88,150 | \$ 73,600 | \$ (14,550) | -17% | |
| Materials & Supplies - 54XXX | | | | | |
| Office Supplies - General | \$ 700 | \$ 600 | \$ (100) | -14% | |
| Office Supplies - Billing | \$ 200 | \$ 200 | \$ - | 0% | |
| Postage - General | 100 | 100 | \$ - | 0% | |
| Postage - Billing | 5,000 | 5,200 | \$ 200 | 4% | |
| Food Supplies | 300 | 300 | 0 | 0% | |
| Janitorial Supplies | 400 | 400 | 0 | 0% | |
| TOTAL MATERIALS & SUPPLIES | \$ 6,700 | \$ 6,800 | \$ 100 | 1% | |
| Outside Services - 55XXX | | | | | |
| Legal Fees | \$ 1,500 | \$ 1,500 | \$ - | 0% | |
| IT Services | 1,700 | 2,100 | 400 | 24% | |
| Engineering Services | 17,000 | 17,000 | 0 | 0% | |
| Medical Exams | 400 | 400 | 0 | 0% | |
| Other Professional Services | 4,900 | 5,100 | 200 | 4% | |
| TOTAL OUTSIDE SERVICES | \$ 25,500 | \$ 26,100 | \$ 600 | 2% | |

Twain Harte Community Services District
2026-2027 Budget

SEWER - EXPENSES

| BUDGET ITEM | BUDGET | | CHANGE | | REASON FOR CHANGE |
|---------------------------------|-------------------|-------------------|-----------------|-----------|--------------------------|
| | 25/26 Approved | 26/27 Proposed | \$ | % | |
| Other - 56XXX | | | | | |
| Utilities | | | \$ - | 0% | |
| General & Administrative | \$ 2,700 | \$ 2,600 | \$ (100) | -4% | |
| Lift Stations | \$ 6,100 | \$ 6,300 | \$ 200 | 3% | |
| Phone/Communications | 4,400 | 4,700 | 300 | 7% | |
| Computer Licenses & Maintenance | 19,400 | 16,300 | (3,100) | -16% | New GIS provider savings |
| Property/Liability Insurance | 30,100 | 29,200 | (900) | -3% | |
| Property Tax | 0 | | 0 | 0% | |
| Dues & Memberships | 6,700 | 6,800 | 100 | 1% | |
| Licenses & Certifications | 1,100 | 500 | (600) | -55% | |
| Training, Conferences & Travel | 3,500 | 3,500 | 0 | 0% | |
| Uncollectable accounts | 500 | 500 | 0 | 0% | |
| Advertising & Public Education | 2,000 | 2,000 | 0 | 0% | |
| Regulatory Fees | 4,800 | 5,000 | 200 | 4% | |
| Sewer Service Charge | 619,000 | 626,000 | 7,000 | 1% | TUD rate increases |
| Bank & Credit Card Fees | 12,200 | 12,200 | 0 | 0% | |
| Claims | 800 | 0 | (800) | -100% | |
| TOTAL OTHER | \$ 713,300 | \$ 715,600 | \$ 2,300 | 0% | |

Twain Harte Community Services District
2026-2027 Budget

SEWER - EXPENSES

| BUDGET ITEM | BUDGET | | CHANGE | | REASON FOR CHANGE |
|---------------------------------------|---------------------|---------------------|------------------|------------|--------------------------------|
| | 25/26 Approved | 26/27 Proposed | \$ | % | |
| Debt Service - 58XXX | | | | | |
| Interest on Long Term Debt | \$ - | | \$ - | 0% | |
| Principal on Long Term Debt | 0 | | 0 | 0% | |
| TOTAL DEBT SERVICE | \$ - | \$ - | \$ - | 0% | |
| GRAND TOTAL EXPENSES | \$ 1,154,732 | \$ 1,164,594 | \$ 9,862 | 1% | |
| Admin Transfer Out | \$ 217,472 | \$ 222,364 | \$ 4,892 | 2% | |
| GRAND TOTAL WITH ADMIN | \$ 1,372,204 | \$ 1,386,958 | \$ 14,754 | 1% | |
| Capital Outlay - 57XXX | | | | | |
| Sewer Main Re-Lining/Replacement | | | 0 | 0% | |
| Roundhouse Roof Replace | 9,310 | 0 | (9,310) | -100% | Completed last Fiscal Year |
| Tower Safety Lights | 6,445 | 0 | (6,445) | -100% | Completed last Fiscal Year |
| Black Oak Dr Replacement | \$ 60,000 | \$ - | \$ (60,000) | -100% | Completed last Fiscal Year |
| SCADA Upgrade | \$ 120,000 | \$ 114,500 | \$ (5,500) | -5% | Rollover from last Fiscal Year |
| Cresta Dr/Tuolumne Dr Sewer Reline | \$ 325,000 | \$ 240,000 | \$ (85,000) | -26% | Rollover from last Fiscal Year |
| Tamarack Manhole | | 20,000 | 20,000 | 20000% | Manhole needed to clean sewer |
| Twain Harte to Marquis Sewer Relining | | 160,000 | 160,000 | 160000% | Priority CIP Project |
| Marquis Drive Sewer Replacement | | 55,000 | 55,000 | 55000% | Priority CIP Project |
| TOTAL CAPITAL OUTLAY* | \$ 520,755 | \$ 589,500 | \$ 68,745 | 13% | |
| GRAND TOTAL WITH CAPITAL | \$ 1,892,959 | \$ 1,976,458 | \$ 83,499 | 4% | |

5-YEAR CAPITAL OUTLAY PLAN

Sewer Fund - FY 26/27

| | Previously Expended | Projected FY 25-26 | Requested FY 26-27 | FY 27-28 | FY 28-29 | FY 29-30 | FY 30-31 | Out Years 6 to 10 | TOTAL |
|---|---------------------|--------------------|--------------------|-------------------|-------------------|-------------------|-------------------|---------------------|---------------------|
| Roundhouse Roof Replace ⁶ | | \$ 9,310 | | | | | | | \$ 9,310 |
| Tower Safety Lights ⁶ | | \$ 6,445 | | | | | | | \$ 6,445 |
| Black Oak Dr Replacement ⁸ | | \$ 10,000 | | | | | | | \$ 10,000 |
| SCADA Upgrade ^{4,7} | \$ 1,995 | \$ - | \$ 114,500 | | | | | | \$ 116,495 |
| Cresta Dr/Tuolumne Dr Sewer Relining | | \$ 85,639 | \$ 240,000 | | | | | | \$ 325,639 |
| Tamarack Manhole | | | \$ 20,000 | | | | | | \$ 20,000 |
| Twain Harte Dr to Marquis Sewer Relining ⁸ | | | \$ 160,000 | | | | | | \$ 160,000 |
| Marquis Drive Sewer Replacement ⁸ | | | \$ 55,000 | \$ 205,000 | | | | | \$ 260,000 |
| Replace Truck #7 ⁶ | | | | \$ 11,480 | | | | | \$ 11,480 |
| Replace Sewer Tractor Camera | | | | \$ 50,000 | | | | | \$ 50,000 |
| Fuller to Manzanita Sewer Replacement ⁸ | | | | \$ 50,000 | \$ 300,000 | | | | \$ 350,000 |
| Golf Club Drive Sewer Replacement ⁸ | | | | | \$ 100,000 | \$ 500,000 | | | \$ 600,000 |
| Sewer Main Re-Lining/Replacement ⁵ | | | | | | | \$ 150,000 | \$ 750,000 | \$ 900,000 |
| Twain Harte Dr to Spruce Dr Replacement ⁸ | | | | | | | \$ 100,000 | \$ 600,000 | \$ 700,000 |
| Replace Truck #2 ⁶ | | | | | | | \$ 33,425 | | |
| Wildwood/Tuolumne Dr Replacement ⁸ | | | | | | | | \$ 375,000 | \$ 375,000 |
| Tiffenni Dr Replacement ⁸ | | | | | | | | \$ 400,000 | \$ 400,000 |
| Vehicle/Equipment Replace | | | | | | | | \$ 90,580 | \$ 90,580 |
| TH Lake Sewerline Replacement ⁸ | | | | | | | | \$ 1,100,000 | \$ 1,100,000 |
| Sherwood Forest Sewer ⁹ | | | | | | | | \$ 3,700,000 | \$ 3,700,000 |
| TOTAL CAPITAL OUTLAY | \$ 1,995 | \$ 111,394 | \$ 589,500 | \$ 316,480 | \$ 400,000 | \$ 500,000 | \$ 283,425 | \$ 7,015,580 | \$ 9,184,949 |

NOTES:

- 1 Vehicle/Equipment replacement items match the THCS D Vehicle/Equipment Replacement Plan.
- 2 An inflation factor of 3% per year has been applied to future capital costs.
- 3 Project completed or anticipated to be completed in previous fiscal year.
- 4 Project was budgeted in previous fiscal year. New budget requests represent anticipated unspent funds and will be adjusted to reflect actuals at mid-year.
- 5 Ongoing project to line portions of the TH Pipeline Replacement Project and other high risk sewer lines without excessive sags/offsets.
- 6 Project is split with the Water Fund - 65% Water / 35% Sewer
- 7 Grant Project: \$114,500 CDBG Grant
- 8 This project is a phase of the larger TH Pipeline Replacement Project
- 9 This project is a new sewer system that will require a special assessment and property owner vote

Attachment F: FY 26/27 Fire Fund Budget & Capital Outlay Plan

Twain Harte Community Services District

2026-2027 Budget

FIRE - REVENUE

| BUDGET ITEM | BUDGET | | CHANGE | | REASON FOR CHANGE |
|--------------------------------------|---------------------|---------------------|------------------|-----------|-----------------------------------|
| | 25/26 Approved | 26/27 Proposed | \$ | % | |
| Taxes & Assessments | | | | | |
| Secured & Unsecured Taxes | \$ 695,100 | \$ 722,400 | \$ 27,300 | 4% | Assumed 3% increase over actuals |
| Property Assessments | 724,000 | \$ 736,500.00 | 12,500 | 2% | Estimated Assessment CPI increase |
| TOTAL TAXES & ASSESSMENTS | \$ 1,419,100 | \$ 1,458,900 | \$ 39,800 | 3% | |

| | | | | | |
|-------------------------------------|-------------------|-------------|---------------------|--------------|---------------------------------|
| Grants & Donations | | | | | |
| Grant Revenue | 375,338 | - | \$ (375,338) | -100% | No grants currently anticipated |
| Donation Revenue | - | - | - | 0% | |
| TOTAL GRANTS & DONATIONS | \$ 375,338 | \$ - | \$ (375,338) | -100% | |

| | | | | | |
|----------------------------|-------------------|-------------------|---------------------|-------------|---|
| Other Revenue | | | | | |
| Strike Team | \$ 385,658 | \$ 80,000 | \$ (305,658) | -79% | Only assumed Strike Team to Cover Engineers |
| Training Revenue | 17,000 | 10,000 | (7,000) | -41% | Less reimbursable training anticipated |
| Miscellaneous Revenue | 25,400 | 15,100 | (10,300) | -41% | Not teaching Columbia College class this year |
| Interest Revenue | 35,000 | 29,000 | (6,000) | -17% | Reduced Reserves after Type 6 Purchase |
| Sale of Assets | - | - | - | 0% | |
| Insurance Proceeds | - | - | - | 0% | |
| TOTAL OTHER REVENUE | \$ 463,058 | \$ 134,100 | \$ (328,958) | -71% | |

| | | | | | |
|----------------------------|---------------------|---------------------|---------------------|-------------|--|
| GRAND TOTAL REVENUE | \$ 2,257,496 | \$ 1,593,000 | \$ (664,496) | -29% | |
|----------------------------|---------------------|---------------------|---------------------|-------------|--|

| | | | | | |
|--------------------|--------|--------|------|--|--|
| Admin Transfer Out | \$ 180 | \$ 180 | \$ - | | |
|--------------------|--------|--------|------|--|--|

| | | | | | |
|-------------------------------|---------------------|---------------------|---------------------|-------------|--|
| GRAND TOTAL WITH ADMIN | \$ 2,257,676 | \$ 1,593,180 | \$ (664,496) | -29% | |
|-------------------------------|---------------------|---------------------|---------------------|-------------|--|

Twain Harte Community Services District
2026-2027 Budget
FIRE - EXPENSES

| BUDGET ITEM | BUDGET | | CHANGE | | REASON FOR CHANGE |
|-----------------------------|-------------------|-------------------|---------------------|-------------|---|
| | 25/26 Approved | 26/27 Proposed | \$ | % | |
| Salaries - 51XXX | | | | | |
| Regular Time | \$ 471,415 | \$ 493,367 | 21,952 | 5% | 2% COLA, Step increases |
| Standby Pay | 500 | 500 | 0 | 0% | |
| Overtime | 27,000 | 30,000 | 3,000 | 11% | Overtime in line with historical |
| Holiday Overtime | 26,307 | 27,873 | 1,566 | 6% | COLA, step increases |
| FLSA Overtime | 46,677 | 49,340 | 2,663 | 6% | COLA, step increases |
| Sick Leave/Vacation Pay/ATO | 10,000 | 10,000 | 0 | 0% | |
| Temp/Relief Pay | 7,500 | 6,000 | (1,500) | -20% | Less need due to Engineers |
| Intern Stipend | 89,000 | 90,000 | 1,000 | 1% | Budget for no vacancies |
| Reserve Stipends | 3,000 | 3,000 | 0 | 0% | |
| Striketeam Pay | 91,957 | 0 | (91,957) | -100% | Reimbursable strike team labor unknown |
| Striketeam Intern Pay | 75,797 | 0 | (75,797) | -100% | Reimbursable strike team labor unknown |
| Response Incentive Pay | 1,000 | 1,000 | 0 | 0% | |
| Uniform Allowance | 6,000 | 6,000 | 0 | 0% | |
| Cell Phone Stipend | 14 | 14 | 0 | 0% | |
| TOTAL SALARIES | \$ 856,167 | \$ 717,094 | \$ (139,073) | -16% | |
| Benefits - 52XXX | | | | | |
| Health & Vision Insurance | \$ 119,110 | \$ 129,882 | 10,772 | 9% | Projected rate increases |
| HRA Reimbursement | 34,718 | 34,718 | 0 | 0% | |
| CALPERS Retirement | 140,126 | 151,911 | 11,785 | 8% | Projected rate increases |
| FICA | 53,082 | 44,460 | (8,623) | -16% | Included strike team pay last fiscal year |
| Medicare | 12,414 | 10,398 | (2,017) | -16% | Included strike team pay last fiscal year |
| Workers Comp | 47,338 | 45,600 | (1,738) | -4% | Insurance discounts for training |
| Unemployment Ins/ETT | 1,055 | 1,942 | 886 | 84% | |
| TOTAL BENEFITS | \$ 407,843 | \$ 418,910 | \$ 11,067 | 3% | |

Twain Harte Community Services District

2026-2027 Budget

FIRE - EXPENSES

| BUDGET ITEM | BUDGET | | CHANGE | | REASON FOR CHANGE |
|---|-------------------|-------------------|--------------------|-------------|--|
| | 25/26 Approved | 26/27 Proposed | \$ | % | |
| Equipment, Automotive, Maintenance & Repairs | | | | | |
| Equipment Maintenance & Repair | \$ 8,600 | \$ 10,200 | 1,600 | 19% | Increased generator and SCBA services rates |
| Facilities Maintenance & Repair | 17,800 | 8,700 | (9,100) | -51% | Major plumbing repair completed last year |
| Vehicle Maintenance & Repair | 44,000 | 30,000 | (14,000) | -32% | Major engine repairs completed last Fiscal year |
| Fuel | 27,000 | 23,300 | (3,700) | -14% | Fuel price increases plus savings due to Type 6 |
| Equipment Under \$5,000 | 43,200 | 9,400 | (33,800) | -78% | Type 6 Equipment purchased last fiscal year |
| Personal Protective Equipment | 59,000 | 20,500 | (38,500) | -65% | Major structural PPE grant purchase last fiscal year |
| TOTAL EQUIP, AUTO, MAINT & REPAIRS | \$ 199,600 | \$ 102,100 | \$ (97,500) | -49% | |
| Materials & Supplies - 54XXX | | | | | |
| Office Supplies | \$ 2,000 | \$ 2,000 | 0 | 0% | |
| Postage | 400 | 400 | 0 | 0% | |
| Food Supplies | 500 | 500 | 0 | 0% | |
| Janitorial Supplies | 3,900 | 3,600 | (300) | -8% | |
| Medical Supplies | 5,100 | 3,500 | (1,600) | -31% | One time medical bag purchases last fiscal year |
| TOTAL MATERIALS & SUPPLIES | \$ 11,900 | \$ 10,000 | \$ (1,900) | -16% | |
| Outside Services - 55XXX | | | | | |
| Legal Fees | \$ 4,500 | \$ 4,500 | \$ - | 0% | |
| IT Services | 3,000 | 2,600 | (400) | -13% | |
| Engineering Services | 9,100 | 9,400 | 300 | 3% | |
| Medical Exams | 1,800 | 1,800 | 0 | 0% | |
| Background Checks | 1,000 | 1,200 | 200 | 20% | |
| Other Professional Services | 5,000 | 5,000 | 0 | 0% | |
| TOTAL OUTSIDE SERVICES | \$ 24,400 | \$ 24,500 | \$ 100 | 0% | |

