

**Municipal Service Review and Sphere of Influence Update
Madera County Mosquito & Vector Control District &
Chowchilla Memorial Healthcare District
Madera County, California**

Prepared for:



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SECTION 1: EXECUTIVE SUMMARY

State mandates enacted in 2000 establish requirements for Local Agency Formation Commissions (LAFCo) to conduct comprehensive reviews of all special districts located within the counties boundaries. The legislative authority for conducting these Municipal Service Reviews (MSR) is provided in the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act) which requires LAFCO to conduct an MSR prior to or in conjunction with preparing or updating a Sphere of Influence (SOI) for a city or district.

The MSR and SOI must be reviewed and updated as necessary in conformance with the requirements of the CKH Act. The CKH Act also requires LAFCo to prepare and consider a Municipal Service Review in conjunction with the consideration of and/or update of an SOI. The Municipal Service Review must be prepared in accordance with Section 56430 of the California Government Code as a means of evaluating public services provided by the Madera County public districts. The Municipal Service Review Guidelines (2003) prepared by the State Office of Planning and Research will be used to develop information, perform analysis, and organize the study.

Specifically, the Commission is required to adopt a written determination regarding the following nine topics:

1. Infrastructure needs and deficiencies
2. Growth and population
3. Financing constraints and opportunities
4. Cost-avoidance opportunities
5. Opportunities for rate restructuring
6. Opportunities for shared facilities
7. Government Structure Options
8. Management efficiencies
9. Local accountability and governance

The service review for Madera County Mosquito & Vector Control District and Chowchilla Memorial Healthcare District provides a description of the current services provided as of the date this report was initiated. Madera County LAFCo will consider the study as a source of information for future sphere of influence studies and special district reorganizations.

Several sections of CKH Act empower LAFCO's to obtain information for service reviews from all special districts and allows the commission to make studies of existing governmental agencies. Section 56846 states "Every officer of any affected county, affected city, or affected district shall

make available to a reorganization committee any records, reports, maps, data, or other documents which in any way affect or pertain to the committee's study, report, and recommendation and shall confer with the committee concerning the problems and affairs of that county, city, or district.”

To facilitate its purposes and responsibilities of maintaining a planned and logical coordination of special district services, Madera County LAFCo must adhere to Government Code 56076, which defines a sphere of influence as “A plan for the probable physical boundary and service area of a local agency or municipality.” The commission shall use spheres of influence to guide its consideration of proposals to change local government boundaries. When adopting, amending, or updating an SOI the commission shall according to government code do the following:

- Require districts to file written statements specifying the functions or classes of services provided.
- Establish the nature, location and extent of any functions or classes of services provided by the districts.

The Commission is required to conduct an MSR in conjunction with the establishment, update, or review of an SOI (Government Code section 56425). The topics below will be examined and evaluated for each special district. These topics will form part of the basis for the discussion, analysis and recommendations of the MSR with regard to the condition and adequacy of services provided by each district and will be used to determine the districts SOI.

- Present and Planned Land Uses
- Present and Probable Need for Public Services and Facilities
- Present Capacity of Facilities
- Social/Economic Communities of Interest

The California Environmental Quality Act (CEQA) found in Public Resources Code §21000 et seq, requires all public agencies to evaluate the potential environmental effects of their actions. The adoption of a SOI has been interpreted to be a “project” under CEQA requiring associated Municipal Service Review’s to be analyzed for any direct, or foreseeable indirect physical changes to the environment.

No direct or indirect physical changes to the environment are anticipated through the expansion of the SOI for the Madera County Mosquito Abatement and Vector Control District (Mosquito District.) The Chowchilla Memorial Healthcare District’s (Healthcare District) SOI is recommended to remain unchanged and will not have any direct or indirect physical changes to the environment. Madera

LAFCo, serving as CEQA’s lead agency, has determined this Municipal Service Review/SOI Update to be a project which qualifies for statutory exemption from CEQA as stated in CEQA Guidelines §15262:

“A project involving only feasibility or planning studies for possible future actions which the agency board, or commission has not approved, adopted, or funded does not require the preparation of an EIR or negative declaration but does require consideration of environmental factors. This Chapter does not apply to the adoption of a plan that will have a legally binding effect on later activities.”

This MSR/SOI update was performed to provide Madera LAFCo vital information in determining possible future adjustments to these special district spheres of influence, hence, this document qualifies for a class six exemption under CEQA statute §15306:

“Class 6 consists of basic data collection, research, experimental management, and resource evaluation activities which do not result in a serious or major disturbance to an environmental resource. These may be strictly for information gathering purposes, or as part of a study leading to an action which a public agency has not yet approved, adopted or funded.”

DETERMINATIONS AND RECOMMENDATIONS

Below is a summary of the recommendations presented in this study for both districts.

MADERA COUNTY MOSQUITO AND VECTOR CONTROL DISTRICT

1. Infrastructure Needs or Deficiencies

Determination: The current level of infrastructure within the Mosquito District is adequate; however, the facility and yard contain minimal room for growth. District infrastructure primarily consists of a mobile infrastructure to meet the needs of residents within the District’s boundary. If the District’s sphere of influence expands to include additional land within the County, than the District must find an alternative location for its headquarters since the current location contains minimal room for expansion.

2. Growth and Population

Determination: Urbanization outside the Districts boundary will grow substantially over the next decade creating a high demand for increased services. Madera County anticipates the construction of 38,080 new dwelling units within the next two decades.

3. Financing Constraints and Opportunities

Determination: The District has adequate funding to support existing levels of service within current District boundaries. State funding for repressing West Nile Virus outbreaks cannot be relied upon by the District.

4. Cost Avoidance Opportunities

Determination: Outsourcing management duties would be cost prohibitive and is not a feasible cost saving measure. Low administrative cost is not always a good measure for cost avoidance efficiency. An aggressive advertising campaign would result in significant cost savings as the public becomes aware of mosquito abatement techniques and puts them into action on their properties.

5. Opportunities for Rate Restructuring

Determination: Rate restructuring is not recommended at this time. The District is receiving adequate funding to sustain current levels of service.

6. Opportunities for Shared Facilities

Determination: Opportunities for shared facilities is not an option at the Districts current location due to a lack of space. It is recommended the District pursue opportunities of sharing facilities with a Madera County Road Maintenance Yard facility. Relocation to a new facility would allow the district an opportunity to store pesticides away from highly populated areas of the County.

7. Government Structure Options and Management Efficiency

Determination:

The District contains an appropriate and adequate administrative structure to govern the District and to accommodate an increased SOI. Restructuring the Districts services is not a valid option.

Reorganization of the administrative structure will not enable the District to produce additional revenue. The District contains an appropriate and adequate administrative structure to govern the District and to accommodate an increased SOI. Restructuring the Districts services is not a valid option.

Reorganization of the administrative structure will not enable the District to produce additional revenue.

Significant improvement of management efficiencies will not be obtained through an alternative management structure. The current management structure is recommended to remain unchanged.

8. Local Accountability and Governance

Determination: The District has demonstrated local accountability through following open meeting laws found in the Brown Act and providing regularly scheduled District Board Meetings that are open to public attendance. In addition, the public is notified and invited to attend meetings where important District decisions are voted on such as adopted rate changes.

SOI Recommendation

It is recommended the District SOI be increased to include all lands located in Madera County. However, current service boundaries will remain unchanged until residents residing within an identified geographical region outside the current boundaries vote to approve, by majority, a zone of benefit and associated special tax. These zone of benefits will provide the District an opportunity and funding to provide mosquito abatement services to communities within Madera County who request the service.

CHOWCHILLA MEMORIAL HEALTHCARE DISTRICT

1. Infrastructure Needs or Deficiencies

Determination: The District requires updated equipment and facility infrastructure including a new x-ray unit and generator, heating and air conditioning unit, plumbing, kitchen appliances, and beds. The District also requires additional shower facilities.

The Healthcare District is finding it difficult to recruit new employees with adequate credentials and/or certifications to fill upper management or specialized positions. The Healthcare District is in need of adequate pharmaceutical services and shall be able to obtain necessary drugs including the availability of 24-hour prescription service on a prompt and timely basis.

It is recommended that a social work service policy and procedure manual be prepared or obtained by the Healthcare District and all administrative team members and staff shall review all policies to ensure compliance.

The Healthcare District is lacking committees governing patient care policy, infection control, and pharmaceutical services. Committees should be formed as mandated by the CDHS.

2. Growth and Population

Determination: Population growth is anticipated to substantially increase over the next decade within the Healthcare Districts boundaries and nearby communities resulting in an increased demand for services. Current financial deficiencies at the Healthcare District prevent expanded services to support the projected population growth within the Districts boundaries.

3. Financing Constraints and Opportunities

Determination: Chargeable rate fees for provided medical service is determined by California Department of Health Services with fee rates dependant on the Healthcare Districts license. Since the hospital has a set number of beds, a maximum fixed income at a fixed rate can be predetermined.

The only variable for financial constraints and opportunities is the bed vacancy rate. With the Healthcare District operating at approximately 98% capacity, new financial opportunities remain low while constraints will remain high until public demand for more beds are made available.

4. Cost Avoidance Opportunities

Determination: Outsourcing management duties would be cost prohibitive and is not a feasible cost saving measure. Low administrative cost is not always a good measure for cost avoidance efficiency. Use of volunteers is an appropriate cost saving measure as long as volunteers posses the adequate knowledge, education, skills, and experience.

5. Opportunities for Rate Restructuring

Determination: The California Department of Public Health has allowed the Healthcare District to use a freestanding fee rate, which will raise patient fees from \$163.88 per day to \$202.96 per day. No other opportunities for rate restructuring exist.

6. Opportunities for Shared Facilities

Determination: Facilities are shared with Quest Diagnostics who is currently under contract for laboratory services with the Healthcare District. Regarding the Districts inadequate storage and filling of records, the Commission has determined that the opportunities for shared facilities and or new filling systems must be pursued.

7. Government Structure Options

Determination: Current governmental structure organization of the Healthcare District is patterned after numerous successful Healthcare Districts throughout California and the structure should remain unchanged. Several positions within the governmental structure of the District are mandated by the

State and cannot be reorganized. A change in the governmental structure alone will not offset insufficient revenue sources.

8. Evaluation of Management Efficiency

Determination: The District contains an appropriate and adequate administrative structure to govern the District and to accommodate an increased SOI. Restructuring the Districts services is not a valid option. Reorganization of the administrative structure will not enable the District to produce additional revenue.

9. Local Accountability and Governance

Determination: The District has demonstrated local accountability through following open meeting laws found in the Brown Act and providing regularly scheduled District Board meetings that are open to public attendance. In addition, the public is notified and invited to attend meetings where important District decisions are voted on.

