GOLDEN WEST COMMUNITY SERVICES DISTRICT

EL DORADO COUNTY, CALIFORNIA

STRATEGIC PLAN – 2021
Looking Forward to 2025

7 December, 2021

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1. Scope & Purpose

This document presents the Golden West Community Services District's Strategic Plan (the Plan). The Plan is formulated and maintained by the Golden West CSD. The Plan provides guidance for planning and executing actions taken by the CSD to fulfill its mission: to maintain the dedicated roadways within the District.

The Plan covers several elements that guide the GWCSD's activities in service of our community. These include statements of the Mission, Vision and Core Values of the District's governance, Strategic Objectives and Long-Term Goals to guide the District's planning, ongoing analysis of the District's capabilities and limitations, and execution plans covering several years into the future.

The Plan is an important reference for the District's budgeting process as it provides a multi-year perspective into the District's needs and capabilities. The Plan also clearly identifies future actions that require accumulation of capital over a period of years in order to be adequately funded. As such, the Plan provides important transparency to the District's residents and to County and State governments regarding the purposes assigned to public funds being accrued for future projects.

The Plan is intended as a guide to the residents and management of the District. It does not seek to establish a rigid schedule for execution nor to require specific scope of actions or processes. The Plan coexists with and is subject to the District's governing documents – Charter, Bylaws, Policies and Procedures – and assumes no precedence with respect to those documents. The Plan is also a living document. Its maintenance is crucial to its function, which is to provide a realistic and relevant look into the future of the District's health, progress and operations. The present version of the plan looks forward over the period through fiscal year 2025.

The Plan is organized into sections. Section 2 presents the District's Guiding Tenets – our Vision, Mission and Core Values. Section 3 outlines the District's Operating Model. Section 4 presents an analysis of the District's operations, and includes an historical analysis of the District's budgets, projects and activities. Section 5 outlines the District's five-year action plan, including discussions of the plan's formulation as well as tradeoffs to be considered in execution of the action plan.

2. Vision, Mission and Values

Our vision is well-maintained roads provided in a legally compliant and fiscally responsible way.

Our mission is to maintain the public roadways within the District. The Board supports this mission by managing the District's maintenance activities in a manner consistent with our

current fiscal constraints. While there is a shared understanding about the fiscal management needed to accomplish our mission, this document will aid scheduling of activities and assess project priorities.

We value knowledge of pertinent county, regional and state guidelines, regulations and laws. We value open and clear communication among community members, including a regularly updated web site, accessible meetings, and compliant practices related to fiscal and personnel matters. We value the ability of our community to use self-imposed taxes to attain a goal upon which we all agree: well-maintained roads. We value the energy and expertise of our many volunteers, who help keep the district solvent and its roadways properly maintained.

3. District Operating Model

The Golden West Community Services District is a taxpayer-funded agency of El Dorado County government that is responsible for maintaining slightly more than 8 miles of public roadways within the District boundary. These roadways were dedicated to El Dorado County for public use by the subdivision maps filed in 1970 for the Golden West Paradise Units No. 2 and No. 5. The District was formed by act of the El Dorado Board of Supervisors in December, 1983, and was subsequently enacted by a 271-14 affirmative vote of the proposed District's residents on August 7, 1984. From that point forward, maintenance of the public roadways within the District became the responsibility of the GWCSD. Over the years, the District has discharged its responsibilities through the actions taken by its elected Board, with oversight of its residents and landowners.

3.1 Operational Responsibility

The District's charge – its public roadways – are several and diverse. They include:

- Crystal Boulevard – a four-plus mile-long road running the length of the Unit No. 5 subdivision. Crystal is the most heavily used of all District roadways;
- Dolomite Drive – a roughly 1.6 mile-long road forming the backbone of the road network in the Unit No. 2 subdivision;
- Galena Drive and Manganite Street – two shorter roads serving the residents of the Unit No. 2 subdivision;
- Amalgam Street – a short road running to the east of Crystal Boulevard and serving four parcels;
- Several roadway encroachments that connect the main District roads to private roads serving properties within the GWCSD Sphere of Influence. Those private roadways are properly privately maintained by their respective owners – they are not maintained by the District. Nonetheless, the private-road residents use District roadways for access to their parcels, so they are also subject to the District's Special Tax.