Twain Harte Community Services District
2026-2027 Budget
FIRE - EXPENSES

| BUDGET ITEM | BUDGET | | CHANGE | | REASON FOR CHANGE |
|---------------------------------|---------------------|---------------------|---------------------|-------------|---|
| | 25/26 Approved | 26/27 Proposed | \$ | % | |
| Other - 56XXX | | | | | |
| Utilities | \$ 16,100 | \$ 15,800 | (300) | -2% | |
| Phone/Communications | 8,900 | 9,300 | 400 | 4% | |
| Software Licenses & Maintenance | 14,100 | 13,700 | (400) | -3% | |
| Property/Liability Insurance | 45,000 | 48,200 | 3,200 | 7% | Additional cost for Type 6 |
| Dues & Memberships | 4,200 | 4,200 | 0 | 0% | |
| Licenses & Certifications | 2,500 | 2,500 | 0 | 0% | |
| Training, Conferences & Travel | 15,000 | 14,000 | (1,000) | -7% | Less training need anticipated |
| Training - Reimbursable | 17,000 | 10,000 | (7,000) | -41% | Less reimbursed training projected this fiscal year |
| Advertising & Public Education | 1,700 | 1,700 | 0 | 0% | |
| Claims | 1,000 | | (1,000) | -100% | No claims anticipated |
| TOTAL OTHER | \$ 125,500 | \$ 119,400 | \$ (6,100) | -5% | |
| Debt Service - 58XXX | | | | | |
| Interest on Long Term Debt | - | - | - | 0% | |
| Principal on Long Term Debt | - | - | - | 0% | |
| TOTAL DEBT SERVICE | \$ - | \$ - | \$ - | 0% | |
| GRAND TOTAL EXPENSES | \$ 1,625,410 | \$ 1,392,004 | \$ (233,406) | -14% | |
| Admin Transfer Out | \$ 156,580 | \$ 160,102 | \$ 3,522 | 2% | |
| GRAND TOTAL WITH ADMIN | \$ 1,781,990 | \$ 1,552,106 | \$ (229,884) | | |
| Capital Outlay - 57XXX | | | | | |
| Community Center Improvements | 4,000 | 0 | (4,000) | -100% | Completed last Fiscal Year |
| Training/Admin Parking Lot | 359,000 | 0 | (359,000) | -100% | Completed last Fiscal Year |
| Infrared UAV | 12,062 | 0 | (12,062) | -100% | Completed last Fiscal Year |
| Type 6 Engine | 436,300 | 437,500 | 1,200 | 0% | Unanticipated Fees included in Type 6 purchase |
| TOTAL CAPITAL OUTLAY | \$ 811,362 | \$ 437,500 | \$ (373,862) | -46% | |
| GRAND TOTAL WITH CAPITAL | \$ 2,593,352 | \$ 1,989,606 | \$ (603,746) | | |

5-YEAR CAPITAL OUTLAY PLAN

Fire Fund - FY 26/27

| | Previously Expended | Projected FY 25-26 | Requested FY 26-27 | FY 27-28 | FY 28-29 | FY 29-30 | FY 30-31 | Out Years 6 to 10 | Total |
|--|---------------------|--------------------|--------------------|------------------|-------------|------------------|-------------|-------------------|---------------------|
| Community Center Improvements ⁴ | \$ 92,043 | \$ 3,500 | | | | | | | \$ 95,543 |
| Training Parking Lot ^{4,5} | \$ 103,234 | \$ 352,392 | | | | | | | \$ 455,626 |
| Infrared UAV | | \$ 12,062 | | | | | | | \$ 12,062 |
| Type 6 Fire Engine | | | \$ 437,500 | | | | | | \$ 437,500 |
| Burn Prop Expansion | | | | \$ 50,000 | | | | | \$ 50,000 |
| Replace Utility 721 | | | | | | \$ 84,900 | | | \$ 84,900 |
| Vehicle/Equipment Replacement | | | | | | | | \$ 957,600 | \$ 957,600 |
| TOTAL CAPITAL OUTLAY | \$ 195,277 | \$ 367,954 | \$ 437,500 | \$ 50,000 | \$ - | \$ 84,900 | \$ - | \$ 957,600 | \$ 2,093,231 |

NOTES:

- 1 Vehicle/Equipment replacement items match the THCS D Vehicle/Equipment Replacement Plan.
- 2 An inflation factor of 3% per year has been applied to future capital costs.
- 3 Project completed or anticipated to be completed in previous fiscal year.
- 4 Entire project was budgeted in previous fiscal year. New budget requests represent anticipated unspent funds and will be adjusted to reflect actuals at mid-year.
- 5 Grant funded project - Stormwater Grant Program: \$432,779 Grant

Attachment G: FY 26/27 Park Fund Budget & Capital Outlay Plan

Twain Harte Community Services District

2026-2027 Budget

PARK - REVENUE

| BUDGET ITEM | BUDGET | | CHANGE | | REASON FOR CHANGE |
|--------------------------------------|-------------------|-------------------|-------------------|-------------|--|
| | 25/26 Approved | 26/27 Proposed | \$ | % | |
| Fees | | | | | |
| Facility/Ground Usage Fees | | | | | |
| Community Center | 5,000 | 4,700 | (300) | -6% | |
| Baseball | 1,500 | 2,500 | 1,000 | 67% | Bigfoot Festival Returning to Twain Harte |
| Park | 6,500 | 7,000 | 500 | 8% | |
| Tennis/Pickleball | 500 | 900 | 400 | 80% | |
| TOTAL FEES | \$ 13,500 | \$ 15,100 | \$ 1,600 | 12% | |
| Taxes & Assessments | | | | | |
| Secured & Unsecured Taxes | \$ 35,800 | \$ 37,300 | \$ 1,500 | 4% | Assumed 3% increase over actuals |
| Property Assessments | 126,700 | 129,600 | 2,900 | 2% | Assessment CPI increase |
| TOTAL TAXES & ASSESSMENTS | \$ 162,500 | \$ 166,900 | \$ 4,400 | 3% | |
| Grants & Donations | | | | | |
| Grant Revenue | 83,000 | 93,500 | \$ 10,500 | 13% | TPPA Efficiency Grant for Park Solar Lights |
| Donation Revenue | 18,000 | 18,000 | - | 0% | |
| TOTAL GRANTS & DONATIONS | \$ 101,000 | \$ 111,500 | \$ 10,500 | 10% | |
| Other Revenue | | | | | |
| Sale of Assets | - | - | \$ - | 0% | |
| Lease Revenue | 1,200 | 3,300 | \$ 2,100 | 175% | Full Year Snack Shack Lease + Assumed profit |
| Interest Revenue | 13,500 | 7,500 | (6,000) | -44% | Less Reserves |
| TOTAL OTHER REVENUE | \$ 14,700 | \$ 10,800 | \$ (3,900) | -27% | |
| GRAND TOTAL REVENUE | \$ 291,700 | \$ 304,300 | \$ 12,600 | 4% | |
| Admin Transfer Out | \$ 100 | \$ 100 | \$ - | | |
| GRAND TOTAL WITH ADMIN | \$ 291,800 | \$ 304,400 | \$ 12,600 | | |

Twain Harte Community Services District
2026-2027 Budget
PARK - EXPENSES

| BUDGET ITEM | BUDGET | | CHANGE | | REASON FOR CHANGE |
|---------------------------|------------------|------------------|-----------------|------------|--|
| | 25/26 Approved | 26/27 Proposed | \$ | % | |
| Salaries - 51XXX | | | | | |
| Regular Time | \$ 17,149 | \$ 19,373 | \$ 2,224 | 13% | 3% COLA, Step increases, full staffing |
| Overtime | 250 | 250 | - | 0% | |
| Sick Leave/Vacation Pay | 250 | 250 | - | 0% | |
| Uniform Allowance | - | - | - | 0% | |
| Cell Phone Stipend | 144 | 144 | - | 0% | |
| TOTAL SALARIES | \$ 17,793 | \$ 20,017 | \$ 2,224 | 12% | |
| Benefits - 52XXX | | | | | |
| Health & Vision Insurance | \$ 8,827 | \$ 9,625 | \$ 797 | 9% | |
| HRA Reimbursement | 2,248 | 2,248 | \$ - | 0% | |
| CALPERS Retirement | 1,702 | 1,944 | \$ 242 | 14% | |
| FICA | 1,103 | 1,241 | \$ 138 | 12% | |
| Medicare | 258 | 290 | \$ 32 | 12% | |
| Workers Comp | 280 | 300 | \$ 20 | 7% | |
| Unemployment Ins/ETT | 54 | 100 | \$ 46 | 84% | |
| TOTAL BENEFITS | \$ 14,472 | \$ 15,748 | \$ 1,275 | 9% | |

Twain Harte Community Services District
2026-2027 Budget
PARK - EXPENSES

| BUDGET ITEM | BUDGET | | CHANGE | | REASON FOR CHANGE |
|---|------------------|------------------|-----------------|------------|---|
| | 25/26 Approved | 26/27 Proposed | \$ | % | |
| Equipment, Automotive, Maintenance & Repairs | | | | | |
| Equipment Maintenance & Repair | \$ 500 | \$ 500 | - | 0% | |
| Facilities Maintenance & Repair | | | - | 0% | |
| Community Center | 1,400 | 1,500 | 100 | 7% | |
| Baseball Field | 4,200 | 3,000 | (1,200) | -29% | One-time projects completed last fiscal year |
| Park | 10,600 | 13,300 | 2,700 | 25% | DG needed for picnic area by sinkhole repairs |
| Tennis Courts | 900 | 1,100 | 200 | 22% | |
| Landscaping Services | - | | - | 0% | |
| Janitorial/Cleaning Services | - | | - | 0% | |
| Equipment Under \$5,000 | | | - | 0% | |
| Community Center | 500 | 700 | 200 | 40% | |
| Baseball Field | 1,000 | 1,000 | - | 0% | |
| Park | 3,000 | 9,300 | 6,300 | 210% | Permanent Christmas lighting & new lawnmower |
| Tennis Courts | 3,100 | 300 | (2,800) | -90% | Tennis screens purchased last fiscal year |
| TOTAL EQUIP, AUTO, MAINT & REPAIRS | \$ 25,200 | \$ 30,700 | \$ 5,500 | 22% | |
| Materials & Supplies - 54XXX | | | | | |
| Janitorial Supplies | \$ 2,500 | \$ 2,300 | \$ (200) | -8% | |
| TOTAL MATERIALS & SUPPLIES | \$ 2,500 | \$ 2,300 | \$ (200) | -8% | |
| Outside Services - 55XXX | | | | | |
| Engineering Services | \$ 4,700 | \$ 4,800 | \$ 100 | 2% | |
| Other Professional Services | | 700 | 700 | 700% | |
| TOTAL OUTSIDE SERVICES | \$ 4,700 | \$ 5,500 | \$ 800 | 17% | |

Twain Harte Community Services District
2026-2027 Budget
PARK - EXPENSES

| BUDGET ITEM | BUDGET | | CHANGE | | REASON FOR CHANGE |
|-----------------------------------|-------------------|-------------------|---------------------|-------------|---|
| | 25/26 Approved | 26/27 Proposed | \$ | % | |
| Other - 56XXX | | | | | |
| Utilities | | | | | |
| Community Center | 2,400 | 2,400 | - | 0% | |
| Baseball Field | 8,500 | 8,700 | 200 | 2% | |
| Park | 12,000 | 12,600 | 600 | 5% | |
| Phone/Communications | 800 | 800 | - | 0% | |
| Computer Licenses & Maintenance | - | | - | 0% | |
| Property/Liability Insurance | 4,700 | 4,500 | (200) | -4% | |
| Advertising & Public Education | 6,500 | 6,700 | 200 | 3% | |
| TOTAL OTHER | \$ 34,900 | \$ 35,700 | \$ 800 | 2% | |
| GRAND TOTAL EXPENSES | \$ 99,565 | \$ 109,964 | \$ 10,399 | 10% | |
| Admin Transfer Out | \$ 86,989 | \$ 88,946 | \$ 1,957 | | |
| GRAND TOTAL WITH ADMIN | \$ 186,554 | \$ 198,910 | \$ 12,356 | 7% | |
| Capital Outlay - 57XXX | | | | | |
| Tennis/Pickleball Court Expansion | \$ 120,000 | \$ - | \$ (120,000) | -100% | Completed last Fiscal Year |
| Community Center Improvements | \$ 4,000 | | \$ (4,000) | -100% | Completed last Fiscal Year |
| TH Meadows Park | \$ 75,200 | \$ - | \$ (75,200) | -100% | Completed last Fiscal Year |
| Snack Shack Roof Replacement | \$ 10,300 | \$ - | \$ (10,300) | -100% | Completed last Fiscal Year |
| Skate Park Improvements | \$ 15,000 | \$ 5,000 | \$ (10,000) | -67% | Rollover from last Fiscal Year |
| Eproson Park Solar Lights | | \$ 93,500 | \$ 93,500 | 93500% | Grant Project |
| Playground Replacement | | \$ 10,000 | \$ 10,000 | 10000% | Start community-designed playground replace |
| TOTAL CAPITAL OUTLAY | \$ 224,500 | \$ 108,500 | \$ (116,000) | -52% | |
| GRAND TOTAL WITH CAPITAL | \$ 411,054 | \$ 307,410 | \$ (103,644) | -25% | |

5-YEAR CAPITAL OUTLAY PLAN

Park Fund - FY 26/27

| | Previously Expended | Projected FY 25-26 | Requested FY 26-27 | FY 27-28 | FY 28-29 | FY 29-30 | FY 30-31 | Out Years 6 to 10 | Total |
|--|---------------------|--------------------|--------------------|-------------------|------------------|------------------|-------------|-------------------|---------------------|
| Tennis/Pickleball Court Expansion ⁵ | \$ 282,611 | \$ 117,000 | | | | | | | \$ 399,611 |
| Community Center Improvements | \$ 92,043 | \$ 3,500 | | | | | | | \$ 95,543 |
| Twain Harte Meadows Park ⁶ | \$ 2,869,047 | \$ 66,922 | | | | | | | \$ 2,935,969 |
| Snack Shack Roof Replacement | | \$ 10,300 | | | | | | | \$ 10,300 |
| Eproson Parking Lot Solar Lights ⁷ | | | \$ 93,500 | | | | | | \$ 93,500 |
| Skate Park Improvements | | \$ - | \$ 5,000 | \$ 10,000 | \$ 35,000 | | | | \$ 50,000 |
| Old Playground Replacement | | | \$ 10,000 | \$ 90,000 | | | | | \$ 100,000 |
| Bleacher Replacement | | | | | \$ 25,000 | | | | \$ 25,000 |
| Reseal Park Parking Lot | | | | | | \$ 15,000 | | \$ 15,000 | \$ 30,000 |
| TOTAL CAPITAL OUTLAY | \$ 3,243,701 | \$ 197,722 | \$ 108,500 | \$ 100,000 | \$ 60,000 | \$ 15,000 | \$ - | \$ 15,000 | \$ 3,739,923 |

NOTES:

- 1 Vehicle/Equipment replacement items match the THCS D Vehicle/Equipment Replacement Plan.
- 2 An inflation factor of 3% per year has been applied to future capital costs.
- 3 Project completed or anticipated to be completed in previous fiscal year.
- 4 A portion of the project was budgeted in previous fiscal year. New budget requests represent anticipated unspent funds and will be adjusted to reflect actuals at mid-year.
- 5 Grant funded project - Per Capita Grant/SAF Grant: \$225,702 Grant
- 6 Grant funded project - Stormwater Grant & Rural Recreation/Tourism Grant: \$2,951,955 Grant
- 7 Grant funded project - Energy Efficiency Grant: \$93,500 Grant

Attachment H: FY 26/27 Administrative Budget

Twain Harte Community Services District

2026-2027 Budget

ADMIN - REVENUE

| BUDGET ITEM | BUDGET | | CHANGE | | REASON FOR CHANGE |
|-------------|----------------|----------------|--------|---|-------------------|
| | 25/26 Approved | 26/27 Proposed | \$ | % | |

| Other Revenue | | | | | |
|----------------------------|-----------------|-----------------|-------------|-----------|--|
| Grant Revenue | | | \$ - | 0% | |
| Miscellaneous Revenue | 1,000 | 1,000 | - | 0% | |
| Interest Revenue | | | - | 0% | |
| Lease Revenue | | | - | 0% | |
| Sale of Assets | | | - | 0% | |
| Other | | | - | 0% | |
| TOTAL OTHER REVENUE | \$ 1,000 | \$ 1,000 | \$ - | 0% | |

| | | | | | |
|----------------------------|-----------------|-----------------|-------------|-----------|--|
| GRAND TOTAL REVENUE | \$ 1,000 | \$ 1,000 | \$ - | 0% | |
|----------------------------|-----------------|-----------------|-------------|-----------|--|

Twain Harte Community Services District

2026-2027 Budget

ADMIN - EXPENSES

| BUDGET ITEM | BUDGET | | CHANGE | | REASON FOR CHANGE |
|---|-------------------|-------------------|------------------|------------|-------------------------------------|
| | 25/26 Approved | 26/27 Proposed | \$ | % | |
| Salaries - 51XXX | | | | | |
| Regular Time | \$ 425,754 | \$ 443,747 | 17,993 | 4% | 3% COLA + Step Increases |
| Uniform Allowance | 0 | 0 | 0 | 0% | |
| Sick Leave/Vacation Pay | 10,000 | 10,000 | 0 | 0% | |
| Director Stipends | 8,880 | 8,880 | 0 | 0% | |
| Cell Phone Stipend | 259 | 259 | 0 | 0% | |
| TOTAL SALARIES | \$ 444,893 | \$ 462,887 | \$ 17,993 | 4% | |
| Benefits - 52XXX | | | | | |
| Health & Vision Insurance | \$ 105,387 | \$ 114,876 | \$ 9,489 | 9% | Anticipated Rate Increases |
| HRA Reimbursement | 28,153 | 28,153 | 0 | 0% | |
| Retirement | 87,845 | 96,232 | 8,387 | 10% | Anticipated PERS Rate Increases |
| FICA | 25,827 | 26,592 | 765 | 3% | |
| Medicare | 6,939 | 7,232 | 294 | 4% | |
| Workers Comp | 4,124 | 4,400 | 276 | 7% | |
| Unemployment Ins/ETT | 1,200 | 1,887 | 686 | 57% | |
| TOTAL BENEFITS | \$ 259,474 | \$ 279,371 | \$ 19,897 | 8% | |
| Equipment, Automotive, Maintenance & Repairs | | | | | |
| Equipment Maintenance & Repair | \$ 800 | \$ 1,000 | \$ 200 | 25% | |
| Facilities Maintenance & Repair | 4,100 | 6,100 | 2,000 | 49% | Need to replace Office front door |
| Janitorial/Cleaning Services | 700 | 700 | 0 | 0% | |
| Fuel | 1,600 | 1,600 | 0 | 0% | |
| Equipment Under \$5,000 | 6,700 | 5,200 | (1,500) | -22% | Computers replaced last fiscal year |
| TOTAL EQUIP, AUTO, MAINT & REPAIR | \$ 13,900 | \$ 14,600 | \$ 700 | 5% | |
| Materials & Supplies - 54XXX | | | | | |
| Office Supplies | \$ 2,400 | \$ 2,100 | \$ (300) | -13% | |
| Postage | 1,000 | 1,200 | 200 | 20% | |
| Janitorial Supplies | 400 | 400 | 0 | 0% | |
| TOTAL MATERIALS & SUPPLIES | \$ 3,800 | \$ 3,700 | \$ (100) | -3% | |

Twain Harte Community Services District

2026-2027 Budget

ADMIN - EXPENSES

| BUDGET ITEM | BUDGET | | CHANGE | | REASON FOR CHANGE |
|----------------------------------|-------------------|-------------------|-------------------|-------------|--|
| | 25/26 Approved | 26/27 Proposed | \$ | % | |
| Outside Services - 55XXX | | | | | |
| Auditing/Accounting Services | \$ 31,500 | \$ 20,500 | \$ (11,000) | -35% | Consulting services reduced with Accountant hire |
| Legal Fees | 4,500 | 6,000 | 1,500 | 33% | Needed for upcoming labor negotiations |
| IT Services | 3,500 | 6,500 | 3,000 | 86% | IT exploration of AI to improve efficiencies |
| Medical Exams | 300 | 0 | (300) | -100% | |
| Other Professional Services | \$ 3,200 | \$ 3,200 | 0 | 0% | |
| TOTAL OUTSIDE SERVICES | \$ 43,000 | \$ 36,200 | \$ (6,800) | -16% | |
| Other - 56XXX | | | | | |
| Utilities | \$ 8,600 | \$ 8,100 | \$ (500) | -6% | |
| Phone/Communications | 4,400 | 4,000 | (400) | -9% | |
| Software Licenses & Maintenance | 26,400 | 25,200 | (1,200) | -5% | One-time implementation fees paid last fiscal year |
| Property/Liability Insurance | 15,800 | 15,100 | (700) | -4% | |
| Dues & Memberships | 7,900 | 11,100 | 3,200 | 41% | LAFCO increases + Latent Powers Application |
| Licenses & Certifications | 1,000 | 300 | (700) | -70% | |
| Training, Conferences & Travel | 27,500 | 26,900 | (600) | -2% | |
| Advertising & Public Education | 1,500 | 1,500 | 0 | 0% | |
| Bank/Investment Fees | 500 | 500 | - | 0% | |
| TOTAL OTHER | \$ 93,600 | \$ 92,700 | \$ (900) | -1% | |
| GRAND TOTAL EXPENSES | \$ 858,667 | \$ 889,458 | \$ 30,791 | 4% | |
| Admin Transfer Out | \$ (858,667) | \$ (889,458) | \$ 30,791 | | |
| GRAND TOTAL WITH TRANSFER | \$ - | \$ - | | | |



Board Meeting Agenda Item Summary

June 10, 2026

| | | | |
|------------------------------------|---|-------------------|--|
| ITEM #: | 07A | ITEM TYPE: | <input type="checkbox"/> Discussion <input type="checkbox"/> Action <input checked="" type="checkbox"/> Both |
| SUBJECT: | Discussion/action regarding a Lease Agreement with Twain Harte Area Chamber of Commerce for storage at the old bathroom building at Eproson Park. | | |
| RELATION TO STRATEGIC PLAN: | <input checked="" type="checkbox"/> N/A <input type="checkbox"/> Advances Goal/Objective #'s: _____ | | |

RECOMMENDED ACTION:

Approve a Lease Agreement with Twain Harte Area Chamber of Commerce for storage at the old bathroom building at Eproson Park.

SUMMARY:

The old bathroom building at Eproson Park (bathroom nearest the ballfield) is outdated, deteriorated and has constant plumbing issues. The old bathroom building is currently only open during large events and requires significant pre-event maintenance to minimize after-hours sewer call-outs during the events. The District's 2019 Strategic Plan identified an objective to either repair/upgrade the old bathrooms, demolish them, or convert them into another use. The Park Committee determined that the high costs to repair/upgrade the old bathroom building were not worthwhile since new bathrooms were recently added in the adjacent Twain Harte Meadows Park.

In April, the Twain Harte Area Chamber of Commerce (Chamber) approached District staff with a request to construct a storage building in Eproson Park to improve access to supplies needed for Concerts in the Park and other large community events. At the same time, during initial Fiscal Year 2026-27 budget preparation, District Operations Division staff also identified a need for onsite storage of park maintenance equipment. Staff determined that the old bathroom building could be converted to a shared storage space for the District and Chamber, solving both the storage needs and the ongoing bathroom maintenance issues.

The proposed Lease Agreement sets forth a lease term of 5 years, an annual rent of \$5, a requirement for the Chamber to pay for any work to convert the bathroom building into a storage facility, parameters for shared storage space, and requirements for an equal share of costs to maintain the building exterior. The terms of have been discussed by the Park Committee and the Committee recommends the Board approve the Lease Agreement.

FINANCIAL IMPACT:

Approval of the Lease Agreement is expected to reduce park maintenance costs associated with ongoing issues at the old bathroom building, reduce future building maintenance costs, and eliminate the need for the District to build storage for park equipment.

ATTACHMENTS:

- Lease Agreement – Eproson Park Old Bathroom/Storage Building

LEASE AGREEMENT

Eproson Park Old Bathroom/Storage Building

This Lease Agreement ("Lease") is made by and between **TWAIN HARTE COMMUNITY SERVICES DISTRICT** ("Landlord"), a public district of the State of California, and **TWAIN HARTE AREA CHAMBER OF COMMERCE** ("Tenant"). In consideration of the mutual promises herein and other good and valuable consideration, it is agreed as follows:

1. Property

- A. Leased Premises. Landlord is the owner of land and improvements commonly known as Eproson Park on Meadow Drive, Twain Harte, California, also known as Assessor's Parcel Number 049-170-011 in Tuolumne County. The "Leased Premises" in this Lease is the Old Bathroom/Storage Building on said property, as shown in Exhibit A.
- B. Exclusions – Building Interior. The utility closet on the rear portion of the Storage Building, which can only be accessed from the exterior of the building is not included in the Leased Premises and shall remain in use as storage.
- C. Exclusions – Exterior Facilities. The parking area, playground, adjacent bathroom building, and areas adjacent to the Leased Premises must be kept open to the public or park facility renters at all times and are not included as part of the Leased Premises. Tenant shall not block off or restrict public use or access to surrounding park areas.
- D. Exterior Building Use. Tenant shall not install signage or other fixtures on the exterior nor modify the exterior of the Storage Building without prior written permission from the Landlord.
- E. Shared Spaces. Tenant shall share space in the left Storage Building with the Landlord for storage of park maintenance equipment. Landlord's storage space shall be approximately 30 square feet, as shown in Exhibit B, and will be clearly delineated by markings on the building floor. A clear walkway to and from the Landlord's storage space and the door shall be continually maintained for access and Landlord shall be provided access to the space at all times. Tenant and Landlord may agree to alternate space-sharing layout options as long as Landlord's storage requirements, in the sole opinion of the Landlord, are maintained.

2. Term

- A. Initial Term. Landlord hereby leases the Leased Premises to Tenant, and Tenant hereby leases the same from Landlord, for a "Term" of five (5) years beginning on the Commencement Date of this Lease – **June 10, 2026**
- B. Automatic Extension. After the initial Term, this Lease shall automatically extend for the period of one year, unless terminated by either party, pursuant to the provisions of Section 16.

3. Use

- A. Type of Use. Tenant intends to use the Leased Premises for storage. Tenant shall not use the Leased Premises for any other purpose without the written consent of the Landlord.
- B. Use Insurance. Tenant shall be responsible to obtain, maintain and comply with all insurance requirements needed for Tenant's use.

4. Rent.

- A. Rental Fee. Tenant shall pay to Landlord an annual rent of **\$5.00** ("Rent") during the Term.
- B. Rent Due Date: The first payment shall be made on the Commencement Date and each subsequent payment during the Lease Term shall be due in advance on June 1st of each calendar year to Landlord by mail or delivered in person.
- C. Utilities. Rent shall include payment for Storage Building electricity, which will be paid by the Landlord. Tenant shall be responsible for all other utilities not listed herein.
- D. Failure to Pay. In the event the Tenant fails to pay Rent by July 1st of each calendar year, or the Tenant's check is returned by the financial institution on which it is drawn for insufficient funds, Tenant shall pay the Landlord a late fee in addition to the Rent in amount equal to \$100.

5. Security Deposit.

No security deposit is required; however, Tenant will be responsible to repair all damages to the Storage Building resulting from Tenant's use.

6. Condition of the Property

- A. AS-IS Condition. The Tenant will lease the Leased Premises in its "AS IS" condition as such condition exists as of the Commencement Date.
- B. No Representations. The Tenant acknowledges that except as expressly set forth herein, the Landlord makes no representations or warranties expressed or implied regarding the condition of the Property or the fitness or suitability thereof for the Tenant's purposes. The Tenant shall rely solely on its own independent investigation and judgment as to all matters relating to the Leased Premises. The Tenant acknowledges and agrees that prior to the Commencement Date it has made such investigations of the Property and has approved all such characteristics and conditions and shall lease the Property in its condition as of the Commencement Date "AS-IS" "WHERE-IS" AND WITH ALL FAULTS. The Tenant further acknowledges that the Landlord has made available all data and information on the Leased Premises available to the Landlord, but without warranty or representation by the Landlord as to the completeness, correctness or validity of such data and information, except as otherwise set forth in this Agreement.
- C. Restoration of Leased Premises. At the end of the Term, Tenant agrees to return the Leased Premises to a neat and orderly condition as close to or better than the condition of the Leased Premises at the time of the Commencement Date.

7. Maintenance.

- A. Ongoing Maintenance – Building Interior. The Tenant, at Tenant's sole expense, shall operate, maintain and manage the interior of the Leased Premises in good order and repair and in neat, clean, sanitary and safe condition, in compliance with all local, state and federal laws, statutes and regulations relating to the use, occupancy or operation of the Leased Premises.
- B. Ongoing Maintenance – Building Exterior. The Landlord shall operate, maintain and manage the exterior of the Leased Premises in good order and repair relating to its use. All costs expended by the Landlord to maintain the exterior of the Leased Premises shall be shared equally with the Tenant.

- C. Inspection. At any time during the Term, upon reasonable advance notice and during normal business hours, the Landlord may conduct inspections of the Leased Premises to confirm that it is being properly maintained as required herein. Following the inspection, the Landlord may deliver to the Tenant a written notice of any portions of the Leased Premises and/or Shared Spaces that are not being properly maintained and the Tenant shall promptly prepare and deliver to the Landlord the Tenant's proposed plan for remedying all such indicated deficiencies. The Tenant's failure to deliver such plan or to complete remedial work within a reasonable time, as determined by the Landlord, shall be a default under this Lease.
- D. Landlord's Right to Perform Tenant Obligations. If following notice and the expiration of any applicable cure period, the Tenant fails to perform its obligations to maintain the Leased Premises, the Landlord shall have the right, but not obligation, to perform such work upon delivery of written notice to the Tenant, and Tenant shall reimburse Landlord for all expenditures the Landlord incurs in connection with such work.

8. Repairs.

- A. Repairs – Building Interior. The Tenant, at Tenant's sole expense, shall be responsible for any repairs of the interior of the Leased Premises, including, but not limited to such items as routine repairs of floors, walls, ceilings, and other parts of the Leased Premises damaged or worn through normal occupancy.
- B. Repairs – Building Exterior. The Landlord shall be responsible to perform any necessary repairs of the exterior of the Leased Premises. All costs expended by the Landlord to repair the exterior of the Leased Premises shall be shared equally with the Tenant.

In making the repairs called for in this Paragraph, Landlord shall not be liable for any delays resulting from strikes, governmental restrictions, inability to obtain necessary materials or labor or other matters which are beyond the reasonable control of Landlord. Tenant shall be relieved from paying rent and other charges during any portion of the Lease term that the Leased Premises are inoperable or unfit for occupancy, or use, in whole or in part, for Tenant's purposes.