Development of a Disaster Manual Plan is vital in Healthcare Districts efforts to serve the public during emergencies and disasters. A revised Disaster Manual was prepared by the District on March 2006. The next revision should include patient isolation protocols and use of the Hospital Incident Command System.

SOI Recommendation

It is recommended the Sphere of Influence remain unchanged until the Healthcare District either expands its current facility and increases its bed numbers or moves to a new facility that can accommodate more than 25 beds.

SECTION 2: INTRODUCTION

Madera County is located in the center of California's San Joaquin Valley, the most productive agricultural region in the world. The county produces a diverse selection of crops, which strengthens its agricultural economy. Of 250 crops grown in California's San Joaquin Valley, more than 80 crops are cultivated in Madera County. The ten leading crops ranged from nuts, grapes, cotton, and alfalfa to cattle, heifers, milk, and poultry. The county's production value has exceeded one billion dollars in recent years due to the variety of crops.

Madera County's origins did not begin with the farming industry; logging was the springboard for its growth. Madera is the Spanish word for "lumber," and it wasn't until the 1850's when the passion for gold brought a new economical source to the county. Several towns originated in the midst of the gold rush as evidence by their names.

The gold industry thrived in the Sierra Nevada's, which border the eastern side of the county, while the northern and southern boundaries are defined by the Chowchilla and San Joaquin Rivers. The County is comprised of 2,136 square miles of prime farmland, rolling foothills, and eye-catching mountain terrain. Fabled highway 49 has its southern terminus in the scenic community of Oakhurst.

The county was established on March 11, 1893 and its seat is located in the city of Madera along Highway 99, one of San Joaquin Valley's main circulation arteries. County government has a backbone of five County Supervisors and one County Administrator, whereas the cities within the county comprise City/Manager governments.

Madera is one of two cities in the county, with the other being Chowchilla, home of the Chowchilla Memorial Healthcare District. Eleven unincorporated communities are also in the county's boundaries. Oakhurst, one of these communities is considering incorporation. The population of the county is approximately 150,000 individuals and is projected to continue its strong growth rate where it has recently been one of the fastest growing counties in the state.

Numerous recreation opportunities are located within and in close proximity to Madera County. Foremost, is Yosemite National Park, which can be accessed on Highway 41 through Oakhurst. Exceptional hiking, biking, and sightseeing can be found throughout the Sierra Nevada's including the John Muir Trail, Devil's Postpile National Monument, Sierra National Forest, Minarets Wild Area and the Nelder Grove of giant Sequoias. In addition, water sports and fishing can be found on six large bodies of water and several smaller lakes.

Exhibit 1: Regional Location Map

2.1 - Madera County Mosquito & Vector Control District

Counties and local municipalities are allowed to form Mosquito abatement districts pursuant to laws found in the California Health and Safety Code-Division 3, Chapter 1, section 2000 et seq, also know as the Mosquito Abatement Act of 1915. Pursuant to this code the Madera County Mosquito Abatement District was formed in 1947. In 1992 the name was changed to Madera County Mosquito and Vector Control District.

The Mosquito District is governed by a seven-member board of trustees with one appointed member by the Chowchilla City Council, one appointed member by the Madera City Council and five members appointed by the County Board of Supervisors consisting of one member per supervisory district. Trustees are appointed for two-year terms.

Board of Trustees

Loren Freeman, President

Jeff Coulthard, Vice President

Peter Fry, Secretary

Minnie Aguirre

Donald Horal

Dennis Meisner

Charles Seevers

The mission statement of the Mosquito District is to “Provide for the health, safety and comfort of the residents within district boundaries by the abatement of mosquito and other vector populations in order to minimize vector-borne diseases.” The Mosquito District accomplishes this task through constant surveillance and employing numerous abatement techniques in efforts to control vector populations.

The foothill towns of North Fork, Bass Lake, Coarsegold, Oakhurst, Ahwahnee, and Raymond are not in the District, which only goes as far as Highway 41 and Road 145. There is unmet demand for service in this area.

2.1.1 - Public Education

The Mosquito District uses several methods to disseminate information to the public. Press releases are published in the Madera Tribune and the Source Reduction Officer speaks to local organizations, such as the Lion’s Club, Kiwanis International, and local High Schools, upon request. Informational brochures are distributed at events such as those previously mentioned, and are also available at the District office.

2.1.2 - Staffing and Equipment

Staffing for the Mosquito District during the mosquito season consists of nine full time employees and ten seasonal employees who are hired from May through September. All full time employees are vector control technicians certified by, or in the process of becoming certified by, the California Department of Health Services.

Vehicles and equipment are maintained by Mosquito District personnel from an onsite shop. The following is a list of currently owned equipment:

- 2- Half Ton Pickup Trucks
- 12- Compact Pickup Trucks
- 30- Pesticide Tanks Mounted on Compact Pickup Trucks
- 12- Pesticide Hand Wands
- 12- Thirteen Horsepower Mist Blowers
- 2- Ultra Low Volume Adulticide Fogging Units

2.1.3 - Mosquito Species Located in Madera County

Since the establishment of the Mosquito District, 16 mosquito species have been trapped and identified within the districts boundaries. Of this number only 11 regularly use humans for a blood meal. The lifecycle of all mosquito species is similar in that egg development must occur in water. Generally females lay eggs in all types of freshwater and certain species prefer somewhat polluted water such as sewage, street drainage, septic tanks, cesspools, and industrial waste. Some species do not lay their eggs in water however, all mosquito larvae require water to develop. When eggs are laid directly in water they float in clusters called rafts and hatch into larvae in one to four days. Larvae, or “wigglers”, feed on small organic particles and microorganisms in the water, however they must always return to the surface to breath.

At the end of the larval stage in approximately four to six days the wigglers will molt in to the aquatic pupa called “tumbler”. At this stage the pupa will not feed and will only move if disturbed. The tumbler will transform into an adult in about two days at which time the new adult splits the pupal skin and emerges at the surface. Transformation from egg to adult, under optimum conditions, generally takes a week. However, mosquito development times will vary dependant on temperatures and nutrients of the water in which they develop.

Mosquito species in Madera County generally live for two to three weeks in the summer, however in cooler conditions females may live for several months. In Madera County adult female mosquitoes will hibernate during the cold months in the Sierra Nevada’s. Hibernation occurs in sheltered areas such as woodpiles, caves, culverts, or protected natural or artificial shelters. The key mosquito species found in Madera County are described below.

- Southern house mosquito (*Culex quinquefasciatus*): This light brown, medium sized mosquito species received its name due to its close relationship to human's environment and its habit of entering houses and is the most widely distributed mosquito species in the world. Eggs may be laid in any type of standing water and will even lay eggs within homes indoor containers. The Southern House Mosquito is mainly a nuisance mosquito, although it may have a role in transmitting St. Luis Encephalitis.
- Foul water mosquito (*Culex stigmatosoma*): The dark bodied, medium sized mosquito is generally associated with polluted water. This species prefers to feed primarily at night with peak activity near dusk and dawn. Hosts include birds, livestock, and plants but rarely humans. The foul water mosquito is known to travel up to one to two miles in search of a host. Biological control of the foul water mosquito is difficult in water sources that produce great numbers of this species since those waters are generally too polluted to allow fish to survive.
- Encephalitis mosquito (*Culex tarsalis*): As the name implies, this species is the primary vector of Western Equine Encephalitis and St. Louis Encephalitis virus in the western United States. From a disease standpoint it is the most significant mosquito species in the state and is the most widespread species in California. It is a dark bodied, medium sized mosquito and maximum populations typically occur during late summer. Common hosts are birds, yet they are still common biters of humans.
- Western tree hole mosquito (*Aedes sierrensis*): The immature stages of life for this small, black mosquito frequently occurs in water collected inside the rot holes of over 20 different tree species. Individual eggs are deposited along the moist sides of a tree hole in late spring and summer. The eggs will hatch when enough rain supplies the tree hole with water to flood the eggs providing small organic particles and microorganisms for nutrition. This species is not known to transmit any diseases to humans; however they may transmit canine heartworms to dogs.
- Western malaria mosquito (*Anopheles freeborni*): The Anopheles family is the only group of mosquitoes capable of transmitting malaria. This medium sized dull brown to black species seeks out clear pools of water, in full sunlight with aquatic vegetation to lay its eggs. This species is known to migrate up to five miles from the point of origin. Through intensive mosquito control activities the transmission of malaria has been virtually nonexistent for the last three decades.

2.1.4 - Laboratory Services

The Mosquito District participates in a statewide vector borne disease surveillance program sponsored by the California Department of Health Services. Laboratory services are provided by state designated labs for the testing of sentinel chicken blood samples, dead wild birds, and for identification of trap collected mosquito samples. Mosquito District personnel use minimal laboratory equipment for species identification in both the larval and adult stages of life. A regional biologist who is a specialist in entomology and vector-borne disease with the California Department of Health Services also provides assistance to the Mosquito district when necessary.

2.1.5 - Mosquito Abatement Techniques

The Mosquito District utilizes several techniques for controlling mosquito populations including biological control, chemical control, and community education. Dependant on the situation, staff chooses the most feasible option for control. Before a biological or chemical control measure is implemented the Mosquito District makes every attempt to eliminate the breeding site by the removal of standing water. If the water cannot be removed District personnel will then attempt biological or chemical controls.

Biological control can provide either short or long-term control dependant on the agent used. A long-term biological abatement technique in Madera County is the introduction of *Gambusia affinis*, the mosquito fish. This tactic is indispensable to the mosquito control program. The mosquito fish is remarkably hardy and able to survive in waters of very low dissolved oxygen levels, high salinity levels, and a wide range of water temperatures. These adaptable traits in conjunction with their ability to produce large numbers of young in a short time, has made them valuable biological control agents for mosquitoes and is now one of the most widespread freshwater fish species in the world.

The mosquito fish is native to the eastern portions of North America where they ranged from Southern Illinois to Texas and along the Gulf of Mexico to the Rio Panuco Basin in Mexico. The species was originally introduced to California in 1922 as a long-term biological mosquito control agent. It has a voracious appetite for mosquitoes and a single fish can eat up to 100 mosquito larvae per day.

The mosquito fish is not an egg layer, but produces live young. Females can reach sexual maturity in six to eight weeks when they begin bearing up to 50 advanced live young per brood, several times throughout the season. Under favorable conditions the mosquito fish may live two to three years. Their breeding potential has demonstrated an incredible ability for this species to multiply and dominate new habitats.

Madera County Mosquito Abatement aggressively attempts to combat all mosquitoes throughout the main breeding season. Staff locates every pond possible and stocks the aquatic system with mosquito fish; however, public participation is welcomed. Madera County places advertisements in the newspaper, during March and April, informing the public they can pick up free mosquito fish at their office for use in their personal ponds. It is preferred that patrons phone a day ahead so staff can schedule the appointment. Mosquito fish may be picked up between 8:00-4:30 a.m. Patrons are asked to bring their own five-gallon bucket to transport two to three dozen fish to the subject location.