Table 1 and Table 2 list the District roadways in subdivision Units 2 and 5, respectively, along with the lengths of the various road segments. Table 3 lists the District-maintained encroachments of private roadways onto the main District roadways, along with the roadway lengths to be maintained by the District. These Tables indicate the extent of the District's responsibilities; roughly 6.9 miles of main roadways and 1.6 miles of encroachment roadways.

Table 1. GWCSD Roads in Unit No. 2 Subdivision

Road	From	To	Distance (ft)
Galena	cul-de-sac	Dolomite	1424
	Dolomite	SR49	1338
Manganite	Galena	Dolomite	2254
Dolomite	Monitor	Galena	1465
	Galena	Manganite	1970
	Manganite	Sam Hill Mine Ct.	1528
	Sam Hill Mine Ct.	SR49	3361
Total			**13340**

Table 2. GWCSD Roads in Unit No. 5 Subdivision

Road	From	To	Distance (ft)
Crystal	cul-de-sac	Barite	352
	Barite	Amalgam	3334
	Amalgam	Mica	1568
	Mica	Talcite	1067
	Talcite	Cinnabar	4397
	Cinnabar	Calcite	1128
	Calcite	Obrizo	2015
	Obrizo	Oak Ridge Cir. S	1565
	Oak Ridge Cir. S	Oak Ridge Cir. N	909
	Oal Ridge Cir. N	Sodalite	970
	Sodalite	Ferrite	2689
	Ferrite	County Road	2901
Total			**22895**

Table 3. GWCSD-Maintained Encroachments to Private Roads

Encroachment	Length (ft)
Unit #2	
Ore Ct.	90
Pyrite St.	590
Sam Hill Mine Ct.	330
Sub-total (#2)	**1010**
Unit #5	
Amalgam St.	900
Barite St.	425
Calcite Dr.	1320
Cinnabar Ct.	555
Ferrite St.	335
Mica St.	338
Oak Ridge Cir. N.	50
Oak Ridge Cir. S.	52
Obrizo St.	520
Sodalite St. N.	625
Sodalite St. S.	1025
Talcite St.	795
Unnamed Rd.	257
Sub-total (#5)	**7197**
Total	**8207**

3.2 Operating Resources & Expenses

District operations are funded by a $120/parcel annual Special Tax, collected by the County for the District's benefit on parcel owners' property tax bills, and an Ad Valorem share of County property tax revenue. As an example, the District's revenue in FY 2019-2020 totaled $135,283 of which $54,074 came from the Special Tax and the remainder from Ad Valorem property taxes. As few new parcels are being formed within the District's sphere of influence, the Special Tax portion is likely to remain fixed, pending an affirmative, supermajority vote of the District's residents to increase the annual tax. The Ad Valorem portion of District revenue has increased at an average annual rate of about 4.7% over the past five years.

The District's expenses are divided between two, broad categories: 1) Overhead and General and Administrative (G&A) expenses; and 2) Road Maintenance expenses. The former category includes all of the costs involved in running the District as a local-government entity. The latter category includes all expenses made specifically in performance of the District's operational mission, i.e. to maintain the public roadways within the District.

Specifically, Overhead/G&A expenses include insurance, association memberships, office supplies and office expenses, postage/mailing and shipping expenses, certain professional services other than road maintenance/improvement project planning and/or management, LAFCO fees, legal services, publications and legal notices, P.O. box and storage unit rents, elections expenses, and mileage reimbursements to District volunteers and paid personnel.