9. Alterations and Improvements.

- A. Initial Alterations. Any alterations needed to convert the Leased Premises from a bathroom space into a storage space shall be the responsibility of the Tenant, including all associated costs.
- B. Tenant Alterations. Tenant, at Tenant's expense, shall have the right, following Landlord's written consent, to remodel, redecorate, and make additions, improvements and replacements of and to all or any part of the interior of the Leased Premises as Tenant may deem desirable, provided the same are made in a workmanlike manner and utilizing good quality materials. Tenant shall have the right to place and install personal property, trade fixtures, equipment and other temporary installations in and upon the Leased Premises, and fasten the same to the interior of the premises. All personal property, equipment, machinery, trade fixtures and temporary installations, whether acquired by Tenant at the commencement of the Lease Term or placed or installed on the Leased Premises by Tenant thereafter, shall remain Tenant's property free and clear of any claim by Landlord. Tenant shall have the right to remove the same at any time during the term of this Lease provided that all damage to the Leased Premises caused by such removal shall be repaired by Tenant at Tenant's expense.

- C. Landlord Alterations. Landlord shall have the right, after reasonable coordination with the Tenant, to perform work on the Leased Premises, so long as such work does not unreasonably interfere with the Tenant's business. Notwithstanding any contrary provision herein, the Landlord shall not be obligated to make any repairs, alterations, additions, improvement or betterments to the Leased Premises during the Term of this Lease.

10. Indemnity.

- A. The Tenant shall indemnify, defend (with counsel reasonably acceptable to the Landlord) and hold the indemnitees harmless from and against any and all claims arising during the Term of this Lease.
- B. Tenant shall defend, save harmless and indemnify Landlord, its officers and employees from any and all claims which arise out of the terms and conditions of this Agreement and which result from the negligent acts or omissions of Tenant, its officers, employees and contractors.
- C. Landlord shall defend, save harmless, and indemnify Tenant, its officers and employees from any and all claims for injuries or damage to persons and/or property which arise out of the terms and conditions of this Agreement and which result from the negligent acts or omissions of Landlord, its officers, employees and contractors.
- D. In the event of concurrent negligence of Landlord, its officers and/or employees, and Tenant, its officers and/or employees, then the liability for any and all claims for injuries or damage to persons and/or property which arise out of terms and conditions of this Agreement shall be apportioned according to the California theory of comparative negligence.
- E. This section shall include, without limitation, any actions, claims, suits, demands, and liability of every name, kind, and description brought for, or on account of injuries to or death of any person, including Tenant or Landlord, or damage to property of any kind whatsoever and to whomsoever belonging.
- F. The duty to indemnify and hold harmless as set forth herein shall include the duty to defend as set forth in Civil Code Section 2778.

11. Non-Liability of Officials

No member, official, employee or agent of the Landlord shall be personally liable to Tenant or its successors in interest in the event of any default or breach by the Landlord or for any amount which may become due to the Tenant or the Tenant's permitted successors in interest pursuant to this Agreement.

12. Insurance.

- A. If the Leased Premises or any other part of the Building is damaged by fire or other casualty resulting from any act or negligence of Tenant or any of Tenant's agents, employees or invitees, rent shall not be diminished or abated while such damages are under repair, and Tenant shall be responsible for the costs of repair not covered by insurance.
- B. Landlord shall maintain fire and extended coverage insurance on the Building and the Leased Premises in such amounts as Landlord shall deem appropriate. Tenant shall be responsible, at its expense, for fire and extended coverage insurance on all of its personal property, including removable trade fixtures, located in the Leased Premises.

- C. Tenant and Landlord shall, each at its own expense, maintain a policy or policies of Comprehensive General Liability insurance with respect to the respective activities of each in and around the Leased Premises with the premiums thereon fully paid on or before due date. Minimum coverage limits of such insurance policy shall be \$1,000,000 combined single limit coverage of bodily injury, property damage or combination thereof.
- D. Landlord shall be listed as an additional insured on Tenant's policy or policies of Comprehensive General Liability insurance, and Tenant shall provide Landlord with current Certificates of Insurance evidencing Tenant's compliance.
- E. Tenant shall obtain the agreement of Tenant's insurers to notify Landlord that a policy is due to expire at least (10) days prior to such expiration.
- F. Landlord shall not be required to maintain insurance against thefts within the Leased Premises.

13. Damage and Destruction.

The Landlord may choose not to make repairs to the Leased Premises if the Leased Premises are significantly damaged in a catastrophic event or other unforeseen circumstance. If such damages render the Leased Premises unusable for the Tenant's purposes, then Tenant shall have the right within ninety (90) days following damage to elect by notice to Landlord to terminate this Lease as of the date of such damage.

14. Default.

Should Tenant default in the performance of any of the terms of this lease, or fail to pay any installment of rent when due, and fail to cure said rent or performance within fourteen (14) days after notice to Tenant, then Landlord may, at its option, declare Lease at an end and take possession of the Leased Premises, removing Tenant's property therefrom. In addition, Landlord shall have all rights reserved by law, and Tenant hereby waives the provisions of Sections 1941 and 1942 of the Civil Code of the State of California.

15. Waiver.

No waiver of any default of Landlord or Tenant hereunder shall be implied from any omission to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver and that only for the time and to the extent therein stated. One or more waivers by Landlord or Tenant shall not be construed as a waiver of a subsequent breach of the same covenant, term or condition.

16. Termination.

Either party may terminate this Lease by giving the other party written notice not less than 45 days in advance of the next upcoming renewal term.

17. Notice.

Any notice required or permitted under this Lease shall be sent or delivered to:

Landlord:
Tom Trott, General Manager

Twain Harte Community Services District
22912 Vantage Pointe Drive
Twain Harte, CA 95383
ttrott@twainhartecsd.com
(209) 586-3172

Tenant:
Twain Harte Area Chamber of Commerce
P.O. Box 404
Twain Harte, CA 95383
info@twainhartecc.com
(209) 791-8422

Landlord and Tenant shall each have the right from time to time to change the place notice is to be given under this paragraph by written notice thereof to the other party.

18. Memorandum of Lease.

The parties hereto contemplate that this Lease should not and shall not be filed for record, but in lieu thereof, at the request of either party, Landlord and Tenant shall execute a Memorandum of Lease to be recorded for the purpose of giving record notice of the appropriate provisions of this Lease.

19. Successors.

The provisions of this Lease shall extend to and be binding upon Landlord and Tenant and their respective legal representatives, successors and assigns. This Lease can be transferred or sold at the sole discretion of the Landlord.

22. Consent.

Landlord shall not unreasonably withhold or delay its consent with respect to any matter for which Landlord's consent is required or desirable under this Lease.

23. Compliance with Law.

Tenant shall comply with all laws, orders, ordinances and other public requirements now or hereafter pertaining to Tenant's use of the Leased Premises. Landlord shall comply with all laws, orders, ordinances and other public requirements now or hereafter affecting the Leased Premises.

24. Final Agreement.

This Agreement terminates and supersedes all prior understandings or agreements on the subject matter hereof. This Agreement may be modified only by a further writing that is duly executed by both parties.

25. Governing Law.

This Agreement shall be governed, construed and interpreted by, through and under the Laws of the State of California.

26. Severability.

If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year first above written.

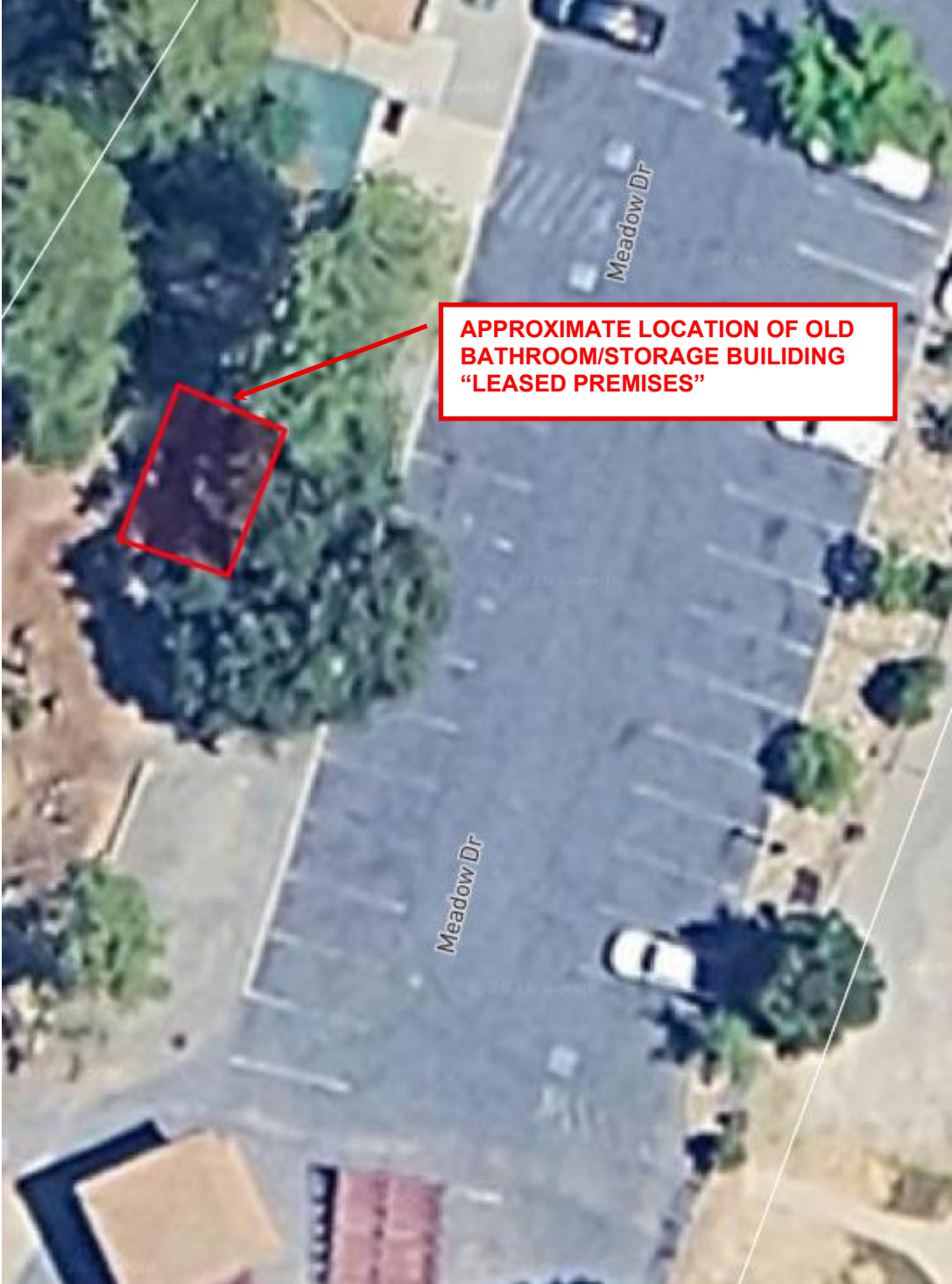
LANDLORD – TWAIN HARTE COMMUNITY SERVICES DISTRICT

Tom C. Trott, General Manager

TENANT – TWAIN HARTE AREA CHAMBER OF COMMERCE

Glen Cantrell, President

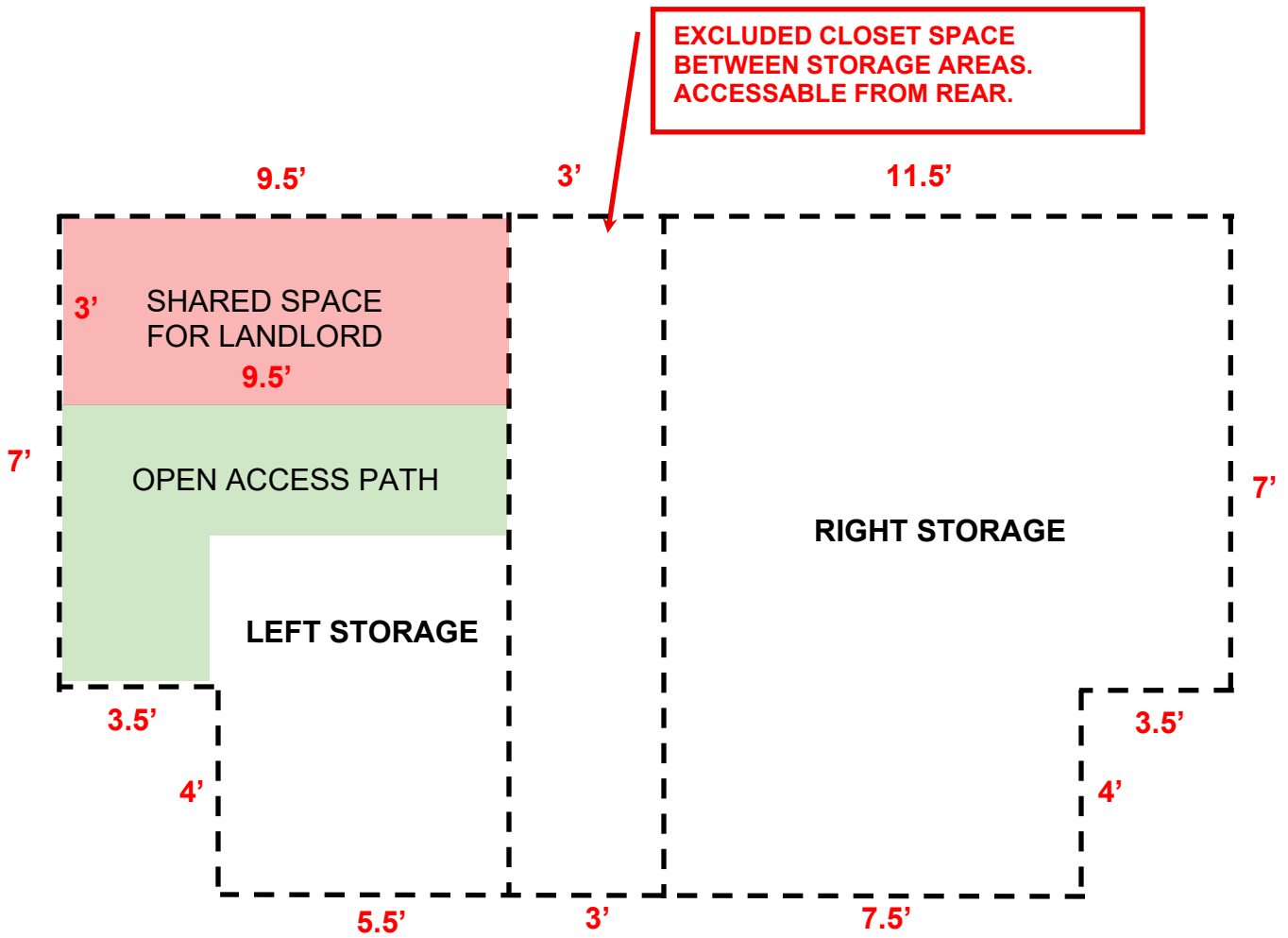
EXHIBIT A – LEASED PREMISES





**VIEW FROM PARKING LOT OF
OLD BATHROOM/STORAGE
BUILDING
"LEASED PREMISES"**

EXHIBIT B – SHARED SPACE



NOTE: Dimensions are approximate and not to scale.



Board Meeting Agenda Item Summary

June 10, 2026

| | | | |
|------------------------------------|---|-------------------|--|
| ITEM #: | 08A | ITEM TYPE: | <input checked="" type="checkbox"/> Discussion <input type="checkbox"/> Action <input type="checkbox"/> Both |
| SUBJECT: | President and Board member reports. | | |
| RELATION TO STRATEGIC PLAN: | <input checked="" type="checkbox"/> N/A <input type="checkbox"/> Advances Goal/Objective #'s: _____ | | |

RECOMMENDED ACTION:

None.

SUMMARY:

This item provides an opportunity for individual Board members to provide a verbal report of District-related activities undertaken in the previous month.

FINANCIAL IMPACT:

None.

ATTACHMENTS:

None.



Board Meeting Agenda Item Summary

June 10, 2026

| | | | |
|------------------------------------|---|-------------------|--|
| ITEM #: | 08B | ITEM TYPE: | <input checked="" type="checkbox"/> Discussion <input type="checkbox"/> Action <input type="checkbox"/> Both |
| SUBJECT: | Fire Chief's report. | | |
| RELATION TO STRATEGIC PLAN: | <input checked="" type="checkbox"/> N/A <input type="checkbox"/> Advances Goal/Objective #'s: _____ | | |

RECOMMENDED ACTION:

None.