A biological larvicide used by Madera County is the spores from the bacterium *Bacillus thuringiensis* (Bti), which is a powerful insecticide against species of the orders Lepidoptera (Moths and Butterflies), Diptera (Flies and Mosquitoes) and Coleoptera (Beetles). The effectiveness of the Bti spores comes from their ability to form crystals of proteinaceous endotoxins that is harmful to the immature stages of a mosquito.

The Bti spores are purchased in either a liquid or a granular form. Madera County devotes one vehicle from its fleet for the application of the Bti liquid, which is sprayed from the vehicle in 50-60 foot swaths directly into ponds. The granular form of Bti is carried in buckets in each fleet vehicle and applied by hand for localized application in ponds.

Bti is considered a short-term control agent since it only persists in the environment for about 36-48 hours and is only affective for the early stages of development since its effectiveness is dependant on being fed upon. Late stage, non-feeding mosquitoes, pupae, and adults are unaffected by Bti application.

Vectolex is the second biological larvicide used by the Mosquito District and is also composed of protein spores produced by a bacterium called *Bacillus sphaericus* (Bs). The effectiveness of this product is based on its ability to produce a toxin in the mosquitoes gut causing mosquito larvae to stop feeding.

A chemical control product applied by the Mosquito District is Golden Bear 1111 (GB1111) mosquito larvicide which is a petroleum hydrocarbon effectively used when larvae pupate since other larvicides are ineffective during the pupae development stage. GB 1111 forms a barrier on the surface of pond water preventing developing pupae from reaching the atmosphere to breathe. This larvicide may be applied from field vehicles using a mist blower or hand wand, or it may be applied by foot using a five-gallon backpack pump. The oil works by forming a barrier at the air-water interface that suffocates air-breathing insects such as mosquito pupae.

Methoprene based insect growth regulators are also used by the Mosquito District as a larvicide. Methoprene based larvicides may be applied in liquid or briquette form with products that subsist in the aquatic environment for up to 30 days resulting in long lasting control. Methoprene inhibits the growth of larval mosquitoes preventing them from developing into the adult stage and is target-specific. The compound will not affect mammals, fish, birds, or other predatory aquatic insects.

The adulticide Pyrethrum is a synthetic insecticide based on natural pyrethrum which is made from the dried flower heads of Old World plants from the genus *Chrysanthemum*. The Mosquito District generally applies adulticides using Ultra Low Volume (ULV) cold fogging units in the late evening or early morning hours. ULV units perform using electronically controlled output rates and are calibrated to ensure the lowest possible concentrations are applied resulting in adequate control. ULV units are currently used in rural areas, with use in urban neighborhoods avoided, to reduce human exposure to adulticides.

Each pesticide application is logged in a detailed daily report including the location of application, date, time, type and amount of pesticide applied, how the application was performed, and why the application was made. The Madera County Department of Agriculture has oversight authority on the District's transport and use of pesticides. A monthly pesticide use report is provided to the Agricultural Department and a yearly pesticide use report is sent to the California Department of Health Services.

All of the pesticides used by the District are registered with the federal and state Environmental Protection Agency (U.S. EPA and CalEPA) as mosquito control pesticides. As with any pesticides, there are restriction and cautions for their use. District operators are trained, and retrained, as well as supervised on an ongoing basis in the field to ensure label directions are strictly followed. All of the full-time employees are vector control technicians certified by, or in the process of becoming certified by, the California Department of Health Services. Given these conditions, and the category of pesticides used by the District, there are no resulting long-term adverse effects to air, water, biological species, or recreation.

2.1.6 - Public Health Concerns

Uncontrolled mosquito populations are a serious health concern for Madera County residents. Whenever a public nuisance exists on any property within the district it is the responsibility of the Mosquito District to either abate the nuisance or require the property owner to abate the nuisance. If a property owner neglects their duty Section 2061 of the California Health and Safety Code authorizes the Mosquito District Board of Trustees, after notification and hearing, to initiate legal abatement proceedings. If the public nuisance is not abated the imposition of civil penalties of up to

one thousand dollars (\$1,000) per day may be imposed. The control of vector populations is essential in preventing outbreaks of vector borne diseases, several of which are found in Madera County.

West Nile Virus (WNV) is a potentially serious illness throughout most of the world and is now an important public health concern in North America. The virus was first identified in 1937 from a feverish adult woman in the West Nile District of Uganda. The virus was characterized in the 1950's and became recognized in 1957 as the cause of severe human meningitis or encephalitis during an outbreak in elderly patients in Israel. During the 1960's an equine disease was isolated in Egypt and France. The severity of WNV outbreaks and frequencies has increased since the mid 1990's. Serious outbreaks have occurred involving hundreds of individuals causing severe neurological disease in Romania (1996), Russia (1999), and Israel (2000). Prior to 1999 the virus was only found in the Eastern Hemisphere particularly in Europe, Middle East, Asia, and Africa, however, in 1999 the disease made it's way to North America when febrile illnesses and encephalitis was reported in human cases living in the New York City metropolitan area. The disease remained isolated in New York until two cases of WNV were reported from a rural Florida county in July and August of 2001.

WNV first appeared in California in 2002 with the identification of one human case from Los Angeles County. In 2003, three human cases occurred in California and WNV activity was detected in six southern California counties. The following year, 830 human infections were identified throughout the state and activity was observed in all 58 counties in California. In the year 2005, the first cases of human infections in Madera County occurred as 19 individuals tested positive for WNV.

Following WNV introduction to North America 285 species of birds have been identified as carriers of the virus. Sufficient amount of information has been collected through the testing of dead birds, sentinel chicken flocks, and mosquito pools to reveal that the virus has established itself in the San Joaquin Valley.

Even though the virus has established itself in the state, the California Center for Disease Control (CDC) still operates a web-link for individuals who want to report dead birds. The site asks for information concerning the species of bird, its condition and a location where it can be picked up. If health officials or Mosquito District personnel have not picked up the bird within 24 hours, the bird may safely be disposed of in the trash. During the 2006 mosquito season 51 dead birds were tested from Madera County producing three positive results for WNV.

Sentinel chicken flocks have also been strategically placed in over 200 sites throughout the state and used to obtain information concerning the spread of WNV. Chickens from the flocks are tested routinely during the mosquito season to detect the virus's presence. Madera County has participated in sentinel chicken flock surveillance in the past and will maintain two flocks during the 2007

mosquito season. The first flock will be located near Chowchilla and the second will be near Madera. Approximately 300 blood samples will be obtained for testing throughout the summer beginning April 4, 2007. During the 2006 season, the Mosquito District obtained 300 blood samples from resident sentinel chicken flocks. Nine samples were positive for WNV.

Infected mosquitoes from the Culex family are the primary mosquitoes that transmit the St. Louis and Western Equine encephalitis virus. Birds are the primary host from which mosquitoes obtain the virus. Neither birds nor mosquitoes develop symptoms from the disease, both are immune to the effects; however infected humans may develop mild to more severe infections consisting of flu like symptoms. Serious symptoms may be composed of stupor, disorientation, coma, tremors, occasional convulsions, and spastic paralysis.

Since 1964 approximately 4,500 individuals have contracted the St. Louis Encephalitis and approximately 650 have contracted the Western Equine encephalitis. Currently no known human vaccine has been developed and no specific therapy has been standardized. Survivors of encephalitis may have mild to severe neurological deficiencies.

Malaria is a serious and sometimes fatal disease caused by one of four parasite species from the Plasmodium family. The disease is usually transmitted through the bite of an infected female Anopheles sp. mosquito after previous blood meal has been taken from an infected person. Since the malaria parasite is found in red blood cells of the host, the disease may also be transmitted through blood transfusion, organ transplant, or the shared use of needles or syringes contaminated with blood.

Symptoms generally include fever and flu-like symptoms. In some cases anemia and jaundice may occur due to the loss of red blood cells. Incubation times can vary with symptoms manifesting 7 days after infection or up to a year, nevertheless symptoms generally begin 10 days to 4 weeks after infection.

Worldwide malaria is a very common disease and is currently the fourth leading cause of death and disease in developing countries. The disease was considered eradicated from the United States in 1951 due to an eradication campaign that began on July 1, 1947. Still, about 800 U.S. citizens are diagnosed with malaria each year after traveling to countries with malaria risk.

2.1.7 - Vectors

The Madera County Mosquito and Vector Control District does not provide vector control services for any pests other than mosquitoes. Funding is not currently budgeted for non-mosquito vector control other than providing information to county residents to minimize or eliminate the production

of pests from their property. Since abatement is not provided, the District recommends the public to obtain services from a licensed pest control company.

The Mosquito District provides literature containing abatement techniques to interested residents that have elevated vector populations on their property. Representatives from the Mosquito District will also provide presentations to interested groups or organizations interested in learning more about vector abatement techniques.

2.2 - Chowchilla Memorial Healthcare District

Several years of planning went into the realization of the day the hospital opened. Interest in a local community hospital began in the 1930's but plans were discarded due to high costs. In January of 1948 a 10-acre parcel was deeded to the Hospital District. This included what is today the hospital, clinic, the new Head Start facility, Dr. Mark Davis dental building and the Golden Acres Senior Resident area.

The Chowchilla District Memorial Hospital officially opened its doors on March 25, 1957. The creation of the District was made possible by the creation of special districts by the state of California. The purpose of this was to provide services for a community that they or their county were unable to provide.

The mission of the Chowchilla Memorial Healthcare District is "To provide the highest quality health and medical services to our community". This mission statement was adopted by the districts Board of Directors on June 21, 2005.

The Districts staffing needs are fulfilled by 31 full-time and 22 part-time positions constituting a staff of 42 full time equivalents F.T.E. Currently one full-time position for a Director of Nursing is vacant with the position open for recruitment since February 2007.

Exhibit 2: Healthcare District Staff Listing

Mercy Medical Center and Madera Community Hospital are the two nearest facilities to Chowchilla Memorial Healthcare District that provide related services. Mercy Medical Center is located at 301 East 13th Street, Merced, California, approximately thirty minutes North of Chowchilla. Madera Community Hospital is located at 1250 East Almond Avenue, Madera, California, approximately thirty minutes south of Chowchilla.

The Emergency Services Department at Mercy Medical Center Merced, which operates 24 hours a day seven days a week, currently has 22 beds to care for its patients. The department is staffed by physicians and nursing personnel who have received advanced training and certification in emergency medicine. Madera Community Hospital serves the residents of Madera, Madera County and Central California. It is currently a 106 bed, licensed facility that provides inpatient acute hospitalization, emergency, laboratory, radiology and physical, occupational & speech therapy services, along with rural health clinic and home health services. The hospital accepts many insurance plans, Medicare and Medi-Cal.