Road Maintenance expenses are those incurred to maintain, repair, improve or construct District roadways and associated infrastructure such as drainage facilities and signage. For the purposes of this plan, Road Maintenance activities are segregated into three categories:

1) **Maintenance**. Maintenance activities are done on an annual basis to preserve proper functioning and safety of District roadways. These include vegetation management (roadside weed abatement and tree trimming), crack sealing, minor pothole or shoulder-backing repair and routine drainage maintenance such as culvert/ditch clearing.
2) **Repair**. Repair work is undertaken to restore functionality and/or improve safety of District roadways, and includes activities such as pothole repair, roadway patching, shoulder backing reconstruction, ditch cleaning and shaping, obstruction removal, signage installation/replacement, and limited roadway striping. Repair activities are authorized on an as-needed basis, subject to available budget, and usually fall within discretionary cost levels for construction contracts (typically less than $100,000).
3) **Major Projects**. Major projects are undertaken to construct, reconstruct or extensively repair roadways and their associated infrastructure. These projects typically involve re-surfacing of significant lengths of roadway and are usually at cost levels requiring a publicly noticed Request for Bid/Quote and a competitive bid evaluation process.

3.3 Operating Practice

Given the foregoing, it is the District's established practice to allocate reasonable budgets for Overhead/G&A expenses and functions, and to allocate the remainder for Road Maintenance. The annual Road Maintenance budget includes amounts to perform all envisioned maintenance activities and to fund as-needed repair work. The remainder of the Road Maintenance budget is allocated to Major Projects, but that portion is usually not large enough to conduct a Major Project each year. Accordingly, the District holds unspent funds as carryover to succeeding years, thus year-by year increasing the amount available in the Road Maintenance budget for Major Projects. In years when the budgeted Road Maintenance account is large enough to complete the next planned Major Project in addition to annual Maintenance and Repair activities, the District executes the project and, as a result, considerably draws down the amount of the budget available for carryover into the next year. Typically, a Major Project is undertaken every 2-4 years, depending on the cost and scope of the Projects.

The inherent, multiyear nature of Major Project execution provides the central motivation for this Plan, in that the Plan is intended to inform prioritization and scheduling of Major Project undertakings to maintain the safety and utility of all District roads.

4. District Operations: History & Analysis

This Section provides analyses of the District's operations that are intended to inform the Board's planning and decisions regarding Repair and Major Maintenance projects. As background, we first undertake an analysis of the demands placed on the various District roadways – chiefly in terms of usage and wear. We then enumerate the Major Projects executed by the District over the past five Fiscal Years. Finally, we present an analysis of the District's year-over-year revenue and budgets.

4.1 Roadway Usage

The Tables below delineate the distribution of developed parcels along District roadways, and feeding into District roadways via connected private roadways. This Table quantifies the number of developed parcels emptying onto the various portions of District roadways. The cumulative usage numbers reflect the relative level of ordinary usage on each roadway segment. Note that encroachment usage is included with the major-road segment ending at the encroachment.

While the following Tables allow fairly direct comparison of relative road-segment usage, such usage is not the only factor that determines each road's required maintenance interval. The environment (heat, cold and moisture) plays a significant role, as do the particular constructions and maintenance histories of each roadway.

Table 4. Roadway Segment Usage – Unit No. 2 Subdivision

Road Segment	Developed Parcels	Cumulative Usage
Dolomite Dr.		72
Monitor-Galena	7	
Galena-Manganite	14	
Manganite-Sam Hill Mine Ct.	19	
Sam Hill Mine Ct.-SR 49	25	
Galena Dr.		28
cul de sac-Dolomite	16	
Dolomite-SR 49	5	
Manganite St.	14	(see note 1)
Ore Ct.	4	4
Total Unit No. 2	**104**	**104**

(1) Manganite parcels divided evenly between Dolomite and Galena for cumulative usage

Table 5. Roadway Segment Usage – Unit No. 5 Subdivision

Road Segment	Developed Parcels	Cumulative Usage	Segment Usage[(1)]
Crystal Blvd.		305	
cul de sac-Barite	19		
Barite-Amalgam	31		19
Amalgam-Mica	26		50
Mica-Talcite	22		76
Talcite-Cinnabar	27		98
Cinnabar-Calcite	26		125
Calcite-Obrizo	25		151
Obrizo-Oak Ridge Circle South	24		176
Oak Ridge Circle South-Oak Ridge Circle North	27		200
Oak Ridge Circle North-Sodalite	19		227
Sodalite-Ferrite	37		246
Ferrite-Crystal Boulevard (County Road)	22		283
Total Unit No. 5	**305**	**305**	**305**

(1) Segment Usage is the cumulative total of developed parcels south of the beginning of the segment.