SUMMARY:

This item includes a written and verbal report from the Fire Chief regarding general operations of the District's Fire Division over the previous month.

FINANCIAL IMPACT:

None.

ATTACHMENTS:

- Fire Operations Report
- CERT Monthly Newsletter

MONTHLY UPDATE

MAY 2026

PIO: Mary Schreiner
Editor: Casey Headrick
Proofreader: Lise Lemonnier

IN THIS ISSUE

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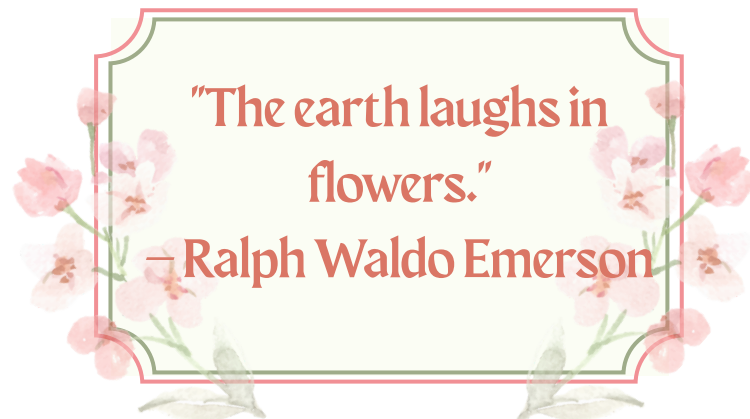
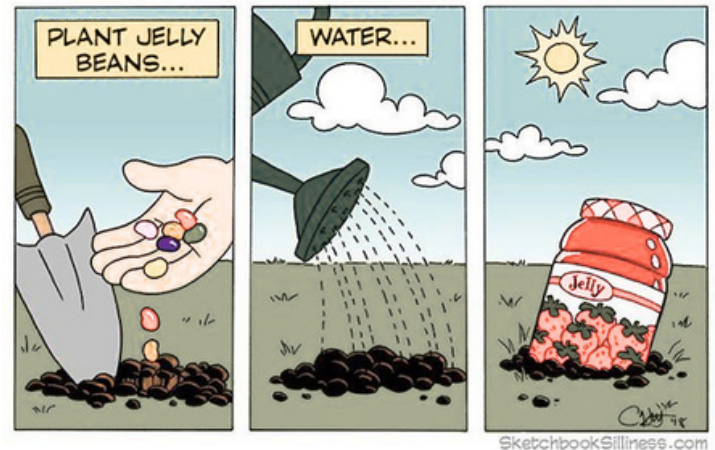
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We hope you enjoy this month's issue. Our goal is to provide information to the community, focusing on preparedness, safety, and health. If you have a suggestion for future articles, please contact twainhartecert@gmail.com for consideration of the topic by the board.

TWAIN HARTE AREA



SERVING OUR COMMUNITY



THCSD GENERAL MANAGER REPORT

by Tom Trott, THCSD General Manager



GM REPORT

May 13, 2026



ADMIN ACTIVITIES

- Draft Fiscal Year 2026-27
- 5-Year Revenue/Expense Projection Analysis
- GIS Mapping Upgrade Exploration
- Explore Administrative Services Sharing
- Miscellaneous Fee Schedule Update
- Leave Abuse Prevention Policy Development

MEETINGS OF INTEREST

- 4/9 County Pool/Library Collaboration
- 4/13 LAFCO Latent Power/MSR Meeting
- 4/24 County Drought Task Force
- 4/30 Prop 4 Grant Workshop
- 5/11 County CAO Collaboration

CAPITAL PROJECTS

Pickleball Court Improvements COMPLETE

Cresta Sewer Replacement

Budget: \$325,000

A contract has been awarded to replace 955' of high-risk sewer line between Cresta Drive and Oak View Drive in easements located in backyards. Work is anticipated to be complete this week.

Manzanita Court Waterline Replacement

Budget: \$125,000

A contract has been awarded to replace 300' of undersized, degraded galvanized iron waterline on Manzanita Court. Construction is anticipated to be complete in June.

Black Oak Drive Sewer Replacement

Budget: \$60,000

A contract has been awarded to replace 60' of sewer line with a significant sag and inflow/infiltration. Construction is anticipated to be complete in June.

SCADA System Improvements

Budget: \$645,000

Grant funding has been awarded for a project that designs and implements a supervisory control and data acquisition system (SCADA) to provide remote monitoring and control of the District's water treatment plant, pump stations, tanks and lift stations. SCADA radio design is underway, and the grant funding agreement is in process. Once the funding agreement is completed (projected this summer), an RFP will be issued for project design.

PLANNING PROJECTS

Activation of Latent Powers

Based on citizen request and strategic plan goals, staff is exploring activation of its powers to provide lighting services to downtown Twain Harte. This requires LAFCO approval and a study showing the District can sustainably provide services long-term. The study/review will be performed in FY 26-27.

County Pool/Library Collaboration

Staff has initiated collaboration with the County to explore ways to improve aquatic recreation and library stability in the District.

FUNDING OPPORTUNITIES

FEMA Public Assistance - \$90K
Storm Response / AWARD: Spring 2026

FY 26-27 VFC GRANT - \$38K
Radios / AWARD: Fall 2026

Energy Efficiency Grant - \$94K
Eproson Park Solar Lights / AWARDED

HUD CDBG Grant - \$525K
SCADA System / AWARDED

FY 25-26 VFC GRANT - \$38K
Structural PPE / AWARDED

To learn more details, join us at our monthly THCSD board meetings.

TWAIN HARTE FIRE DEPARTMENT REPORT

by Neil Gamez, THFD Fire Chief



Tablet Command



On April 5th, all Tuolumne County and Calaveras County Fire agencies attended the Tablet Command training. Both counties are now live with the Tablet Command.

Fleet

In April, Captain Slater and his crew conducted annual maintenance on the entire fleet. Maintenance included fluid changes, in-depth inspections, and minor repairs.



April Responses:

EMS Incidents: 27
Fires: 1
Public Service Assists: 12
Emergency Standby: 1
False Alarms: 4

Staffing

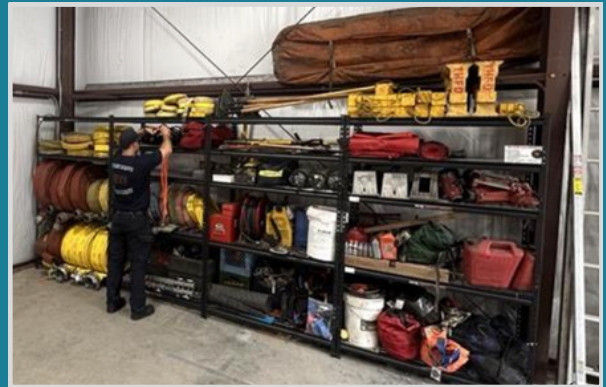
Full-Time Captains: 2
Full-Time Engineers: 3
Intern Operator: 1
Reserve Firefighters: 2
Intern Firefighters: 5
April Training Hours: 210

Incident Responses

Twain Harte: 26.5%
Tuolumne County Fire: 73.5%



Facilities



A big thank you to the water/sewer department for purchasing shelving for Station 2.



All shifts assisted with the THCSO district office fuel-reduction project. This fuels project is intended to reduce fire fuels to reduce or eliminate potential fire threats, while also creating a fire-resilient landscape that other property owners can adopt.



THCSD WATER & SEWER REPORT

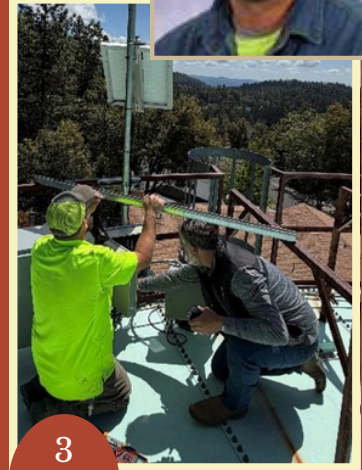
by Lewis Giambruno, THCSD Operations Manager



1



2



3



4



5



6

1. The cedar tree at the ballfield was removed. It blocked the lights, raising safety concerns.
2. Bark at the playground was topped off.
3. Garrett working with a contractor to improve our battery system at the Black Oak Communications.
4. Peterson Excavation fusing HDPE pipe for the sewer line replacement project at the Cresta sewer bench.
5. Robert & Eric conduct routine lakeweed and algae maintenance at Shadybrook Reservoirs
6. Garrett studying to gain additional licensing and skills.
7. Clay courts featured in Cali Clay advertisement in Racquet Sports Industry Magazine.
8. Service line repairs made near skate park & on Sierra Dr

NOT PICTURED

- The Pipehunter Hydro-Excavator blower is still out for repairs. Parts are taking longer than expected. New return status is possibly the 2nd half of May.
- We provided 2.125 million gallons of treated water to TUD during the Ditch Outage
- Mulch has been delivered and is in the process of being placed at Twain Harte Meadows Park.
- Concrete tables have begun to be put together at Eproson Park. This will allow tables to be placed elsewhere where picnic benches have been requested. Possibly the tennis courts and ballfield area.
- The Snack-shack business (The Press Box) completed its first full month of operations, albeit with some rain-outs.
- New parking lines painted at the tennis courts.
- Meter box was raised at Golf Course to prevent continued damage to the meter register.



7



8

THFD: LIFE SAFETY AWARD

by Neil Gamez, THFD Fire Chief



The Twain Harte Fire Department proudly recognizes Fire Captain Neftali Orozco, Engineer Kaleb Trine, Intern Firefighters Mason Jones, Ethan Row, and Charles Kjeldgaard, along with CAL FIRE Fire Apparatus Engineers Jeremy Palmer and Dylan Gomes, Fire Captain Sean Steret, FAE Anthony Cooper, FAE Joe Radanovich, and TCFD Resident Firefighter Bryce Nicolson, for their exceptional actions and commitment to life safety during a critical incident.

During severe winter storm conditions, this team responded to two separate medical rescues involving two male victims trapped in snow conditions. Facing hazardous terrain, limited access, and extreme weather, they worked cohesively and without hesitation to stabilize, extricate, and safely remove the patients from a life-threatening situation.



Their professionalism, teamwork, and unwavering dedication to protecting life reflects the highest standards of the fire service and exemplify their respective departments' mission and values. Their actions directly contributed to the preservation of life and are worthy of this Twain Harte Fire Department Life Safety Award.



TWAIN HARTE: STORIES BENEATH THE PINES

by Cooper J. Kessel, Community Member



I recently attended a candidates' night at Twain Harte School auditorium, and it brought back some fond memories of attending school there. In 1961, it was a brand-new school, and I was graduating from the 8th grade. I am impressed by how well it has been maintained and by the workmanship that went into it.

The 3:00 PM recess was one of my favorite times at school. My friend Bill Holman and I would frequently race out to the far end of the field and listen for the Sugarpine Railroad train to see if we could get a glimpse of the train and its cargo of logs as it descended toward the overcrossing at Twain Harte Drive. (Back then, it was the main 108 Highway) The telltale sign it was approaching was the squealing of the brakes, which echoed through the trees in the valley around the school. If we got



lucky and it was on time, maybe we could get a glimpse of the train. The big highlight was seeing the train cars when they were carrying a single log load! Those trees were massive, and Bill and I would stare in awe to see the first car with the butt cut, the next car with a large straight log, and the one following with maybe two or three logs aboard. Logging, mining, milling, and railroads were active and a part of living in the communities in Tuolumne County. Living in Twain Harte was especially exciting because of the summer fun activities around town. The Miniature Golf course, the skating rink, the trampoline park, Wingo's Bakery, and the Twain Harte Lake were great attractions. I didn't appreciate how lucky I was to live there at the time, but now I do!

FIREFIGHTER REHAB TRAINING

by Carolee White, Training Officer & Blood Drive Coordinator



The Firefighter Rehab introduction/refresher, combined with supplies check and inventory, was held on Saturday, May 2nd. We had a mix of experienced volunteers and some newbies. There was also a talk by a crew from the TH fire station, led by Engineer Kaleb Trine, discussing the gear that firefighters use. Overall, it was an informative and useful event. What made it even better was celebrating Engineer Cory Payton's birthday!



The second part of this training will be the official FEMA course, held on Saturday, June 13th at the training area located at 22912 Vantage Point Dr, TH. This class includes 3 hrs of "lecture" time (PowerPoint presentation and discussion by experienced responders), then about 1 hour of boots-on-the-ground training outside, where we will get the opportunity to work with the Twain Harte Fire Dept and, perhaps, a few other local fire departments, as they do interior live-fire training on site. To be clear, the firefighters will be doing the live-fire training. They will then come to the CERT

recovery area, where we will practice what we just learned, checking on the firefighters and providing rest and refreshments.

This is important and valuable training required if a CERT member wishes to deploy when we are called upon to provide this service. Volunteers must have their CERT Basic Training certificate to receive the Firefighter Rehab certificate. However, it is possible to do the FF Rehab training first and we will hold that certificate until the Basic Training is completed, and that certificate is presented to us. Then we can give the FF Rehab certificate to the volunteer.

We already have a small group registered for this class. If you have not yet registered, but want to take the class, please contact us by June 10th at – TwainHarteCERT@gmail.com.

CERT Fire Fighter Rehab Training Course

Firefighter rehabilitation is the process of providing rest, rehydration, nourishment, and medical evaluation to first responders who are involved in extended or extreme incident scene operations.

- This course will train CERT members to recognize signs of physiological distress in firefighters, and to safely set up and perform the non-medical functions of firefighter rehabilitation.
- It will entail both lecture time and boots-on-the-ground training. The training includes a nearby fire, which will expose trainees to smoke (but not the fire).

Saturday, June 13th from 9:00 to 1:00

- Dress appropriately for when outside doing the hands-on activity.
- While outside, folding chairs will be available, however you are welcome to bring your own, if you want. You may also want to bring a lunch.
- You must have the Basic Training (BT) certificate to receive the certificate for this Rehab class. However, you can take this class *now* and then take the Basic Training *later*. You will receive the Rehab certificate once you show your BT certificate.

Sign up by June 10th at – TwainHarteCERT@gmail.com

To learn more about the THA-CERT Check out our Facebook page or email us at TwainHarteCERT@gmail.com

The training will take place at the Twain Harte Community Services District office located at – 22912 Vantage Point Dr, Twain Harte

TWAIN HARTE AREA CERT COMMUNITY EMERGENCY RESPONSE TEAM SERVING OUR COMMUNITY

Basic Training Class Information

How to help your community after a disaster

In a disaster, professional emergency responders will be overwhelmed, and people will have to rely on their neighbors for help. If you want to be one of the helpers, the Community Emergency Response Team (CERT) Basic Training class is for you. It teaches basic emergency response skills, and how to use them safely. To register please email anew@crxfire.com no later than June 8, 2026.

Topics include:

- Disaster Preparedness
- Usage of Personal Protective Equipment (PPE)
- Disaster Medical Operations
- Triaging, Assessing, and Treating Patients
- Disaster Psychology
- Fire Safety and Utility Control
- Extinguishing Small Fires
- Terrorism and CERT

This class will be delivered over three days:(see dates below).

| | |
|----------------|-------|
| June 12, 2026, | 5-8pm |
| June 13, 2026, | 8-5pm |
| June 14, 2026, | 8-5pm |

IMPORTANT: Space in this class is limited. Please do not sign up unless you fully expect to attend all the sessions. This class is open to anyone aged 18 or over, but preference will be given to Tuolumne County residents. High school students under age 18 are welcome if their parents are also in the class.

This class is presented by Chicken Ranch Rancheria of Me Wuk Indians of California.

WARMING/COOLING TRAILER UPDATE

By Bob Schreiner, Logistics Section Chief



We've made a big leap in getting the trailer "season-ready," and, except for a few finishing touches, the trailer is ready to roll.

Many thanks to Gatewood Heating and Air. Because of the generous donation of their labor, the mini-split has finally been installed.

The batteries for the solar system on the trailer were 14 years old and no longer held a charge, so we replaced them. The breakaway disconnect was corroded, so we replaced that, too.

At this point, the trailer can be used this summer as a cooling station. We still want to install cabinets, folding steps for the side entrance, and handrails for the back entrance, but they aren't essential to the operation of the unit.

A big thank you to Mike Mandell, Lise Lemonnier, Carol Hoch, and Ed Proctor for all of their hard work this past month in helping me keep this project on target.