Also providing related services in the area is the Darin M. Camarena Health Clinic. This clinic was established in Chowchilla approximately a year ago and is located at 401 Trinity Avenue Chowchilla, CA 93610. Patient service programs include a broad range of group (scheduled classes) and individual (one-to-one) health education, health benefit eligibility and enrollment, and citizenship development and support. Darin M. Camarena Health Centers, Inc., is an active participant in the local and regional HIV/AIDS, family planning, prenatal, and tobacco education coalitions. The California Wellness Foundation provides the Center with an extensive and long-term grant for the prevention of teenage pregnancy in a Madera target community, as one of six pilot projects across California. The Center is a founding member and active participant in the California Primary Care Association and the Central Valley Health Network. Other services at this facility include; prenatal, women's health, health education, marriage and family counseling, and ultrasound. This clinic is able to charge higher rates than the Chowchilla Healthcare District because it is a federally qualified clinic. All specialty services that come through the clinic are sent to the Healthcare District.

2.2.1 - Provided Services

The following is a list of services provided by the Chowchilla Memorial Healthcare District:

- Skilled Nursing Facility (SNF: provides long-term care and rehab services, including speech, occupational and physical therapies)
- Dietary (providing food items to residents and family members as well as to employees and the public)
- Consulting Dietician (contracted to consult with Dietary Department)
- X-Ray (services provided to SNF and clinic patients as well as to other local medical offices)

- Business Office (assists patients with health insurance program availability)
- Chowchilla Medical Center

Providers include:

- General surgeons – 2
- Chiropractor – 1
- Radiologists (all films read by Merced Radiology Medical Group, Inc.) – 4
- Podiatrists – 2
- Ophthalmologist – 1
- Gastroenterologist – 1
- Urgent Care/General Practice – 1
- Internal Medicine – 3
- Urologist – 1
- OB/GYN – 1
- Cardiologist – 1
- Family Nurse Practitioners – 3
- Physician Assistants – 3
- Wound care/RN – 1
- Licensed Clinical Social Worker – 1
- Dietician – 1
- Chowchilla Physical Therapy (outpatient therapy)
- Quest Diagnostic (lab services)

Laboratory services are currently available in the main wing of the Healthcare District. These services are provided through a contract with the Healthcare District and Quest Diagnostics. This is currently the only laboratory service in the area.

The Healthcare District currently has room for 26 patients and generally runs at 98% occupancy. Space is very limited due to inadequate storage space and limited patient facilities.

2.2.2 - Medical Waste

The Healthcare District has prepared a Medical Waste Management Plan as required by California's Health and Safety Code – Medical Waste Management Act §117935, “Any small quantity generator required to register with the enforcement agency pursuant to §117930 shall file with the enforcement

agency a medical waste management plan...”. This plan was established to protect the health and safety of employees, patients, visitors and the community. A medical waste is defined by any of the following:

- Laboratory waste, including but not limited to, Human specimen cultures from medical and pathological laboratories.
- Waste from production of bacteria, viruses or the use of spores; discarded live/attenuated vaccines; cultures dishes and devices used to transfer, inoculate and mix cultures.
- Waste containing any microbiological specimens sent to a laboratory for analysis.
- Human surgery specimens or tissues removed at surgery or autopsy, which are suspected by the attending physician, surgeon or dentist of being contaminated with infectious agents known to be contagious to humans.
- Waste, which at the point of transport from the generators site, at the point of disposal or thereafter, contains recognizable blood, blood products, containers or equipment containing blood that is in fluid form and is known to be infected with diseases which are highly communicable to humans.
- Waste containing discarded materials contaminated with excretion, exudates or secretions from humans who are required to be isolated by the infection control staff, the attending physician or surgeon, or the local health officer to protect others from highly communicable diseases, which are highly communicable to humans.

Medical waste is stored for temporary storage in the Healthcare Districts biohazard holding area until the waste is collected twice a day by a certified hauler. All infectious waste is sealed in red bags or locked red sharps containers. Staff personnel are required to wear personal protective equipment while handling biohazardous waste.

All medical waste transported to an offsite medical waste treatment facility is transported, in accordance with chapter 6 of the Medical Waste Management Act beginning with §11800, by a registered hazardous waste transporter issued a registration certificate by the enforcement agency. A hazardous waste transporter transporting medical waste shall have a copy of the transporter’s valid hazardous waste transporter registration certificate in the transporter’s possession while transporting medical waste. The transporter shall show the certificate, upon demand, to any enforcement agency personnel or authorized employee of the Department of the California Highway Patrol.

SECTION 3: MADERA COUNTY MOSQUITO & VECTOR CONTROL DISTRICT – MSR FACTORS

3.1 - Infrastructure Needs and Deficiencies

Given present District boundaries and the expectations for mosquito control, the current infrastructure is adequate however; facilities only contain minimal room for expansion. The infrastructure is, and has been, under long-term change as conditions inside the District boundaries evolve with the conversion of agricultural land to residential subdivisions, which requires different equipment and pesticide formulations. The vehicles used by staff are in good condition and most have been recently refitted with updated equipment.

However, the physical grounds facility is at capacity. Staffing is adequate for needs at this time, but the shop is inadequate for the size fleet maintained by the District. Office space is severely limited, as well as garage space for vehicles used. Do to the growth rate in Madera County, especially in the future Rio Mesa Community; the District must have room to grow. Upon Rio Mesas buildout the district will require two additional operators and two vehicles. Storage space inside the garage for the additional vehicles is not available, a shed must be built on the grounds for future vehicle storage.

The pesticide storage building, which must stand alone for safety and security reasons, is no longer adequate given the increased quantities of pesticides stored and the increased bulkiness of newer, organic pesticides being utilized due to concerns over the environment.

The financial resources available to the District do not provide for anything more than employee salaries and benefits and necessary services and supplies. Infrastructure improvements are not included in the current budget. Financial resources are not available to make necessary changes to expand the infrastructure at this time. Furthermore, existing budgets are being fully utilized and there is no budget surplus with which to upgrade existing infrastructure. Revenue and operating constraints are currently limiting the District to its existing service area and pesticide programs.

3.1.1 - Distribution of Infrastructure

District infrastructure is primarily mobile as it consists of employees and vehicles. The District will be able to serve all existing customers in the service area, including those in affordable housing programs, regardless of location.

The District attempts to maintain an equitable distribution of services throughout the district boundaries however, some areas will receive magnified attention on a seasonal basis due to the

location of mosquito sources. Mosquitoes have demonstrated their ability to travel several miles from their original source location. Special attention may be applied to source locations many miles from current mosquito infested sites. Overall, adequate services are being provided to all properties within the district.

Infrastructure Needs and Deficiencies Determinations:

1. The current level of infrastructure within the Mosquito District is adequate; however the facility and yard contains minimal room for growth.
2. If the District’s sphere of influence expands to include additional land within the County, than the District must find an alternative location for its headquarters since the current location contains minimal room for expansion.
3. The District contains a mobile infrastructure to meet the service needs of the residents within the District boundaries.

3.2 - Growth and Population

Madera County is one of the fastest growing counties in California. The 1990 U.S. Census listed the population of Madera County at 88,090 individuals. The County had grown to 123,109 by the year 2000 which constitutes an increase of 28.4%. The estimated population by the year 2005 was estimated by the Census Bureau to consist of 142,788 individuals which is an increase of 13.8% from the year 2000. With an average growth rate of 28.4% per decade the population of Madera County will be approximately 183,339 by the year 2015 and 209,373 by 2020. The California Department of Finance projections for Madera Counties population by the year 2020 is more liberal and projects the population at 224,000. Population growth projections based on the US Census Bureaus average growth rate of 28.4% is summarized in the following table:

Table 1: Projected Madera County Population

	2005	2010	2015	2020	2025
Population	142,788	163,063	183,339	209,373	235,407
Source: Michael Brandman Associates, 2007					

3.2.1 - Estimated District Growth

The districts boundary does not include land east of Highway 41 other than the portion of County Service Area No. 4 east of Highway 41. Current district boundaries do not cover the projected growth area of the Rio Mesa Area Plan (RMAP), or the Coarsegold Area Plan (CAP)

RMAP located east of the Highway 41 and Highway 145 intersection, is outside the current district boundaries and contains development projects planned to increase the counties population by approximately 100,000 individuals over the next few decades. The RMAP contains varied biological ecosystems which support mosquito propagation such as seasonal wetlands, broad wet swales, stock ponds, vernal pools, narrow and often eroded drainages, springs, and seep zones creating abundant breeding habitat.

In addition the CAP Negative Declaration (August 31, 2005) stated the population in the Coarsegold Planning Area has increased by an annual average of 5.3% between 1990 through 2000. Current population is estimated at 12,476 based on a 5.3 % increase per year. The projected population in the year 2010 and 2020 is 14,822 and 24,145. The area plan is outside the current district boundaries. The district currently receives approximately 50 phone calls a year by residents in the CAP requesting mosquito abatement services. Due to the tremendous rate of population growth in the plan area, citizen demand for services will also increase.

Throughout the County development projects are currently in progress under planning and construction stages for 43 individual and specific plan projects which will account for 38,080 additional dwelling units within the County. A majority of the units are being constructed within the RMAP, CAP, North Fork, and a new planned community located half way between Madera and Chowchilla north of Highway 99.

Urbanization can have both positive and negative affects to mosquito populations. Development of agricultural land or open space causes the construction of storm drainage piping and storm water retention basins which will significantly increase the time standing water is stored after rainstorms and also provides excellent mosquito rearing habitat. The positive impacts to development include the loss of agricultural flooding methods and the removal of roadside drainage ditches.

Growth and Population Determinations:

1. Urbanization outside the Districts boundary will grow substantially over the next decade creating a high demand for increased services.
2. Madera County anticipates the construction of 38,080 new dwelling units within the next two decades.

3.3 - Financing Constraints and Opportunities

A Designated General Reserve Fund consisting of 25 percent of the operating budget, as determined by the California Health and Safety Code, is set aside for use during fiscal years when the proposed

budget is exceeded. The Manager of the District requests permission to access the funds reserve from the Districts Board when expenses exceed the Districts income. For permission to be granted a 4/5th's vote must be achieved. No other operating budget reserves are controlled by the district.

Additional funding sources have been identified by the district. Due to the West Nile Virus outbreak in California supplemental grant sources may be found through organizations such as the Mosquito and Vector Control Association of California who obtains funding from the State of California.

3.3.1 - Opportunities for Outsourcing

The District contains a staff of 19 employees including one administrative assistant. Financial responsibility and administrative duties are performed by District personnel. Outsourcing of these responsibilities would not be recommended since these duties are easily handled by this limited staff. Financial tracking is performed through the use of Microsoft Excel spreadsheets which contain sources of revenue and expenditures, and costs accrued during the fiscal year through benefits, services, and supplies.

