



# COUNTY OF DEL NORTE

Office of the County Counsel


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**Date:** December 13, 2006

**To:** Board of Supervisors, all members  
Jeanine Galatioto, County Administrative Officer

**From:** Robert N. Black, County Counsel 

**Re:** **ADOPTION OF AN AMENDED PLAN FOR SERVICES TO BE  
ATTACHED TO RESOLUTION 2006-61 PROPOSING CHANGE  
OF ORGANIZATION OF PACIFIC SHORES SUBDIVISION  
CALIFORNIA WATER DISTRICT**

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**Agenda date:** December 19, 2006

**Recommended action:** That your Board adopt the attached Amended Plan for Provision of Services within the territory currently within the boundaries of the Pacific Shores Subdivision California Water District and direct staff to forward the amended plan to Del Norte County LAFCO.

**Discussion:** Attached is a letter directed to your Board of Supervisors from the Pacific Shores Water District. The letter indicates that the Water District cannot participate in any effort at an alternative development plan. As the letter states, "By legal advice the Water District may not spend any of our taxpayers money on any effort, no matter how seemingly worthwhile, that cannot be directly related to our duty to seek approvals to provide the subdivision with water and sewer service."

Your Board of Supervisors, by Resolution 2006-61, proposed dissolution of the Pacific Shores Subdivision California Water District. Because LAFCO will be the lead agency for CEQA compliance purposes, the Resolution you forwarded to LAFCO has not yet received a certificate of filing. It will not do so until the CEQA steps have been completed.

Attached to Resolution 2006-61 was a Plan for Services. That plan suggested that the County might exercise leadership in the development of a common-interest development within Pacific Shores. Later, Mr. Dwayne B. Smith appeared before your Board of Supervisors and conducted a number of private meetings in which the common-interest concept was explored.

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Based on the October 10, 2006, letter, it now appears that neither Pacific Shores Water District, nor any of its assets, would be voluntarily involved in such a project.

Based on the forgoing, I suggest that the Plan for Services be amended to specifically make no provision for any alternative development. The plan simply recognizes the environmental, engineering, and financial realities that there will never be a water system distributing water to individual lots, nor a sewer system conveying sewage from individual lots. Therefor, Pacific Shores Water District cannot and will not perform any useful function. The new Plan for Services recognizes this, and simply identifies a "no service" option as the so-called Plan for Services upon dissolution of Pacific Shores.

**Alternatives:** Decline to amend the Plan for Services.

October 10, 2006



## PACIFIC SHORES WATER DISTRICT

*Partners With The Environment*

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County of Del Norte  
Board of Supervisors  
981 H Street  
Crescent City, CA 95531

RE: County Plan for Pacific Shores

Dear Members of the Board of Supervisors,

The Pacific Shores Water District Board of Directors thanks you for your interest in developing a plan to assist the long-suffering Pacific Shores property owners.

Unfortunately, the Water District cannot participate in any way with such endeavor. We have been scrupulous in making sure we do not engage in any action contrary to our charter to build a water and sewer service and to perform the studies necessary for permitting such service. By legal advice the Water District may not spend any of our taxpayer's money on any effort, no matter how seemingly worthwhile, that cannot be directly related to our duty to seek approvals to provide the subdivision with water and sewer service.

The Pacific Shores Water District does however, pray the County Board of Supervisors, the California Department of Fish and Game, and the Coastal Conservancy can develop an ownership project within Pacific Shores or without, that the Pacific Shores Property Owners Association would support.

The Pacific Shores Water District wishes the County good luck in their effort to correct the wrongs visited upon the property owners of the subdivision who have been guilty of nothing more than a desire to build a home in the beautiful County of Del Norte.

Respectfully yours,

Dwayne B. Smith, President  
Pacific Shores Water District

cc: interested parties

AMENDED  
PLAN FOR PROVISION OF SERVICES WITHIN THE TERRITORY CURRENTLY  
WITHIN THE BOUNDARIES OF THE PACIFIC SHORES SUBDIVISION  
CALIFORNIA WATER DISTRICT

This plan is attached to and made a part of the Board of Supervisors' Resolution 2006-61, adopted pursuant to Government Code section 56654, applying to the Del Norte County Local Agency Formation Commission for a change of organization dissolving the Water District.

The Board of Supervisors accepts that there does not appear to be a feasible plan for providing potable water and wastewater treatment services critical to the development of the individual lots in the Pacific Shore Subdivision. As evidence for this, it appears that the Pacific Shores Subdivision California Water District has acquired and expended millions of dollars and initiated a variety of technical studies, none of which have ever reached a positive conclusion. Nor have these studies even been finalized. Hundreds of lot owners have lost their property due to tax-default and hundreds of others have elected to sell their lots to the State of California.

In addition to the infrastructure limitations described above, the subdivision is a mosaic of wetlands in the wet winter months and contains a number of sensitive species and habitats.

The concept of developing individual lots is also financially questionable. The State of California now owns an additional mosaic of lots, constituting nearly half of the subdivision. Because the State's purpose in acquiring these lots does not involve sharing the financial burden of a community water or sewer system, the cost per private lot to develop such systems is roughly doubled.

Therefore, the plan for services proposed by this dissolution is that the concepts of water and sewer systems be abandoned. Whether the Water District continues in existence or not, no services will be extended along the lines originally contemplated by the Water District.

Further, this plan for services contemplates that the special tax assessed by the Water District be terminated and any residual assets of the District be distributed to the remaining lot owners on a basis proposed by LAFCo in conjunction with the dissolution.