FUNDRAISER COOKBOOK

by Carolee White, Training Officer & Blood Drive Coordinator



For about a year now, you have seen requests in the newsletter for CERT members and TH Fire Dept members to submit recipes to go into a fundraiser cookbook, to help us help the fire department. The goal was to have that cookbook available for sale starting this summer. Unfortunately, we have not received enough recipes to do so. We are not giving up on this plan, but it is being postponed until we can get enough recipes. So, you are going to continue to see my plea for recipes until we get enough to move forward.

Therefore . . . Here I am, asking once again for folks to share a few of their tried-and-true recipes to go into this special project.

We can use anything, but we are especially in need of side dishes and appetizer recipes, as well as anything that can be prepared without electricity.



You can send recipes to – CPW.VolunteerWork@gmail.com
-or- TwainHarteCERT@gmail.com

REV UP YOUR ENGINES: GEARHEAD REVIVAL IS COMING TO TWAIN HARTE!



by Carol Hallett, THA-CERT Past Program Manager

Mark your calendars for Saturday, June 27th, the Gearhead Revival Car Show is rolling back into downtown Twain Harte, and this year promises to be one of our best yet!

We've reserved prime parking in the heart of town so classic cars can line up on Joaquin Gully (from the Arch to Ed's) and Cedar Lane (from Hap's to the Twain Harte Fire Department). If you're bringing a beautiful ride, plan to arrive early. Parking opens at 7:00 a.m. and fills up fast. Awards will be presented around 2:30-3:00 p.m.

This is more than just a car show, it's a full weekend celebration of classic cars, friendship, and good times. Pre-registered vehicles will enjoy the "Tour de" Tuolumne Poker Run and Welcome BBQ on Friday, giving participants even more chances to connect and enjoy the mountain air.

Whether you're a lifelong gearhead, a weekend wrench-turner, or just love the shine of chrome and the rumble of V8s, you'll find something special here. Come admire meticulously restored classics, stunning hot rods, and custom builds while enjoying music, great food, and family-friendly fun.

If you have a classic car to show, register as soon as possible; last-minute planning is already underway, and we want to make room for everyone who loves these rolling works of art.

Come be part of the revival. Whether you're showing your pride and joy or just soaking in the sights and sounds, we can't wait to see you there. Let's make some memories on the streets of Twain Harte!

See you in the pits,
Dave & Carol Hallett
Gearhead Revival Team



June 27th
TWAIN HARTE
GEAR HEAD
Revival
10am to 4pm

MAKING CAR SHOWS GREAT AGAIN
Downtown Twain Harte

Welcome BBQ
Silent Auction
Tour de Tuolumne Poker Run!

ALL PROCEEDS GOING TO TWAIN HARTE FIRE
FOR MORE INFORMATION CALL DAVE HALLETT • (408) 221-2244

Sponsored by
BLACK OAK CASINO RESORT
Twain Harte Market
WESTSIDE AUTO CLUB
SONORA AREA FOUNDATION
BUSINESS FIRST Printing Services

POSTER ART BY TIM MCCAFFREY - YOSEMITE DESIGN

Downtown Twain Harte
Saturday, June 27th
7:00 a.m. – Afternoon



Loaded Tater tot Appetizer

INGREDIENTS:

- 48-60 frozen tater tots
- 3/4 cup shredder cheddar cheese
- 1/4 cup sour cream
- 4 slices of bacon, cooked & crumbled
- 2 green onions, sliced (green part only)

NOTE:

- Sour cream optional. I forgot to add it and they were delicious.
- I cook the bacon in the microwave between paper towels. And then diced with a knife.
- Melting the cheese does not take long so watch carefully, especially if you use mini muffin tins.
- I like the mini tins because then they are bite size appetizers.

Recipe shared by Carol Hallett



6-8 servings



Level: Easy



10 min prep
30 min cook time
5 min cool time
45 min total time

DIRECTIONS:

1. Preheat oven to 450 degrees.
2. Spray muffin pan cups with cooking spray.
3. **For mini-sized Muffin cups:** place 2-3 tater tots in each cup. **For regular sized Muffin cups:** place 4-5 tater tots in each cup.
4. Place muffin sheet on bottom oven rack & bake 10 minutes. Remove from oven.
5. Spray bottom of shot glass or small juice glass with cooking spray. Use it (in twisting motion) to press tots in each muffin cup to make a potato cup.
6. Return to oven and bake an additional 15 minutes or until golden.
7. Add cheese to each cup. Bake 4-5 minutes, or until cheese melts.
8. Transfer to a platter & let cool for 5 min.
9. Top with sour cream, bacon, and green onions. Serve warm.

BUSINESS SPOTLIGHT

by Casey Headrick, THCC Past-President

TWAIN HARTE AREA CHAMBER OF COMMERCE



Business Spotlight

Ann Miller Sr. Loan Consultant

*A Client-First
Approach to
Mortgage Lending*

In my line of work, what makes my business different is simple: I work for my clients, not the bank. That distinction matters more than most people realize. I have access to 24 different wholesale lenders, which means I'm not locked into a single set of options. Instead, I take the time to carefully research loan programs and match them to each client's specific goals. No shortcuts, no one-size-fits-all thinking. I also believe in being present for the moments that matter, which is why I attend my clients' loan document signing appointments. That level of care and follow-through has helped me maintain a 100% closing rate, something I take a lot of pride in.

My journey into this business started shortly after I purchased my first home. I had such a positive experience with my loan officer that I took them out to lunch in 1994 and asked how I could get started in the mortgage industry and what habits I'd need to succeed. That conversation changed everything. I began my career with American Savings, but after about six months, I realized the direction I was being pushed in—promoting negative amortization adjustable loans—didn't align with what I felt was right for my clients. That didn't sit well with me, so I made a change and moved to an independent mortgage brokerage, where I could offer a wider range of loan products and truly serve people the way I believed I should.

One of the biggest surprises as a business owner has been just how much the real estate market and interest rates can fluctuate. It's a constant reminder that adaptability isn't optional in this field. Fortunately, that's something I've been prepared for most of my life. Growing up with a father who served in the U.S. Navy meant living in different countries and learning early on how to adjust quickly, communicate clearly, and connect with people from all walks of life. Those experiences continue to shape how I do business today.

Over the years, I've also learned that trust is everything in this business. Clients aren't just looking for a loan—they're looking for someone who will guide them through a complex and often stressful process with honesty and clarity. I make it a point to educate my clients so they feel confident in their decisions, not overwhelmed by them. When people understand their options, they're empowered to choose what's truly best for their future, and that's where I find the most fulfillment in what I do.

At the end of the day, my goal is straightforward. I want every client to walk away knowing they received clear communication, a smooth and reliable closing, and support they can count on long after escrow closes. Buying a home is one of the biggest decisions people make, and I don't take that responsibility lightly. I'm here not just for the transaction, but for the relationship that comes with it.

"I work for my clients—not the bank—delivering tailored loan solutions with integrity and a 100% closing rate."

Business Contact

EMAIL: Ann@AnnMillerLoans.com
PHONE: 925-308-9200
WEBSITE: www.annmillerloans.com
NMLS# 312849 / DRE# 01151302

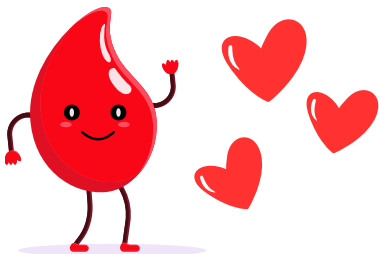
Embrace the Local.

BLOOD DRIVE

by Carolee White, Training Officer & Blood Drive Coordinator



There will be a Red Cross blood drive on Monday, June 1st, at the Community Center on Manzanita Dr in Twain Harte. Please see last month's newsletter for recommended tips and protocol. If you haven't already signed up, it is worth checking the RC website to see if there are any spaces left. RedCrossBlood.org Hope to see you there.



Blood Drive
Twain Harte Community
Hosted by: TH CERT

Community Center
 18775 Manzanita Dr
 Twain Harte, CA 95383

Monday, June 1, 2026
10:00 a.m. to 3:00 p.m.



SAFETY TIP

by John Buckingham, Safety Officer





FIRE EVACUATION TIPS


Summer greetings! Now that summer is upon us, it's a good time to reflect and address the issue of evacuation due to fire. Put a plan together for your family/friends

Plan/map out where your shelter destination is and how to leave for that destination.


Identify more than one emergency destination 


If you do not have a vehicle, make escape plans with friends or family 


Be familiar with alternate routes 


Make plans for your pets. Some shelters do not accept pets. 


Follow instructions from local officials 

Create a communication plan to keep in touch with family and friends 

Review and update your go bag. 

If evacuated, secure your home by locking doors and windows. 

Keep a full tank of gas in your vehicle 

Leave a note stating where you are going. Note the date, time, and contact information. 

WHERE DOES THE TIME GO?

by Lise Lemonnier, Planning Section Chief



The total THA-CERT volunteer hours:

| | |
|----------------------|-------------------|
| Administration = | 133 |
| Training = | 35 |
| Deployment = | <u> </u> |
| Total Hours = | 168 |

MAY

WHAT'S HAPPENING NEXT?

Visit Tuolumne County:

<https://www.visittuolumne.com/events>

Twain Harte Chamber of Commerce:

<https://www.twainhartec.com/events>

UPCOMING Events

JUNE MIXER

Presented by
The Twain Harte Area Chamber of Commerce and

The Start of the Kitchen

FOOD • NETWORK • DRINKS • RAFFLE

Tuesday, June 9th 5:30p-7:30p
The Harte of the Kitchen
22966 Joaquin Gully Rd, Twain Harte

For more information, email:
info@twainhartec.com

COLUMBIA AIRPORT FDFI FATHER'S DAY FLY-IN!

COLUMBIA AIRPORT

SATURDAY, JUNE 20th, 2026
10:00 AM - 3:00 PM

CELEBRATING 250 YEARS OF FREEDOM

- Live Music, Food, and Vendors
- CLASSIC CARS & AIRPLANES ON DISPLAY
- FUN FOR THE WHOLE FAMILY!

FOR MORE INFO: CALL 209-533-5685 OR VISIT WWW.FATHERSDAYFLYIN.ORG

77TH ANNUAL TUOLUMNE LUMBER JUBILEE

STARTS: June 26, 2026
ENDS: June 28, 2026
OCCURS: 6/26/2026, 6/27/2026, 6/28/2026
TIME: Varies
LOCATION: Tuolumne West Side Memorial Park
EVENT TYPE: Fairs & Festivals

The Tuolumne Lumber Jubilee started in 1935. It is the Biggest Little event in Tuolumne County! The Jubilee takes place annually the weekend after Father's Day. This three day event is packed with family friendly events and is free to attend thanks to community donations and sponsors.

PLEASE VISIT LUMBERJUBILEE.ORG FOR MORE INFORMATION.

June 27th TWAIN HARTE GEAR HEAD Revival

10am to 4pm

MAKING CAR SHOWS GREAT AGAIN
Downtown Twain Harte

Welcome BBQ
Silent Auction
Tour de Tuolumne Poker Run!

ALL PROCEEDS GOING TO TWAIN HARTE FIRE
FOR MORE INFORMATION CALL DAVE HALLETT - (408) 221-2244

Sponsored by: BLACK OAK CASINO RESORT, ADVENTIST HEALTH SONORA, BUSINESS FIRST

POSTER ART BY TIM MCCAFFREY - YOSEMITE DESIGN

TUOLUMNE PARK AND RECREATION DISTRICT PRESENTS FREE FRIDAY FAMILY MOVIE NIGHTS

8 PM

June 27th: The Rocketeer
July 4th: The Goonies
July 11th: Ratatouille
July 18th: Hook
July 25th: Up
August 1st: Guardians of The Galaxy
August 8th: Wonder
August 15th: Annie
August 22nd: ET The Extra Terrestrial
August 29th: Free Willy
September 5th: The Queen of Katwe

*CHILDREN MUST BE ACCOMPANIED BY AN ADULT

OUTDOOR THEATER IS LOCATED NEXT TO THE TUOLUMNE LIBRARY
Concessions: Food, Popcorn, Treats, Ice Cream & More
SLIDE SHOW ADVERTISING AVAILABLE
TPRD (209)928-1214 TUOLUMNERECREATION.COM

Sun Poppy Markets & Events TWAIN HARTE MOUNTAIN AIR MARKET

2026

Thursday Evenings | 4 - 7 PM
June, July & August
Epron Park, Twain Harte

- Artisan Vendors
- Cottage Vendors
- Food & Drinks
- Live Music

For more information: sunpoppy@gmail.com

The Twain Harte Area Chamber of Commerce Presents

2026 Summer Concert Series

| | |
|------|----------------------|
| 6/13 | THE LACK FAMILY |
| 6/20 | THE BEACH COWBOYS |
| 6/27 | HIRED GUNN |
| 7/4 | THE SNARKY CATS |
| 7/11 | THE BLOWBACKS |
| 7/25 | GOTCHA COVERED |
| 8/1 | BREAKAWAY |
| 8/8 | PLAN B |
| 8/22 | TICKET TO RIDE LIVE! |
| 8/29 | ROCKWORKS |
| 9/5 | CALIFORNIA CREEDENCE |

Epron Park 6:00p-8:00p
Please no blankets on the lawn

Sponsored by: TUOLUMNE COUNTY, BLACK OAK CASINO RESORT, ADVENTIST HEALTH SONORA, JANAMARIE, TWAIN HARTE HOMEOWNERS

The Twain Harte Area Chamber of Commerce Presents 4TH OF JULY

INDEPENDENCE DAY

Celebration Parade

SATURDAY, JULY 4th 10:00AM
DOWNTOWN TWAIN HARTE

Join The Parade! Register for \$20.00
Registration fee is waived for Twain Harte Area Chamber Members
Limited Entries

REGISTER HERE

Email us at info@twainhartec.com for more information.

Community Yoga

with Tammy Schulz

TUESDAY MORNINGS 9:00AM - 10:30AM
WEEKLY FROM MARCH 3RD

FREE SESSIONS * DONATIONS SUGGESTED
BRING YOUR OWN MAT

TWAIN HARTE COMMUNITY CENTER
18775 MANZANITA DRIVE

for more information visit <https://www.embrace-the-land.com/embrace-the-yoga>

Join or start a FIREWISE neighborhood

Contact: Karen Caldwell
tfirewise@gmail.com

Residents reducing wildfire risks

MEETINGS

THCSD Board Meeting

Wednesday, June 10th, 2026 9:00 am
22912 Vantage Point, TH, THCSD Mtg Room
<https://www.twainhartecsd.com/board-meetings>

THA-CERT & Fire Board Meeting

Thursday, June 11th, 2026 9:30 am
22912 Vantage Point, TH, THCSD Mtg Room.

TWAIN HARTE AREA CERT THA-CERT SMOKE ALARM PROGRAM

COMMUNITY EMERGENCY RESPONSE TEAM SERVING OUR COMMUNITY

What's new Twain Harte Area CERT (THA-CERT)? We are a dedicated team of community-based volunteers who are trained to support our community.

This team provides the following services to senior, disabled, and residents in Tuolumne County:

- Free Smoke Alarms/Detectors
- Free Installation
- Free Battery Replacement

If you need a smoke detector installed, need a new battery, or need a ten-year-old smoke detector replaced, we can help for free.

If you are interested, please contact us by sending an email to twainhartecert@gmail.com, or call Mike at 209-790-2674.