A shop foreman and shop assistant are employed by the district to handle all equipment repairs and perform maintenance of equipment in order to ensure the integrity is not compromised which may possible result in severe environmental impacts.

Outsourcing the administrative duties and equipment maintenance would be at a cost greater than the salaries of the few key staff that provide these duties for the District. Therefore, outsourcing is not recommended.

The 2006-2007 budget for the Mosquito District is \$1,050,397 and is broken down as follows:

Salary and Employee Benefits

• Full-time Employee Salaries	\$366,552
• Part-time Employee Salaries	\$471,096
• Employee Benefits	\$142,151
• Total Salary and Benefits	<u>\$613,247</u>

Services and Supplies Expense

• Services and Supplies	\$387,150
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• Fixed Assets	\$50,000
• Total Services and Supplies	<u>\$437,150</u>

Total Budget for 2006-2007

• Salary and Benefits	\$613,247
• Services and Supplies	<u>\$437,150</u>
• Total Estimated Budget	<u>\$1,050,397</u>

The primary source of revenue for the Mosquito District comes from local property tax (over 98 percent). Less than two percent of District revenue comes from interest income. Due to Special District funding shifts at the state level during the 1992 state budget crisis, the Mosquito District's revenue fell by approximately 35 percent. This forced the District to initiate a per parcel service fee of \$7.00. Public opposition was strong enough at that time to limit the tax to that year only.

3.3.2 - Current Level of Services

The current level of service provided by the District is held at a standard equal to the needs required by the District residents. In order to sustain this level of service ample education is provided to residents providing information for preventing breeding habitat on residences properties in addition to the district providing free mosquito fish to pond owners. District staff relies heavily on residents to provide locations of infestations during the breeding season. The current level of service is adequately provided and meets the residences needs and preferences.

3.3.3 - Duplication of Services

The San Joaquin River is the southern and western boundary to the District. Duplication of services will occur by the District and the bordering Mosquito Abatement District in Fresno County. District staff regularly patrols the San Joaquin River along the district border where numerous breeding sites are located. When an infestation is found, abatement services are rendered. Occasionally, duplication of services may result in the general area by both Districts since mosquitoes may travel between the two districts however, services by the District are performed on locations north or east of the San Joaquin River within its own District boundaries.

Financing Constraints and Opportunities Determinations

1. The District has adequate funding to support existing levels of service within current District boundaries.

2. State funding for repressing West Nile Virus outbreaks cannot be relied upon by the District.

3.4 - Cost Avoidance Opportunities

The Office of Planning and Research defines Cost Avoidance opportunities as “Actions to eliminate unnecessary costs derived from, but not limited to, duplication of service efforts, higher than necessary administration/operation cost ratios, use of outdated or deteriorating infrastructure and equipment, underutilized equipment or buildings or facilities, overlapping/inefficient service boundaries, inefficient purchasing or budgeting practices, and lack of economies of scale.”

The District is the only mosquito abatement service provider within the District’s boundaries. The possibility of outsourcing for financial and administrative duties would not be feasible since in-house management is performed by as few team members as possible, yet still provide adequate levels of management. Outsourcing management duties would be cost prohibitive.

The administration/operator cost ratios can be greatly affected by the District in the form of public information. The District is providing adequate levels of information concerning mosquito prevention techniques the public can use to prevent mosquito breeding grounds on their properties. However, a more aggressive advertising campaign would help the district tremendously. As the public gains a greater understanding of the importance for not allowing standing water, buckets of water, green pools, or any other water source on their property, the mosquito populations will continue to decline.

Maintenance of facilities and equipment is performed by District Staff. Costs for deferred maintenance can be avoided through regular maintenance and upkeep of facilities. The District is adequately maintaining the facility grounds and equipment.

Small districts lack economies of scale and that is the case with the Mosquito District. Increased production will not be the result of reducing costs. Weather is a large factor in determining costs accrued by the District. The more rain received results in more standing water that must be patrolled by personnel and the more larvicide’s that must be used.

Cost Avoidance Opportunities Determinations

1. Outsourcing management duties would be cost prohibitive and is not a feasible cost saving measure.
2. Low administrative cost is not always a good measure for cost avoidance efficiency.

3. An aggressive advertising campaign would result in significant cost savings as the public becomes aware of mosquito abatement techniques and puts them into action on their properties.

3.5 - Opportunities for Rate Restructuring

The current fee structure adequately covers the present cost of services. The district receives its funding through the California Property Tax Apportionments System known as Assembly Bill 8 (AB8) or Proposition 13 which limited property taxes to 1% of assessed value. Out of the 1% paid to Madera County, the District collects 0.00997% to fund the districts financial obligations throughout the fiscal year. The District attempted a per parcel service tax of \$7.00 in 1992. Public opposition was strong enough, at the time, to limit the tax to that year alone. Future per parcel taxes may be an option however; public opposition is believed to remain high.

Currently the district is not receiving revenues from a special tax. A special tax may be administered in order to obtain funding for infrastructure improvements or for benefits that directly benefit the properties of District members. If it is determined that increasing the districts SOI is required, than a special tax may be a suitable revenue option for obtaining immediate fees to fund the expansion, however Proposition 218 (1996) requires special districts to obtain ballot approval from property owners prior to levying a benefit assessment.

Opportunities for Rate Restructuring Determinations

Rate restructuring is not recommended at this time. The District is receiving adequate funding to sustain current levels of service.

3.6 - Opportunities for Shared Facilities

Facilities for the district are centrally located in the heart of Madera with easy access to main circulation arterials. No other agency or organization shares the facility. Options for shared facilities at this site are not feasible since the District contains minimal space required for personal infrastructure growth at this time.

The current Lease agreement with the County requires payment of \$1 per year. Adequate funding is not controlled by the District to pay for a property mortgage or lease if the District were to relocate. The annual budget would not be able to pay a property mortgage or lease at the current property values even with the possibility of shared facilities at a new location. The District has not actively

researched the possibility of relocation to a new site since the District feels it would be cost prohibitive.

A possible location for future relocation would be at a Madera County Road Department Maintenance Yard or a land swap could be achieved with a County agency. Relocation to a road maintenance yard would be advantageous for both entities. Road maintenance yards are typically located on large parcels containing 3-10 acres, which would provide adequate land for the two organizations to coexist. This scenario would also financially benefit both entities since a repair shop and tools may be shared, decreasing supply expenditures.

An additional advantage for relocating concerns the storage of pesticides. The current office is located in the midst of the most heavily populated area of the county. An accidental release of large concentrations of aerial sprayed pesticides or a facility fire resulting in hazardous vapor clouds could place large populations at risk. In order to minimize potential hazardous material risks the District complies with the Community right To Know Act which requires facilities that store, use or handle hazardous materials above reportable amounts to prepare and file a Hazardous Materials Business Plan (HMBP) for the safe storage and use of chemicals. Firefighters, health officials, planners, public safety officers, health care providers and others rely on the Business Plan in an emergency. By providing an annual HMBP to the Madera County Environmental Health Department, the District also complies with Title 10, Chapter 1 of the Code of Federal Regulations which is governed by the Environmental Health Departments Certified Unified Protection Agency and helps prevent or reduce risks associated with a hazardous Material release

Opportunities for Shared Facilities Determinations

1. Opportunities for shared facilities is not an option at the Districts current location. It is recommended the District pursue opportunities of sharing facilities with a Madera County Road Maintenance Yard facility.
2. Relocation to a new facility would allow the district an opportunity to store pesticides away from highly populated areas of the County.

3.7 - Management Efficiencies & Government Structure Options

Policy of the State of California found in government code 56001, et seq. encourages the orderly growth and development, which are essential to the social, fiscal, and economic well-being of the state. This code further explains that “this policy should be affected by the logical formation and

modification of the boundaries of local agencies, with a preference granted to accommodating additional growth within, or through the expansion of, the boundaries of those local agencies which can best accommodate and provide necessary governmental services.” This responsibility of setting logical service boundaries for communities and special districts based on their ability to provide adequate services is a vital role of LAFCO.

Governmental structure of the District is similar to all Mosquito Abatement Districts throughout the state. Representation of Board Members is spread throughout the Districts cities and is anticipated to increase as new cities incorporate within the districts boundaries. Board members are appointed by the County Board of Supervisors and are not elected.

The Mosquito District in conjunction with the Madera County Environmental Health Department provides vector control for the County of Madera. The Madera County Department of Environmental Health receives calls from members of the public reporting vector infestations. Inspectors from Environmental Health will investigate these complaints and forward the information associated with mosquito or fly infestations to the Mosquito District for abatement services.

The Environmental Health Department will respond to public complaints pertaining to rodent infestations in public facilities, food facilities and residential dwellings located in Madera County. The Environmental Health Department is responsible for ensuring the infestation is eradicated by the property owner yet duplication of services is not performed since the two departments respond to separate vector species complaints.

The Governor’s Office of Planning and Research LAFCO Municipal Service Review Guidelines provides a definition of Management Efficiency which states “The term, “management efficiency,” refers to the organized provision of the highest quality public services with the lowest necessary expenditure of public funds. An efficiently managed entity (1) promotes and demonstrates implementation of continuous improvement plans and strategies for budgeting, managing costs, training and utilizing personnel, and customer service and involvement, (2) has the ability to provide service over the short and long term, (3) has the resources (fiscal, manpower, equipment, adopted service or work plans) to provide adequate service, (4) meets or exceeds environmental and industry service standards, as feasible considering local conditions or circumstances, (5) and maintains adequate contingency reserves. According to CLG staff, “Management Efficiencies” was not about union issues or collective bargaining, but was generally seen as organizational efficiencies including the potential for consolidations.”

The established organizational structure of the District is established in a fashion that eliminates inefficiencies to personnel or equipment use. The District is managed in a cost effective, professional, and efficient manner. Due to the small personnel size of the district, management efficiencies are controlled and maintained by a single manager and the Board of Trustees. Overall management efficiency is adequate for services currently provided.

Management Efficiency and Government Structure Options Determinations

1. The District contains an appropriate and adequate administrative structure to govern the District and to accommodate an increased SOI. Restructuring the Districts services is not a valid option.
2. Reorganization of the administrative structure will not enable the District to produce additional revenue.
3. The District contains an appropriate and adequate administrative structure to govern the District and to accommodate an increased SOI. Restructuring the Districts services is not a valid option.
4. Reorganization of the administrative structure will not enable the District to produce additional revenue.
5. It is difficult for part time district boards without an adequate educational background or experience in community planning to implement strategies to achieve compliance of technical and environmental state laws. Membership with the California Special District Association has helped the District by providing assistance with management issues.
6. Significant improvement of management efficiencies will not be obtained through an alternative management structure. The current management structure is recommended to remain unchanged.
7. Management policies and procedures established by the Districts Board will have long-term effects on the level of provided services.