4.2 Recent Major Projects

Table 6 lists information about the Major Projects the District has undertaken over the past five years. While the various project's scopes vary considerably, the tabulation of project parameters and costs provides a useful calibration of the levels of funding required to execute such major projects. For example, heavier treatments such as double chip-seal or 2" asphalt have run roughly $25/ft to $35/ft, respectively, for larger projects. Costs per unit length for smaller projects not incorporated into larger work packages are also considerably higher than costs per unit length for larger projects.

Table 6. Summary of Major Projects – Past 5 Years

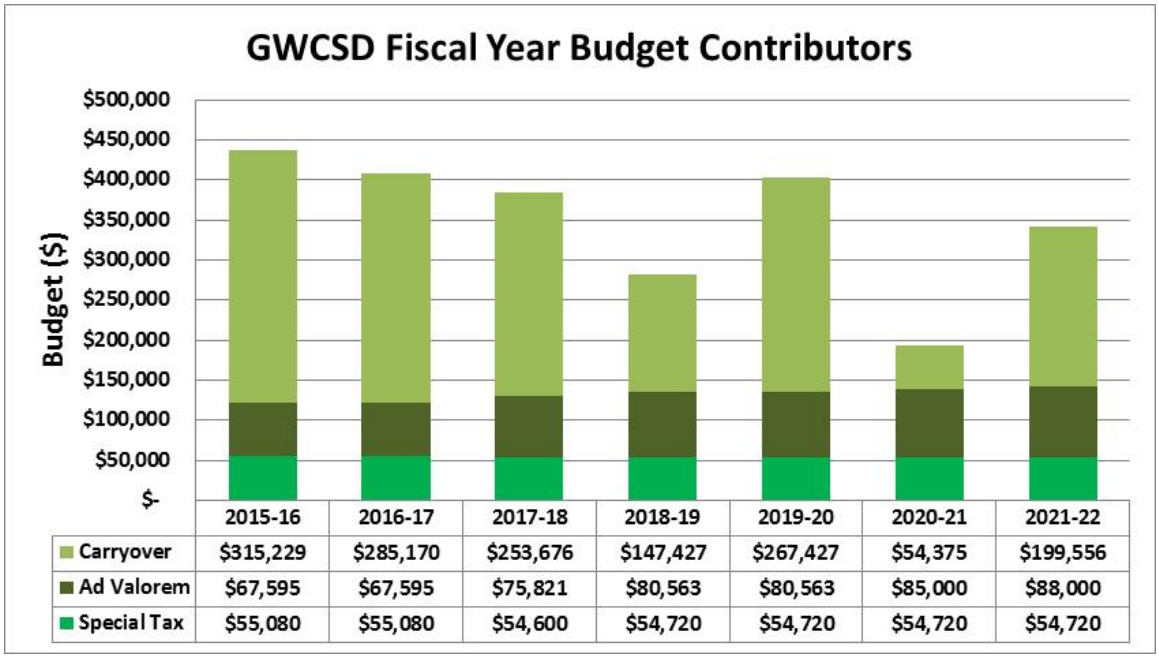
Timeframe (CY)	Roadway	Treatment	Project Length (LF)	Cost	$/LF
2Q2016	Amalgam	2-1/2" Asphalt w/ Fiber	900	$ 21,650.30	$ 24.06
3Q2016	Barite	Encroachment - 2" Asphalt w/ Fiber, Double Chip-Seal	425	$ 26,730.00	$ 62.89
3Q2017	Crystal	Single Chip-Seal - Obrizo-Ferrite	6132	$ 31,000.00	$ 5.06
		Petromat Repair, Double Chip-Seal - cul de sac-Mica	5253	$ 119,022.00	$ 22.66
3Q2017	Galena	Single Chip-Seal - cul de sac-Dolomite	1424	$ 11,000.00	$ 7.72
2Q2020	Dolomite	Shoulder Shift & Ditch Lining	500	$ 30,395.00	$ 60.79
2Q2020	Crystal	2" Asphalt - Mica-Obrizo	8607	$ 298,979.82	$ 34.74

4.3 Budget & Expenditure Analysis

Figure 1 shows the District's Budgets, as approved by the Board at the beginning of the current and each of the past six fiscal years. As mentioned previously, the Budget is based on available capital from current-year revenue and from prior-year carryover. Budgets are established at the beginning of each fiscal year.