Join the weekly Twain Harte Neighborhood Radio Watch

Sun: 9:00 AM
FRS/GMRS: Ch. 18

To learn more, contact:
Lee Smith at 209-988-8832

WE LOOK OUT FOR EACH OTHER™

May 2026

Operations Report

Fire Division



May Staffing

Full-Time Captains-2

Full Time Engineer-3

Intern Operator-1

Reserve Firefighters-2

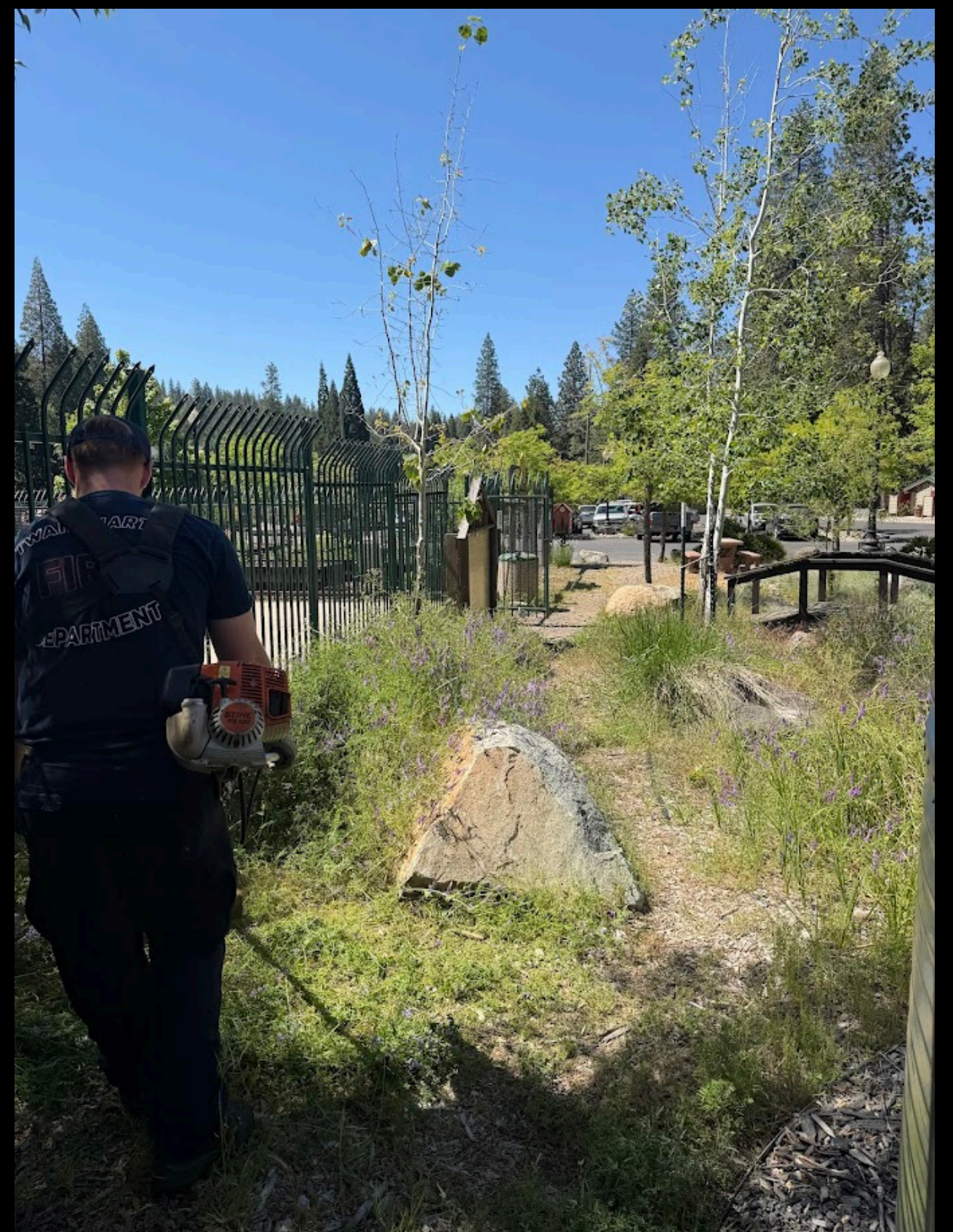
Intern Firefighters-3



May Training Hours-2019



FACILITIES



Thank you to all the shifts for helping with the Twain Harte Meadows Park project



FLEET



I want to extend once again my sincere appreciation to Captain Slater and his crew for all the hard work on keeping the fleet running.



May Responses



May 12th, E-721 and C-720 responded to an electric vehicle (EV) Fire on Highway 108.



May 17th, Wt-721 responded to a vegetation fire in the Don Pedro area.



Recognition of Academic Achievement



On behalf of the Twain Harte Fire Department, we would like to congratulate Intern Firefighter Ethan Row on his recent graduation from Columbia College. Ethan graduated with two associate's degrees in fire science and fire technology.



May 2026
Incidents by Type- 35



EMS Incidents-24



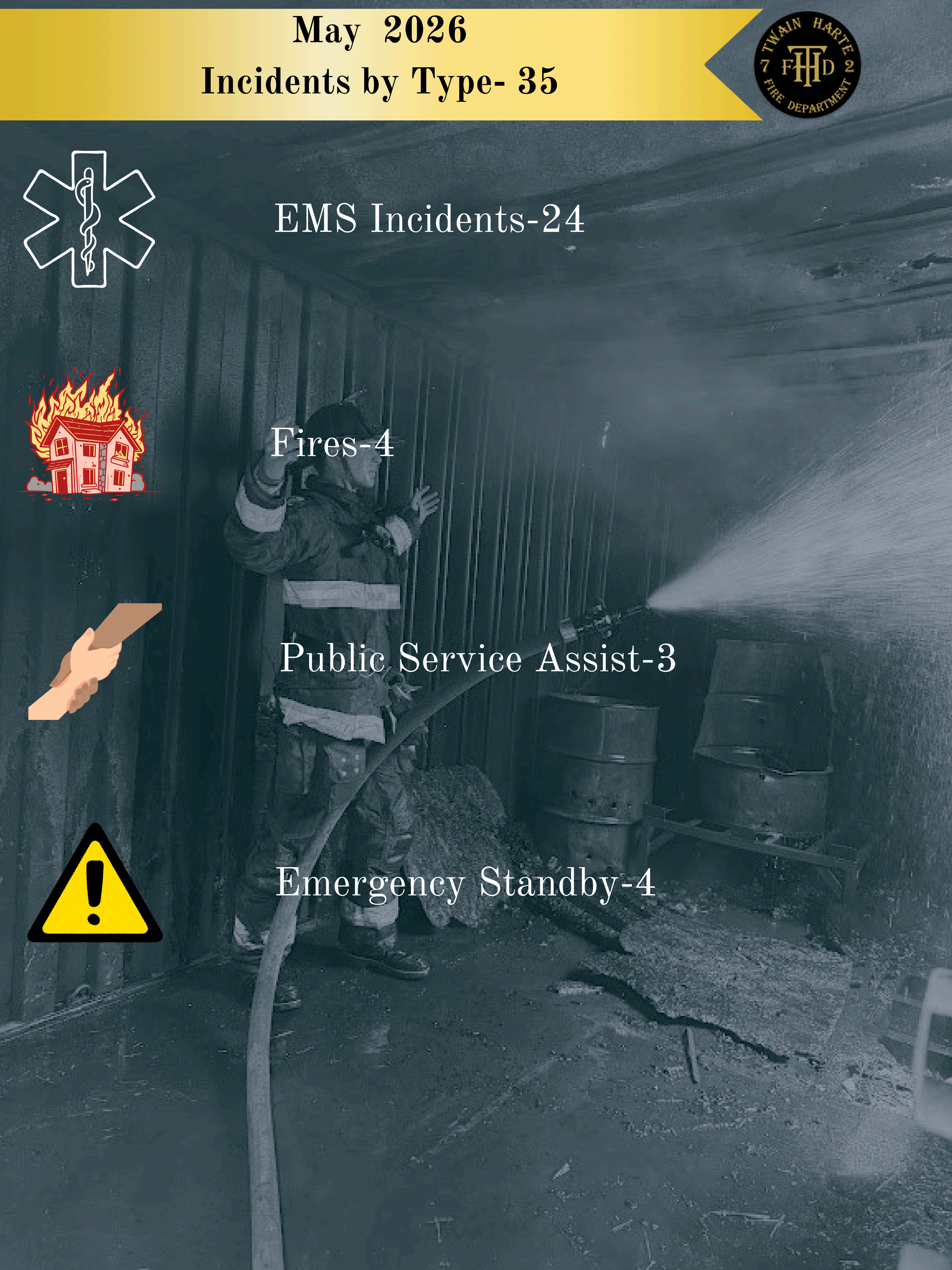
Fires-4



Public Service Assist-3



Emergency Standby-4



Incident Response by Districts

May 2026



Twain Harte District 40%



Tuolumne County Fire 60%





Board Meeting Agenda Item Summary

June 10, 2026

| | | | |
|------------------------------------|---|-------------------|--|
| ITEM #: | 08C | ITEM TYPE: | <input checked="" type="checkbox"/> Discussion <input type="checkbox"/> Action <input type="checkbox"/> Both |
| SUBJECT: | Operations Manager's report. | | |
| RELATION TO STRATEGIC PLAN: | <input checked="" type="checkbox"/> N/A <input type="checkbox"/> Advances Goal/Objective #'s: _____ | | |

RECOMMENDED ACTION:

None

SUMMARY:

This item includes a written and verbal report from the Operations Manager regarding general operations of the District's Operations Division over the previous month. The Operations Division is responsible for water, sewer, and parks and recreations services.

FINANCIAL IMPACT:

None.

ATTACHMENTS:

- Operations Manager Report

TWAIN HARTE CSD OPERATIONS REPORT

WATER/SEWER/PARK
DIVISION

MAY

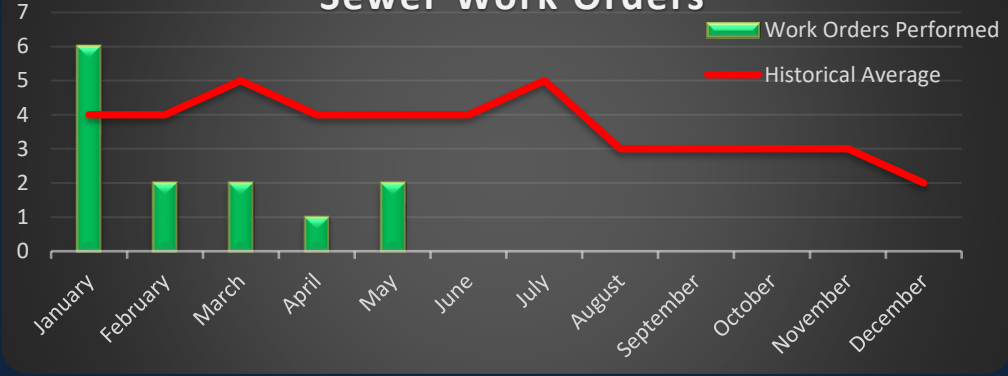
2026



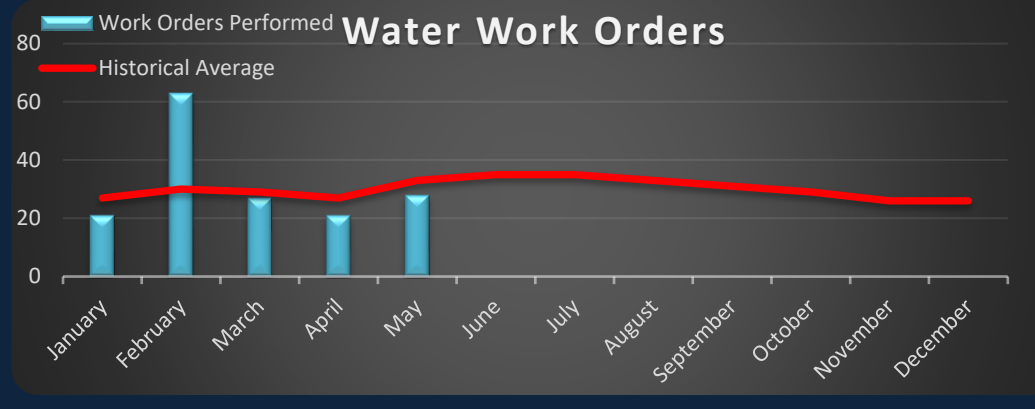
WATER, SEWER & PARKS STATISTICS



Sewer Work Orders

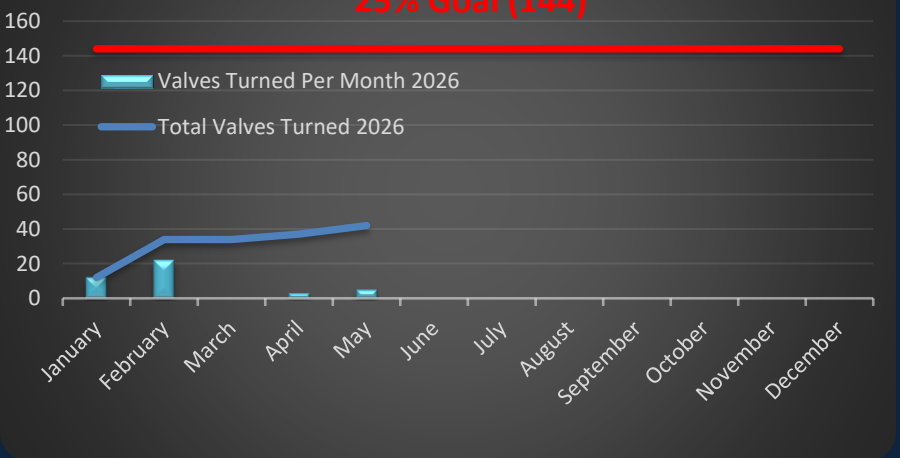


Water Work Orders



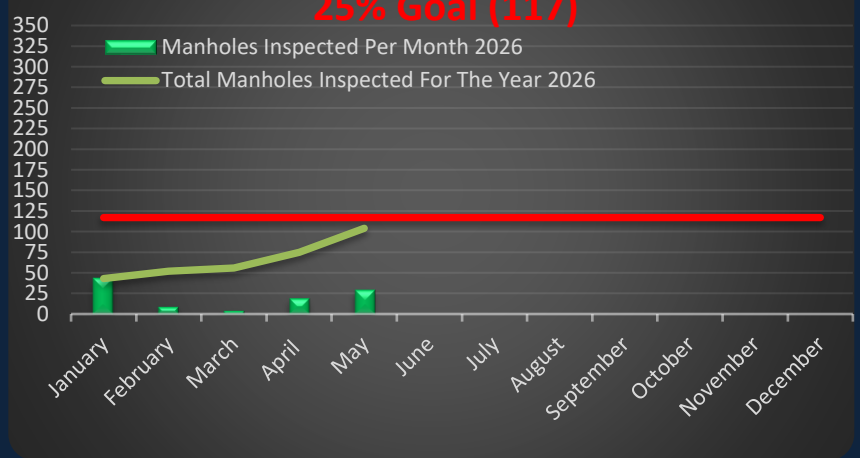
Valve Exercising

25% Goal (144)



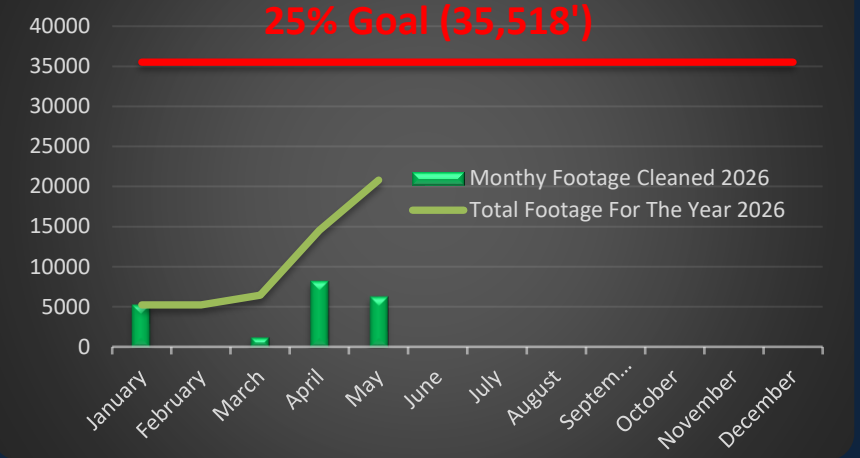
Manhole Inspections

25% Goal (117)