3.8 - Local Accountability and Governance

The district supplies ample sources of information and education to the public through literature, press releases, and public presentations. Through this public interaction the District is able to inform the public about the services they provide. In order to provide services the District relies heavily on the public in order to identify locations with heavy mosquito infestations. The publics involvement also provides local accountability to the District and ensures mosquito populations are not allowed to proliferate to considerable population levels. Unfortunately, that is the only way the public may participate. Trained technicians must carry out abatement techniques.

In addition, the District encourages public participation by complying with state disclosure laws and the Brown Act which requires open meetings for local legislative bodies. The districts staff is also available to the public during working hours, however due to the limited staff it is recommended that an appointment is made at least 24 hours in advance to ensure staff will be present.

Since the District is a public agency the adopted budget and agency information is made available for review by the public upon request. Information requests may be made to District staff or a County Board of Supervisor Representative.

The internet is also a low cost yet highly effective tool for providing information and involving residents with District affairs. It is recommended that the District contract with a local government agency such as Madera County Environmental Health Department in order to provide a link to vital District information such as the time and location of aerial pesticide application, or enable residents the opportunity to request service. Use of the internet will also provide individuals who cannot physically attend Board meetings the chance to review District meeting minutes and obtain other district information.

Local Accountability and Governance Determinations:

The District has demonstrated local accountability through following open meeting laws found in the Brown Act and providing regularly scheduled District Board meetings that are open to public attendance. In addition, the public is notified and invited to attend meetings where important District decisions are voted on such as adopted rate changes.

SECTION 4: CHOWCHILLA MEMORIAL HEALTHCARE DISTRICT – MSR FACTORS

Chowchilla Memorial Healthcare District is a public entity organized under Local Hospital District Law as set forth in the Health and Safety Code of the State of California. The Healthcare Clinic is a political subdivision of the State of California and is generally not subject to federal or state income taxes. The Healthcare District is governed by a seven member Board of Directors, elected from within the district to specified terms of office. The Healthcare District is located in Chowchilla, California and operates a 3-bed acute and 22-bed long-term care facility, and other patient services.

The Healthcare District is licensed by the California department of Health Services as a Rural Health Clinic and provides health care services primarily to individuals who reside in the local geographic area. The District specializes in providing skilled nursing for patients of all ages requiring long-term care. The facility does not contain an emergency room however; urgent care services for non-life threatening emergencies may be obtained at the facility. The facility has the capability to stabilize individuals with emergency life threatening injuries until paramedic services can transport the patient to a hospital containing an emergency room.

4.1 - Infrastructure Needs and Deficiencies

According to the Municipal Service Review Guidelines issued by the State of California Office of Planning and Research, “infrastructure” is defined as public services and facilities, and “infrastructure needs and deficiencies” refers to the status of existing and planned infrastructure and its relationship to the quality and levels of service that can or need to be provided.

A lack of surplus revenue over the years has prevented the District from purchasing updated medical equipment and infrastructure improvements. The building is 50 years old and in need of repairs. The heating and air conditioning unit, plumbing, kitchen appliances, and beds are all in need of replacement. In addition the facility only has one shower for all the patients to share.

The District estimates the x-ray equipment to be in excess of 30 years old. The generator, of which powers all the x-ray equipment, has displayed serious intermittent problems within the last three to four years. The District has attempted to address necessary repairs but has had problems due to a lack of availability of parts and discontinued support by G.E. Parts that are twenty or more years old may not be reliable or may not provide full function capability as originally intended.

In October of 2006, an inspection performed by Quality Assurance Service, Inc. reported that the equipment was operating within radiation guidelines but was very close to the safety threshold. At that time, it was also reported that the equipment would most likely not pass the next inspection. Down time in the Radiology Department not only reduces the generation of revenue to the District, but creates a serious hardship on the patients and the providers in the community. X-ray services at the District are the only provided in Chowchilla. The equipment is listed as follows:

- MST 625 II x-ray generator
- G.E. 300 MA unit – phase 3
- G.E. tube hanger – Sentry Three Automatic collimator and Maxiray 100 x-ray tube (from 1976)
- Wall mounted Vertical Buckly (replaced in 2005 with pre-owned unit)
- G.E. Compax 40 Elevating 4-way top radiographic table with reciprocating Grid Bucky (replaced in 2005 with pre-owned unit)
- Amrad Counterbalanced Upright Wall Bucky (replaced in 2005 with pre-owned unit)
- Kodak RP X-Omat processor (1975 model)

Other equipment of significance includes; audiometer, defibrillation monitor, ultrasound unit, EKG machine, and other minor hospital equipment.

The State of California has adopted the Alfred E. Alquist Hospital Facilities Seismic Safety Act, located in sections 130000 through 130070 of the California Health and Safety Code, which requires all hospitals providing acute care patient services to conduct engineering evaluations of the structural and non-structural systems in their buildings and to upgrade these systems to meet certain seismic standards by January 1, 2013. The Healthcare District is in process of developing a plan to comply with these requirements. Management will be evaluating certain seismic retrofit standards which, if they can be met, will extend the usefulness of the facility and meet required standards. If the facility cannot achieve the required seismic retrofit standards, than the Healthcare District must be relocated to an approved facility. Funding for the seismic retrofit has not been obtained or identified by the Healthcare District.

A review of Certification Inspections performed by the California Department of Health Services (CDHS) on April 11, 2007 and June 13, 2007, revealed that the Healthcare District is in non-compliance to a variety of regulation standards. The following summary reflects the findings of the CDHS during a licensing survey.

The director of nursing shall be a registered nurse and shall be employed eight hours a day, on the day shift, five days a week. Based on a staff interview and observation, the facility has failed to have a registered nurse employed as the Director of Nursing services for this shift. Staff indicated that the facility did not have a Director of Nursing Service since February 2007. During the licensing survey, two Licensed Vocational Nurses were observed providing patient care and services without a Registered Nurse to provide Director of Nursing services.

Also included in the findings of the CDHS inspection was the insufficiency of pharmaceutical service requirements. Pharmaceutical services shall include, but is not limited to; obtaining necessary drugs including the availability of 24-hour prescription service on a prompt and timely basis. All new drug orders shall be available on the same day ordered unless the drug would not normally be started until the next day.

Based on record review and staff interviews, the facility failed to provide pharmaceutical services that made all new drugs ordered available on the same day ordered for one out of nine residents. During a clinical record review, a physician's order was written on March 22, 2007 at 5:30 p.m. for the medication Flomax. On March 22, 2007 at 6:30 p.m. the physician called in and gave an order to "hold Flomax until available from the pharmacy". On March 28, 2007 at 11:40 a.m. an order was written to discontinue the hold on Flomax. Therefore, the resident was not given the medication until six days after it was ordered.

The CDHS has also revealed that the Healthcare District is performing services without a licensed Social Work Services Unit. Each social work unit shall have written policies and procedures for the management of social work services. Based on staff interviews and administrative review, the facility has failed to have written policies and procedures for the management of social work services. A social work service policy and procedure manual must be obtained. Once the manual is received, all administrative team members and staff shall review all policies to ensure compliance.

The Healthcare District has also failed to have a licensed administrator on staff. The licensee shall be responsible for compliance with licensing requirements and for the organization, management, operation and control of the licensed facility. The delegation of any authority by a licensee shall not diminish the responsibility of such licensee. This rule was not met based on observation and staff interview. The facility failed to have an assigned licensed administrator that is responsible for compliance with licensing requirements and for the organization, management, operation and control of the facility.

4.1.1 - Additional Deficiencies

According to the CDHS, the District also has the following additional deficiencies:

- Written postings of admission and discharge policies was not adequately posted
- No smoking signs to designate areas for non smoking residents was not adequately posted
- The facility was unable to produce documentation that a patient care policy, infection control, and pharmaceutical service committees exist in the facility
- The facility has failed to document minutes of every committee meeting
- The facility failed to provide documentation of how the facility verified that informed consent was obtained or that treatment/procedure pertaining to the administration of psychotherapeutic drugs, physical restraints or the prolonged use of a device that may lead to the inability of the patient to regain the use of a normal body function

Infrastructure Needs and Deficiencies Determinations

1. The District requires updated equipment and facility infrastructure including a new x-ray unit and generator, heating and air conditioning unit, plumbing, kitchen appliances, and beds. The District also requires additional shower facilities.
2. The Healthcare District is finding it difficult to recruit new employees with adequate credentials and/or certifications to fill upper management or specialized positions.
3. The Healthcare District is in need of adequate pharmaceutical services and shall be able to obtain necessary drugs including the availability of 24-hour prescription service on a prompt and timely basis. All new drug orders shall be available on the same day ordered unless the drug would not normally be started until the next day.
4. It is recommended that a social work service policy and procedure manual be prepared or obtained by the Healthcare District and all administrative team members and staff shall review all policies to ensure compliance.
5. The Healthcare District is lacking committees governing patient care policy, infection control, and pharmaceutical services. Committees should be formed as mandated by the CDHS.

4.2 - Growth and Population

The 1990 U.S. Census listed the population of Chowchilla at 5,930 individuals. The city had grown to 11,127 by the year 2000 which constitutes an increase of 46.7%. The estimated population by the year 2005 was estimated by the Census Bureau to consist of 16,525 individuals which is an increase

of 32.7% from the year 2000. With an average growth rate of 56% per decade the population of Chowchilla may be approximately 25,779 by the year 2015. Population growth projections are summarized in the following table:

Table 2: Population Growth Projection

	2005	2010	2015	2020	2025
Population	16,525	21,152	25,779	32,997	40,215
Source: Michael Brandman Associates, 2007					

In addition to the anticipated growth in Chowchilla two communities are planned to be built south of Chowchilla off Highway 99. The planned Fairmead development will consist of approximately 500 homes accounting for approximately 1,450 individuals. In addition to the Fairmead project the Brenda Ranch project may possibly add up to 23,300 residential units and account for approximately 67,570 new residents.

The construction of these two communities is not anticipated to add patients to the Healthcare District since the large population will necessitate the construction of new hospitals and clinics. However, the anticipated population growth in the vicinity will have a significant cumulative effect on Chowchillas population and most likely ensure that the population projections identified in Table 3 above will be achieved.

As the population grows, the Healthcare District's service capabilities will continue to fall further behind. There is presently a lack of storage and operating space and a shortage of qualified staff.

Growth and Population Determinations

1. Population growth is anticipated to substantially increase over the next decade within the Healthcare Districts boundaries and nearby communities resulting in an increased demand for services.
2. Current financial deficiencies at the Healthcare District prevent expanded services to support the projected population growth within the Districts boundaries.