Analysis of revenue over the period covered by Figure 1 shows that Ad Valorem revenue has increased at an average annual rate of about 4.6%. Special Tax revenue is fixed by the number of parcels within the District's Sphere of Influence and the assessed $120/year tax rate. The resulting average rate of increase in total District income is about 2.5%.

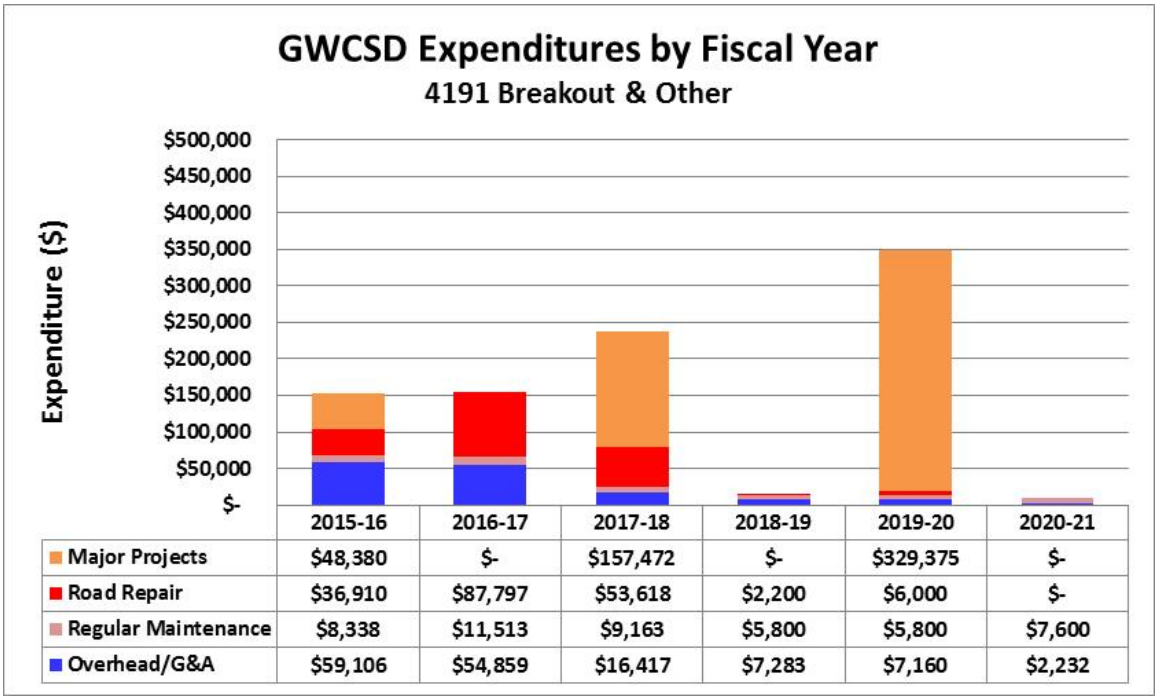
Carryover is the prior year's budget less prior-year expenses. Thus, years in which Major Projects are completed generally provide smaller carryover amounts than years seeing lower expenditures.