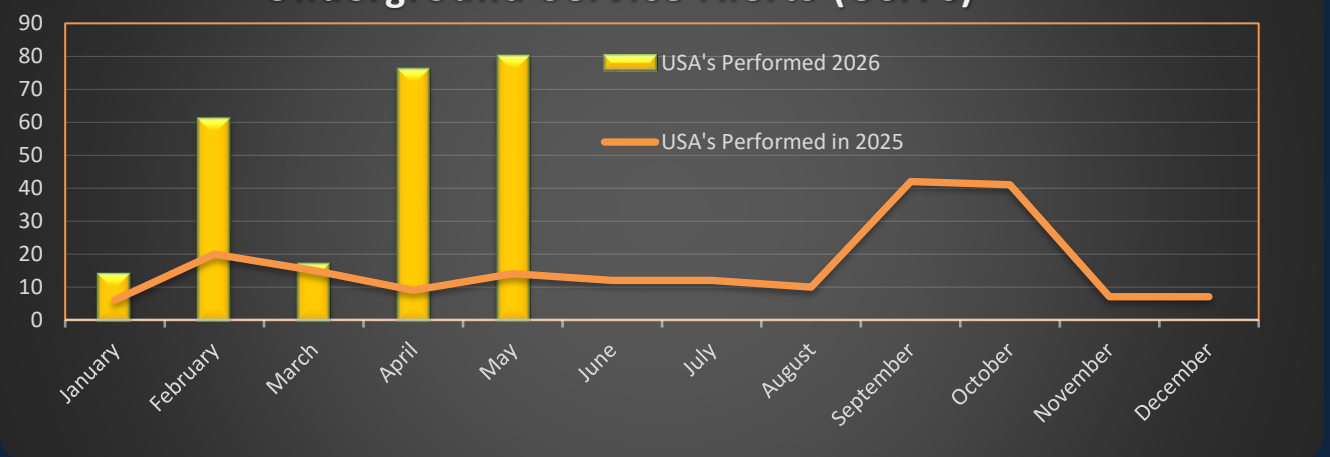


Sewer Cleaning

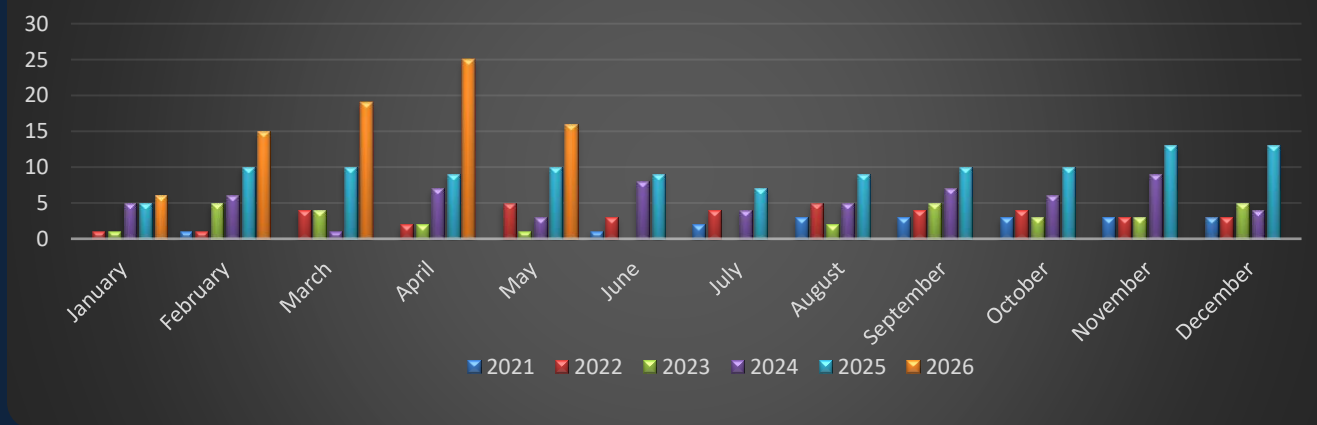
25% Goal (35,518')



Underground Service Alerts (USA's)



Community Center Rentals

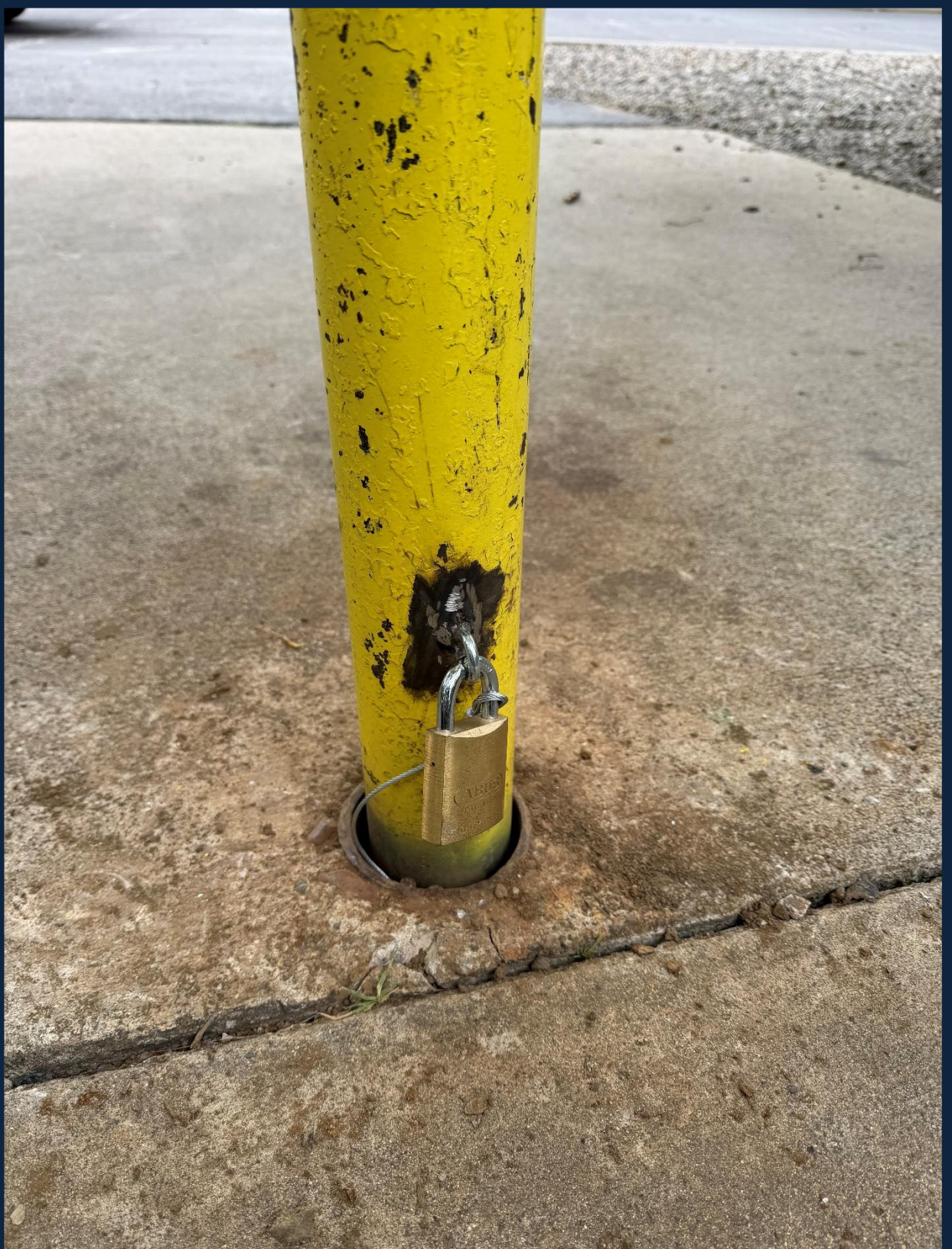
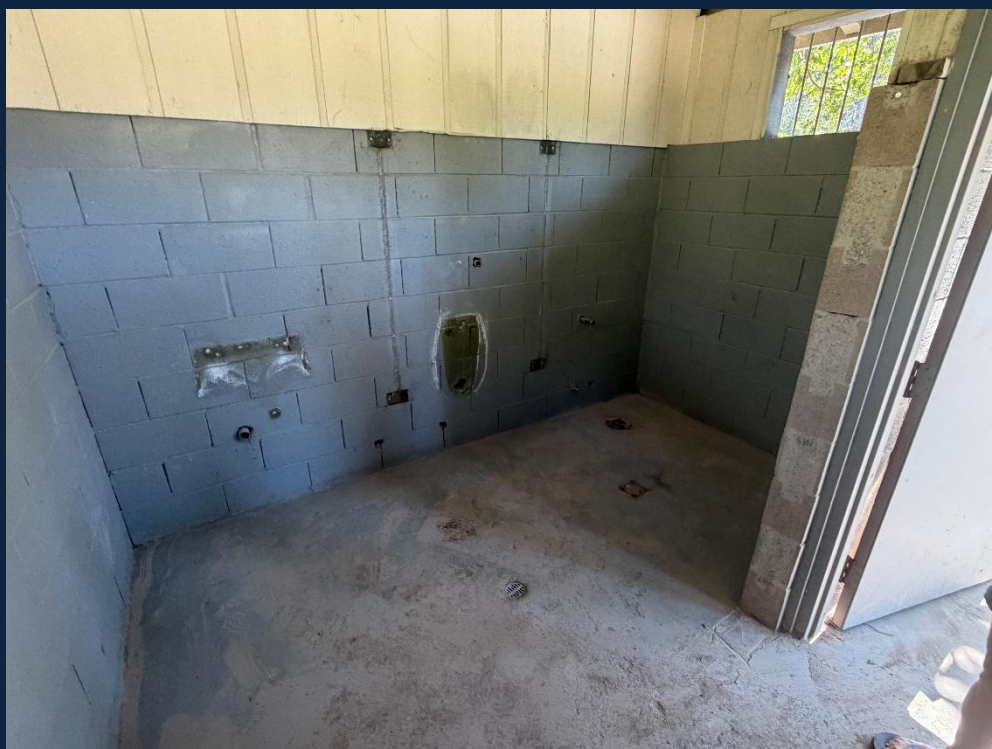


ITEMS OF NOTE









Items of Note Pictures Explanation

Page 1

Top Left: Ford dealership performed mobile services on our Ford trucks for software updates involving the trailer modules, emissions and a safety recall.

Bottom Left and Top Center: Crews performed two service line repairs and one mainline break.

Bottom Center: The Black Oak pump motor underwent an overhaul. The backup motor is currently at the repair shop to also be overhauled.

Right: The surface water treatment plant clarifier had its biannual drawdown, cleaning and inspection.

Page 2

Left: Cresta gully sewer replacement project is largely complete. A shorter section at the top of Cresta near Lookout Dr as well as in between Black Oak Drive and Bret Harte Drive has a start date of the week of 6/1/26.

Center: Garrett and Rick performing routine jetting of our collections systems.

Right: Crews CCTV'ed sections of the trunk area serving the Twain Harte Lake bench.

Page 3

Top and Bottom Left: Ron Jacobs et al held a Tuolumne Vs Calaveras tennis tournament with the Tuolumne crew winning. They also volunteered with the placement of screens at the tennis courts.

Center and Right: THFD provided much appreciated assistance at the park performing weed eating and mulching.

Page 4

Top Left: Old bathrooms undergoing a conversion to storage.

Bottom Left: A bluejay came and visited the water plant office and was very curious about our taxidermied rattle snakes.

Right: The bollard at the stage was fixed so that it can be locked in place.

Not Pictured:

- The Pipehunter Hydro-Excavator blower is in process of being returned from east coast repair shop to MME shop for installation and tests. We hope to get it back in next couple of weeks.

Year: 2026

| Month | SWTP Treatment Plant | | | | Total Recycled (Gal) | Total Production (Gal) | 2013 Total Production (Gal) | Decrease in Demand (%) | Rain (inches) | Snow (inches) |
|--------------|----------------------|----------------|------------------|------------------|----------------------|------------------------|-----------------------------|------------------------|---------------|---------------|
| | Plant (Gal) | Well #1 (Gal) | Well #2 (Gal) | Well #3 (Gal) | | | | | | |
| Jan | 3,411,542 | 0 | 1,232,872 | 834,477 | 490,587 | 5,478,891 | 8,304,262 | 34.02% | 4.82 | 0 |
| Feb | 6,392,660 | 307,455 | 856,258 | 463,933 | 408,506 | 8,020,306 | 5,836,362 | -37.42% | 2.98 | 42 |
| Mar | 6,744,282 | 167,604 | 274,638 | 140,324 | 474,297 | 7,326,848 | 5,776,198 | -26.85% | 0.71 | 0 |
| Apr | 5,832,887 | 0 | 49,268 | 248,937 | 525,435 | 6,131,092 | 6,737,931 | 9.01% | 5.45 | 0 |
| May | 6,798,702 | 0 | 220,237 | 106,842 | 510,556 | 7,125,781 | 9,624,851 | 25.96% | 0.77 | 0 |
| Jun | | | | | | 0 | | | | |
| Jul | | | | | | 0 | | | | |
| Aug | | | | | | 0 | | | | |
| Sep | | | | | | 0 | | | | |
| Oct | | | | | | 0 | | | | |
| Nov | | | | | | 0 | | | | |
| Dec | | | | | | 0 | | | | |
| Total | 29,180,073 | 475,059 | 2,633,273 | 1,794,513 | 2,409,381 | 34,082,918 | 36,279,604 | 6.05% | 14.73 | 42 |



Board Meeting Agenda Item Summary

June 10, 2026

| | | | |
|------------------------------------|---|-------------------|--|
| ITEM #: | 08D | ITEM TYPE: | <input checked="" type="checkbox"/> Discussion <input type="checkbox"/> Action <input type="checkbox"/> Both |
| SUBJECT: | General Manager's report. | | |
| RELATION TO STRATEGIC PLAN: | <input checked="" type="checkbox"/> N/A <input type="checkbox"/> Advances Goal/Objective #'s: _____ | | |

RECOMMENDED ACTION:

None.

SUMMARY:

This item includes a written and verbal report from the General Manager regarding overall District operations and operations of the District's Administration Division over the previous month.

FINANCIAL IMPACT:

None.

ATTACHMENTS:

- General Manager's Report

GM REPORT

June 10, 2026



ADMIN ACTIVITIES

- Final Fiscal Year 2026-27 Budget
- Pickleball, Tennis and Park Grant Closeouts
- GIS Mapping System Upgrades Initiation
- Annual Employee Evaluations & Goal Setting
- Lease for Conversion of Old Bathrooms to Storage
- Eproson Park Solar Lighting Coordination

CAPITAL PROJECTS

Eproson Park Solar Light Replacement

Budget: \$93,500

Design for a grant-funded project to replace streetlights in Eproson Park with solar streetlights has been initiated.

Cresta Sewer Replacement/Relining

Budget: \$325,000

Replacement of 955' of high-risk sewer line between Cresta Drive and Oak View Drive is complete. The remaining 1,550' of sewer line is will be repaired and relined in Fiscal Year 2026-27.

Manzanita Court Waterline Replacement

Budget: \$125,000

Replacement of 300' of undersized, degraded galvanized iron waterline on Manzanita Court is set to begin this week and be complete in this month.

Black Oak Drive Sewer Replacement

Budget: \$60,000

Replacement of 60' of sewer line with significant inflow/infiltration is set to begin this week and completed this month.

SCADA System Improvements

Budget: \$645,000

Grant funding has been awarded for a project to install a water and sewer supervisory control and data acquisition system (SCADA) that provides remote monitoring and control of the District's water treatment plant, pump stations, tanks and sewer lift stations. Once the grant funding agreement is completed (projected this summer), an RFP will be issued for project design.

MEETINGS OF INTEREST

- 5/12 GIS Development Meeting
- 5/14 TH Chamber Storage Meeting
- 5/18 State Parks Grants Closeout Meeting
- 6/4 Baseball Field Sponsorship Program
- 6/5 CERT Carport Design Meeting

PLANNING PROJECTS

Activation of Latent Powers

Based on citizen request and strategic plan goals, staff is exploring activation of its powers to provide lighting services to downtown Twain Harte. This requires LAFCO approval and a study showing the District can sustainably provide services long-term. The study/review will be performed in FY 26-27.

County Pool/Library Collaboration

Staff has initiated collaboration with the County to explore ways to improve aquatic recreation and library stability in the District.

FUNDING OPPORTUNITIES

Sonora Area Foundation - \$32K

EV Fire Response / AWARD: August 2026

FEMA Public Assistance - \$90K

Storm Response / AWARD: Spring 2026

FY 26-27 VFC GRANT - \$38K

Radios / AWARD: Fall 2026

Energy Efficiency Grant - \$94K

Eproson Park Solar Lights / AWARDED

HUD CDBG Grant - \$525K

SCADA System / AWARDED