4.3 - Financing Constraints and Opportunities

4.3.1 - District Budget

The 2005 budget for the Chowchilla Memorial Healthcare District was \$3,336,216 and is broken down as follows:

Operating Revenues	2005	2004
Net patient service revenue	\$3,206,224	\$3,042,006
Other operating revenue	129,992	72,456
Total Operating revenues	3,336,216	3,114,462

Operating Expenses	2005	2004
Salaries and wages	\$1,499,796	\$1,372,662
Employee benefits	373,610	351,143
Professional fees	310,657	518,317
Supplies	365,802	326,685
Purchased services	568,320	386,660
Repairs and maintenance	20,664	41,728
Utilities	116,512	106,617
Building and equipment rent	7,350	10,899
Insurance	78,670	45,665
Depreciation and amortization	45,201	43,537
Other operating expenses	54,879	53,848
Total operating expenses	3,441,461	3,257,751
Operating income (loss)	\$(105,245)	\$(143,289)

Nonoperating Revenues (expenses)	2005	2004
District tax revenues	376,954	374,701
Investment income	3,984	3,095
Interest expense	(53,153)	(54,866)
Grants and contributions	2,500	—
Total nonoperating revenues (expenses)	327,785	325,430
Increase (decrease) in net assets	222,540	182,141
Net assets (deficit) at beginning of year	(2,944,435)	(3,126,576)
Net assets (deficit) at end of year	(2,721,895)	(2,944,435)

The primary source of revenue for the Healthcare District comes from the Skilled Nursing Facility, generating 55% of the Districts total revenue. The clinic produces 35% while property tax produces

8% and rentals produce 2%. The following shows a break down of dollar amounts and percentages according to the 2007 budget:

Skilled Nursing Facility	\$3,144,419	55%
Clinic	\$2,014,319	35%
Property Tax	\$460,000	8%
Rentals	\$56,520	2%

Current financing constraints are centered on the need for expanded facilities to accommodate the expected population growth in the County. Obtaining financing for an expanded SOI will not be a constraint since the revenue source will be established through the existing property tax schedule however, since property tax fees only account for 8% of gross income the additional funding will be minimal.

4.3.2 - Potential for Shared Financing and/or Joint Funding Applications

The Healthcare District has agreements with third party payers that provide for payments to the Healthcare District at established rates set by the California Department of Health Services (CDHS). Rate fees are determined by the medical facilities license and the discretion of CDHS. Below is a summary of the payment arrangements with major third party payers.

Medicare: Payments for acute and long-term care services are rendered to Medicare program beneficiaries are based on prospectively determined rates which vary accordingly to a specific patient diagnostic classification system. Rural health outpatient services are generally paid under a cost reimbursement formula, subject to certain limitations. The Healthcare District is paid for cost reimbursable services at a tentative rate with final settlement determined after submission of annual cost reports and audits thereof by the Medicare fiscal intermediary.

Medi-Cal: Payments for acute, rural health and long term care services rendered to Medi-Cal patients are made based on predetermined rates. The Healthcare District is paid for services at these rates. The Healthcare District is still required to file an annual cost report to the State, which uses the cost information in determining future rates.

Other: Payments for services rendered to other than Medicare or Medi-Cal patients are based on established rates or on agreements with certain commercial insurance companies, health maintenance organizations and preferred provider organizations which provide for various discounts from established rates.

Financing Constraints and Opportunities Determinations

1. Chargeable rate fees for provided medical service is determined by CDHS with fee rates dependant on the Healthcare Districts license. Since the hospital has a set number of beds, a maximum fixed income at a fixed rate can be predetermined.
2. The only variable for financial constraints and opportunities is the bed vacancy rate. With the Healthcare District operating at approximately 98% capacity, new financial opportunities remain low while constraints will remain high until public demand for more beds is achieved.

4.4 - Cost Avoidance Opportunities

The Office of Planning and Research defines Cost Avoidance opportunities as “Actions to eliminate unnecessary costs derived from, but not limited to, duplication of service efforts, higher than necessary administration/operation cost ratios, use of outdated or deteriorating infrastructure and equipment, underutilized equipment or buildings or facilities, overlapping/inefficient service boundaries, inefficient purchasing or budgeting practices, and lack of economies of scale.”

All services provided by the Healthcare District are provided by their own staff and contracted health professionals. The possibility of outsourcing for financial and administrative duties would not be feasible since in-house management is performed by as few team members as possible, yet still provide adequate levels of management. Outsourcing management duties would be cost prohibitive.

The utilization of volunteer staff is a feasible cost saving measure, however since volunteers would be helping in the healthcare industry their ability to provide assistance would be limited unless volunteers provide the proper education and training. Volunteers could help care for patients by providing moral support, spending time with patients, serve meals, and reading to them.

The Healthcare District has identified and planned for needed maintenance and replacement of aged equipment and facilities. Costs for deferred maintenance can be avoided through regular maintenance and upkeep of facilities. Equipment and facilities used by staff is used regularly and not underutilized.

Small districts lack economies of scale and the Healthcare District especially cannot reduce costs per bed resulting in increased production. Minimal staffing resulting in high operational efficiencies provides patient care for a set number of beds (25).

Cost Avoidance Opportunities Determinations

1. Outsourcing management duties would be cost prohibitive and is not a feasible cost saving measure.
2. Low administrative cost is not always a good measure for cost avoidance efficiency.
3. Use of volunteers is an appropriate cost saving measure as long as volunteers possess the adequate knowledge, education, skills, and experience.

4.5 - Opportunities for Rate Restructuring

The Office of Planning and Research defines rate restructuring as “Rate restructuring does not refer to the setting or development of specific rates or rate structures. During a municipal service review, LAFCO may compile and review certain rate related data, and other information that may affect rates, as that data applies to the intent of the CKH Act (§5600, §56001, §56301), factors to be considered (§56668), SOI determinations (§56425) and all required municipal service review determinations (§56430). The objective is to identify opportunities to positively impact rates without adversely affecting service quality or other factors to be considered.”

Prior to June 24, 2006 the Healthcare District’s name was the Chowchilla Memorial Hospital District. However the name change to the Chowchilla Memorial Healthcare Clinic was required by the California Department of Public Health in order to reflect the change in facility permit status which was changed from a Hospital Clinic to a Healthcare Clinic. Permit status may be determined in two ways. First, the bed count causes the facility to fall into either permit category or second, the Department of Public Health has the discretion to change a permit status according to their determination of adequacy of service provided by the facility.

The regional location of a healthcare facility and its permit status determines the amount facilities may charge patients. California’s Health and Safety Code §1367.09 (4)(A) states: “The skilled nursing facility, multilevel facility, or continuing care retirement community agrees to accept reimbursement from the health care service plan for covered services at either of the following rates: (i) The rate applicable to similar skilled nursing coverage for facilities participating in the plan. (ii) Upon mutual agreement, at a rate negotiated in good faith by the health care service plan or designated agent on an individual, per enrollee, contractual basis.”

A majority of the patients that obtain services from the Healthcare District belong to Medi-Cal for their insurance needs. In 1991 the skilled nursing fee the Hospital District was able to charge, as determined by the Department of Public Health, dropped from \$209.65 to \$163.88 per patient per day. The set revenue has remained the same to this date. The Department of Public Health is in the

process of changing the fee status of the Healthcare District to a freestanding rate that will have a new fee schedule of \$202.96 per patient per day. This constitutes an increase of \$39.08 per day per patient. At 25 beds and 98% capacity the increase in funding amounts to \$349,473 per year if all the patients have Medi-Cal.

The remainder of the Healthcare Districts funding is obtained through the California Property Tax Apportionments System known as Assembly Bill 8 (AB8) or Proposition 13 which limited property taxes to 2% of assessed value. Out of the 2% paid to Madera County, the District collects 0.005280% to fund portions of the districts financial obligations throughout the fiscal year.

Opportunities for Rate Restructuring Determinations

The Department of Public Health has allowed the Healthcare District to use a freestanding fee rate which will raise patient fees from \$163.88 per day to \$202.96 per day. No other opportunities for rate restructuring exist.

4.6 - Opportunities for Shared Facilities

Sharing of facilities can maximize the use of a districts limited infrastructure and can be considered as a cost saving measure. Quest Diagnostics is under contract to perform laboratory tests for the Healthcare District. Their laboratory is located within the Healthcare Districts facility providing the opportunity for shared facilities.

The Healthcare District has not pursued the option of shared facilities with other clinics, pharmacies, or labs other than Quest Diagnostics, however the Board has recently discussed a desire to possibly relocate to a newly constructed facility. A decision has not been made by the Board and to date the option to move has only been discussed verbally in Board Meetings.

A major issue at the Healthcare District is the lack of facility storage space. The District currently uses much needed space to store medical equipment and records. Currently, medical records are stored in storage bins in the back parking lot.

Healthcare facilities create large volumes of records dealing with a variety of medical and financial matters. Some concern the corporate, business and administrative aspects of the operation others document medical staff activities and the course of care given to patients. As records accumulate, they occupy valuable space that often could be put to better use. Storing records outside of the

hospital or recording them electronically may help to alleviate the problem. California Coded of Regulations Title 22, §70751(c) details the basic legal requirement for the retention of patient records and states:

“Patient records including X-ray films or reproduction thereof shall be preserved safely for a minimum of seven years following discharge of the patient, except that the records of unemancipated minors shall be kept at least one year after such minor has reached the age of 18 years and, in any case, not less than seven years.”

The Healthcare District complies with this standard and keeps retention of patient records for until the patient is an adult or for a minimum of seven years. The District also keeps permanent retention of all staff medical records.

Table 3: Minimum Record Retention Requirements

Patient Type	Legal Requirement for Retention
Adult Emancipated Minor	7 years following discharge.
Unemancipated Minor	At least one year after the patient has attained the age of 18, but in no event less than seven years following discharge.
Source: Chowchilla Memorial Healthcare District	

Both alternatives may prove to be expensive and the Hospital District currently does not have the technology with their computer system.

Opportunities for Shared Facilities Determinations

1. Facilities are shared with Quest Diagnostics who is currently under contract for laboratory services with the Healthcare District.
2. Regarding the Districts inadequate storage and filling of records, the Commission has determined that the opportunities for shared facilities and or new filling systems must be pursued.

4.7 - Governmental Structure Options

Policy of the State of California found in government code 56001 et.seq. encourages the orderly growth and development, which are essential to the social, fiscal, and economic well-being of the state. This code further explains that “this policy should be affected by the logical formation and

modification of the boundaries of local agencies, with a preference granted to accommodating additional growth within, or through the expansion of, the boundaries of those local agencies which can best accommodate and provide necessary governmental services.” This responsibility of setting logical service boundaries for communities and special districts based on their ability to provide adequate services is a vital role of LAFCO.