	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Carryover	$315,229	$285,170	$253,676	$147,427	$267,427	$54,375	$199,556
Ad Valorem	$67,595	$67,595	$75,821	$80,563	$80,563	$85,000	$88,000
Special Tax	$55,080	$55,080	$54,600	$54,720	$54,720	$54,720	$54,720

Figure 1. District Budget Breakdown by Fiscal Year

Figure 2 categorizes the District's expenditures over the past six fiscal years with regard to Road Maintenance (accounting object code 4191) and other (Overhead/G&A) expenses. This Figure clearly shows a two-year characteristic periodicity of Major Project expenditures. Comparison of Figure 1 and Figure 2 also shows the effect Major Project expenditures have on that year's carryover into the next year's budget.



	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Major Projects	$48,380	$-	$157,472	$-	$329,375	$-
Road Repair	$36,910	$87,797	$53,618	$2,200	$6,000	$-
Regular Maintenance	$8,338	$11,513	$9,163	$5,800	$5,800	$7,600
Overhead/G&A	$59,106	$54,859	$16,417	$7,283	$7,160	$2,232

Figure 2. Categorized District Expenditures by Fiscal Year

Examination of data underlying the annual numbers listed in Figure 2 reveals that the significant reduction in Overhead/G&A costs in FY 2017 and succeeding years is due to lower billed expenses for Professional Services. Such costs may fluctuate in the future depending on the District's need for additional Professional Services (e.g. legal, clerical, engineering).

We fully expect that the District's Operating Model will continue to be relied upon and executed for the foreseeable future. As explained previously, the Operating Model arises out of the necessity to harbor funds over multiple years to pay for major road projects. Such Major Projects provide District residents with the long-term benefits of superior utility and safety of their roadways. Major Projects also tend to reduce near-term repair costs in the Project areas. This is due, in part, to incorporation in such Projects of related work to reinforce road shoulders and maintain adjacent drainage facilities (culverts, ditches).

Using the characteristics of Figure 2 as a guide, the District expects to be able to accomplish a Major Project every 2-3 years. Review of Figure 1 indicates that the District is able to execute Major Projects in years with total budgets near or above $350,000. The FY 2021-22 budget allocates $31,565 (9.2%) to Overhead/G&A expenses out of a total budget of $342,276.

Projecting forward from FY 2021-22, and using the cost escalation estimates listed, Table 7 shows that Major Projects of approximately $168,000 scope (2021 dollars) can be executed every two years while sustainably preserving sufficient carryover (~37% of the total budget) in Major Project years to perpetuate the frequency of same. This projection spends a total of $724,101 on Major Projects over the eight-year duration 2021-2028.

Table 7. Budget & Expense Projections 2022-2027 – Sustainable Carryover

FY (start)	2021	2022	2023	2024	2025	2026	2027	Escalation
Income								
Special Tax	54720	54720	54720	54720	54720	54720	54720	
Ad Valorem	88000	88000	90640	93359	96160	99045	102016	3% /year
Carryover	199556	125111	217831	135391	230670	142130	240295	
Total Budget	342276	267831	363191	283470	381550	295895	397031	
Expense								
Overhead/G&A	31565	32000	33000	34000	35000	36000	37000	1000 /year
Repair	10000	10200	10400	10600	10800	11000	11200	200 /year
Maintenance	7600	7800	8000	8200	8400	8600	8800	200 /year
Major Projects	168000		176400		185220		194481	5% /project
Total Expense	217165	50000	227800	52800	239420	55600	251481	
Carryover	125111	217831	135391	230670	142130	240295	145550	

We can also project the effects of executing Major Projects at the highest possible dollar value in any given year. Keeping the bi-annual project frequency, and under the escalation assumptions listed above, around 91% of the annual budget can be devoted to Major Projects in alternate years, resulting in $869,651 spent on Major Projects over the period 2021-2028. Table 8 lists these projections, which indicate a fluctuating admissible project scope slightly below $200,000 in the out years.

Table 8. Budget & Expense Projections 2022-2027 – Zero Carryover in Alternate Years

FY (start)	2021	2022	2023	2024	2025	2026	2027	Escalation
Income								
Special Tax	54720	54720	54720	54720	54720	54720	54720	
Ad Valorem	88000	88000	90640	93359	96160	99045	102016	3% /year
Carryover	199556	0	92720	0	95279	0	98165	
Total Budget	342276	142720	238080	148079	246159	153765	254901	
Expense								
Overhead/G&A	31565	32000	33000	34000	35000	36000	37000	1000 /year
Repair	10000	10200	10400	10600	10800	11000	11200	200 /year
Maintenance	7600	7800	8000	8200	8400	8600	8800	200 /year
Major Projects	293111	0	186680		191959		197901	
Total Expense	342276	50000	238080	52800	246159	55600	254901	
Carryover	0	92720	0	95279	0	98165	0	

Assuming a FY21 cost of $36.50/LF for Major Project work of scope equivalent to the most recent Project undertaken by the District (Crystal Blvd. asphalt paving, Mica-Obrizo, 1.63 miles), and 5% bi-annual escalation, the projection described in Table 7 would resurface about 3.5 miles of District roadway through FY2028-29 at a total cost of $724,101. The projection of Table 8 would resurface about 4.2 miles through FY2028-29 at a total cost of $869,651. At these rates, the entire District road network could, theoretically, be renewed every 16-20 years.

Although not presented here, further analysis indicates that Major Projects of more than $275,000 in scope can be undertaken every 3-4 years using the current projections. As revenue and cost escalation factors will doubtless change and differ, it is not possible to indicate whether this level of project funding is ultimately sustainable. However, it is reasonable to assume that the District can presently recover in 3-4 years from funding a Project that consumes around 90% of its annual budget while recognizing that no Major Projects would be possible within the recovery period.

5. Action Plan

In view of the foregoing analysis, we develop here a candidate plan for District road maintenance and improvement through the present and following six years. This plan is based on the following assumptions:

1) District revenue will continue to increase at about 3%/year;
2) Overhead and G&A expenses will increase by roughly $1,000 annually;
3) Repair and maintenance costs will remain relatively flat, with each increasing up to $200/year on average;
4) Road resurfacing and reconstruction contracting costs will increase 3%/year on average;
5) Baseline year (FY 2021-22) road resurfacing/reconstruction costs are $36.50/LF.

Given the assumptions above and the recent history of Major Projects undertaken by the District, we advance the following Action Plan:

Project #	FY	Roadway	From	To	LF	$/LF	Est. Cost
1	2021-22	Crystal	Obrizo	Ferrite	6133	$ 36.50	$ 223,855
2	2023-24	Crystal	Ferrite	County	2901	$ 38.69	$ 112,240
		Dolomite	Monitor	Manganite	3435		$ 132,900
3	2025-26	Dolomite	Manganite	SR49	4889	$ 41.01	$ 200,505
4	2027-28	Galena	Dolomite	SR49	1338	$ 43.47	$ 58,166
		Manganite			2254		$ 97,986

Table 9 details the projected budgets and costs reflecting the action plan described above. As the Table reveals, the Plan strikes a balance between utility and flexibility, wherein the District maintains its ability to cover fixed costs and a contingency fund for unanticipated repair needs while continuing to pursue its bi-annual scheduling of Major Projects. Table 9 indicates that completing Crystal Blvd. resurfacing in FY2023-24 while retaining the flexibility to adjust subsequent-project scope to fit future-year available budgets is within the District's ability and consistent with its historical operations.

Table 9. Projected Budgets and Costs of Candidate Action Plan

FY (start)	2021	2022	2023	2024	2025	2026	2027	Escalation
Income								
Special Tax	54720	54720	54720	54720	54720	54720	54720	
Ad Valorem	88000	88000	90640	93359	96160	99045	102016	3% /year
Carryover	199556	69256	161976	10796	106075	2250	100415	
Total Budget	342276	211976	307336	158875	256955	156015	257151	
Expense								
Overhead/G&A	31565	32000	33000	34000	35000	36000	37000	1000 /year
Repair	10000	10200	10400	10600	10800	11000	11200	200 /year
Maintenance	7600	7800	8000	8200	8400	8600	8800	200 /year
Major Projects	223855		245140		200505		156152	3% /year
Total Expense	273020	50000	296540	52800	254705	55600	213152	
Carryover	69256	161976	10796	106075	2250	100415	43999	