Governmental structure of the Healthcare District is outlined in Exhibit 3 which details all managerial staff positions. Chowchilla Memorial Healthcare District is a public entity organized under Local Hospital District Law as set forth in the Health and Safety Code of the State of California. The Healthcare Clinic is a political subdivision of the State of California and is generally not subject to federal or state income taxes. The Healthcare District is governed by a seven member Board of Directors, elected from within the district to specified terms of office.

Cost benefits would not occur if the governmental organization of the District is restructured. The District is patterned after numerous successful Healthcare Districts throughout California and many of the positions within the governing structure are mandated by the State.

Opportunities for streamlining services through the reorganization of service providers is also not an option. The facility specializes in skilled nursing and caring for long term patients. All the equipment, staffing, and infrastructure is geared towards this healthcare service. Reorganization would not provide additional funding and would cause the Healthcare District to lose its skilled nursing and long-term care distinction.

Governmental Structure Options Determinations

1. Current governmental structure organization of the Healthcare District is patterned after numerous successful Healthcare Districts throughout California and the structure should remain unchanged.
2. Several positions within the governmental structure of the District are mandated by the State and cannot be reorganized.
3. A change in the governmental structure alone will not offset insufficient revenue sources.

4.8 - Management Efficiencies

The Governor’s Office of Planning and Research LAFCO Municipal Service Review Guidelines provides a definition of Management Efficiency which states “The term, “management efficiency,” refers to the organized provision of the highest quality public services with the lowest necessary

expenditure of public funds. An efficiently managed entity (1) promotes and demonstrates implementation of continuous improvement plans and strategies for budgeting, managing costs, training and utilizing personnel, and customer service and involvement, (2) has the ability to provide service over the short and long term, (3) has the resources (fiscal, manpower, equipment, adopted service or work plans) to provide adequate service, (4) meets or exceeds environmental and industry service standards, as feasible considering local conditions or circumstances, (5) and maintains adequate contingency reserves. According to CLG staff, “Management Efficiencies” was not about union issues or collective bargaining, but was generally seen as organizational efficiencies including the potential for consolidations.”

The established organizational structure of the District is established in a fashion that eliminates inefficiencies to personnel or equipment use. The District is managed in a cost effective, professional, and efficient manner. Due to the small personnel size of the district, management efficiencies are controlled and maintained by a single manager and the Board of Trustees. Overall management efficiency is adequate for services currently provided.

Management of the District is provided through a Board of Directors consisting of six Directors and one Chairman, all of which must be a registered voter residing in the District. Elections are held the first Tuesday after the first Monday in November in each even-numbered year for each vacant Board seat. Term lengths last four years or until the Boards member’s select a successor.

Exhibit 3: Healthcare District Management Flowchart

Management Efficiency and Government Structure Options Determinations

1. The District contains an appropriate and adequate administrative structure to govern the District and to accommodate an increased SOI. Restructuring the Districts services is not a valid option.
2. Reorganization of the administrative structure will not enable the District to produce additional revenue.

4.9 - Local Accountability and Governance

Educating the community might be in the form of word-of-mouth, brochures, or ads in the newspaper. The medical center currently issues a newsletter to the community titled Pathways to Health. The newsletter spotlights different issues such as; how to deal with allergy season and how to get the correct treatment for influenza.

A variety of disasters can occur in California at any time of year that can create chaos in any community unless proper planning is achieved. The Healthcare District has prepared the Chowchilla Memorial Hospital District Disaster (Triage Code 2) Plan and a Disaster Manual, which defines a disaster as

“Any occurrence outside or inside the hospital which disrupts normal daily operations, whereby injuries (either actual or potential) exist take many forms, including earthquake, flood, fire, electrical, chemical as well as incidents involving actual/potential injury to staff/residents.”

The Disaster Plan contains planning information detailing how a disaster should hypothetically be handled. A disaster occurring within the clinic is referred to as a “Triage Code 1”, and a community wide disaster as “Triage Code 2.” The manual details the facilities preparation for disasters and explains that backup energy, emergency water supply, and a weeks supply of staple foods is on had at all times.

Planning includes the coverage of events caused by physical disasters, severe weather, bomb threats, and scenarios with mass casualty. A plan for scenarios involving the isolation of large numbers of individuals due to infectious disease or hazardous chemical contamination was not included. It is recommended that the next revision include isolation protocols.

In addition, the Emergency Medical Services Authority of California has prepared a Hospital Incident Command System (HICS) Guidebook that contains invaluable instructional information of the formation of management duties during all emergency situations. HICS is similar to the Incident

Command System (ICS) used by emergency responders in the fire, hazmat, and police fields and the National Incident Management System (NIMS) utilized by Homeland Security. It is highly recommended that HICS is incorporated in the Healthcare Districts Disaster Manual and all staff have a thorough training of their roles in HICS.

4.9.1 - Elections and Vacancies

Elections for the District are held on the first Tuesday after the first Monday in November in each even numbered year. At this time a successor shall be chosen to each Director whose term will expire on the first Friday of December following each election. The election of Board members shall be an election at large within the District and shall be consolidated with the statewide general election. The term of office for each elected Board member is four years or until the Board member's successor is elected and has qualified, except as otherwise provided by law if a vacancy occurs.

In the event of a vacancy on the Board of Directors, the remaining board members may fill any vacancy on the Board by appointment until the next District general election that is scheduled 130 or more days after the effective date of the vacancy. This is provided that the appointment is made within a period of 60 days immediately subsequent to the effective date of such vacancy and provided a notice of the vacancy is posted in three or more conspicuous places in the District at least 15 days before the appointment is made. The remaining members of the Board may within 60 days of the vacancy call an election to fill the vacancy.

If a vacancy is not filled by the board, or if the Board has not called for an election within 60 days of the vacancy, the Board of Supervisors of the County of Madera may fill the vacancy within 90 days. The Board of Supervisors may also order the District to call an election to fill the vacancy. If the vacancy has not been filled within the 90 days and the remaining Board members or the Board of Supervisors have not filled the vacancy and no election has been called for, the District shall call an election to fill the vacancy.

Local Accountability and Governance Determinations

1. The District has demonstrated local accountability through following open meeting laws found in the Brown Act and providing regularly scheduled District Board meetings that are open to public attendance. In addition, the public is notified and invited to attend meetings where important District decisions are voted on.
2. Development of a Disaster Manual Plan is vital in Healthcare Districts efforts to serve the public during emergencies and disasters. A revised Disaster Manual was prepared by the

District on March 2006. The next revision should include patient isolation protocols and use of the Hospital Incident Command System.

SECTION 5: SECTION 5: SPHERE OF INFLUENCE ANALYSIS

5.1 - Madera County Mosquito & Vector Control District

Madera County LAFCO has the critical responsibility of administrating established and proposed sphere of influences from communities and districts throughout the County. Chapter 4 of the Local Government Reorganization Act of 2000 contains the authorizing code providing powers to LAFCO concerning a community or district SOI. Section 56425. (a) of this act states:

“In order to carry out its purposes and responsibilities for planning and shaping the logical and orderly development and coordination of local governmental agencies so as to advantageously provide for the present and future needs of the county and its communities, the commission shall develop and determine the sphere of influence of each local governmental agency within the county and enact policies designed to promote the logical and orderly development of areas within the sphere.

District boundaries primarily include all portions of the County west of the Madera Canal. Since inception the district has only increased its boundaries once when CSA #4 was added to the district boundaries on March 6, 1979 through County Resolution 79-125.

5.1.1 - Agricultural Lands and Open Space

Open space and agricultural land is a major contributor to mosquito populations since puddles or ponding water is often found on these lands. It is not recommended for the SOI to be downsized to remove open space and agricultural lands from the SOI since these areas must be serviced by the district to prevent infestations from occurring.

As stated above in 3.2 Growth and Population, the County is anticipating rapid population growth in the Rio Mesa Area Plan and the Coarsegold Area Plan. The CAP has numerous small lakes and ponds, in and around residential communities, which are filled annually through winter rains and snowmelt. The RMAP similarly contains intermittent creeks and wetland areas. These water bodies provide scenic vistas, leisure activities, and vital groundwater recharge functions for the local water table and also contain prime mosquito habitat.

The following options are available for

Option 1: The District may expand its current SOI boundaries to include the Rio Mesa Area Plan (RMAP) and the Coarsegold Area Plan (CAP). In order for services to be provided AB8 property tax fees must be administered to the new recipients of mosquito abatement services.

Adequacy of service would depend on revenues received. Due to lack of information concerning the mosquito population in the foothills and the extent of stagnant water bodies, the District's board members are not confident the District is capable of managing the mosquito population on a budget based solely on AB8 property tax revenues however, the attempt has not been made.

The State of California Revenue and Taxation Code Section 99.01 provides special districts the opportunity of obtaining a portion of property tax fees when a special district expands its services to an area where those services have not been previously provided. If services are expanded to include the RMAP and the CAP, the District may obtain a tax override or a tax sharing agreement with Madera County. If the District fails to adopt a resolution providing for the exchange of property tax revenue, the Madera County Board of Supervisors shall determine the exchange of property tax revenue for the District as stated in the Revenue and Taxation Code Section 99.01 (4).

Option 2: A Zone of Benefit could be established for the Rio Mesa Area Plan and the Coarsegold Area Plan. Services would be provided by the existing District facility. Madera County Code section 40.04.010 limits the services provided in a Zone of Benefit to projects involving the construction of sewer, water, surface water management or street improvements. Madera County Code section 40.04.010 states:

“Zone of Benefit means the area benefited by the construction of sewer, water, surface water management or street improvements financed in whole or in part by a person without the formation of a local improvement district. A Zone of Benefit may be formed in conjunction with a local improvement district where a person finances a share of the cost of the improvement that is larger than the share that would result from a uniform application of the district assessment formula to property located in the district and owned by the person.”

Before a Zone of Benefit can be created for mosquito abatement services the Madera County Code must be amended to allow special district services in a County Zone of Benefit. Special assessments must be approved by a majority of voters in the jurisdiction.

Prior to organizing a zone of benefit the District should be required by Madera LAFCO to prepare an economic study detailing an accurate explanation of required revenue, from property tax fees, which will support services that will be provided, and establish an accountability system that will ensure residents are receiving adequate service levels.

Mosquito abatement services in this option would be provided by the District based from its current facility. Anticipated dilemma's from this option is the lack of facility space to house the added infrastructure to accommodate the increased SOI. Expanded facilities must occur or relocation would be the only result.

Option 3: A separate and distinct Mosquito and Vector Control District could be established with an associated SOI encompassing the RMAP and CAP. This would result in duplicate infrastructure construction and may not be cost feasible for the county or its residents.

All three options will depend heavily on public participation identical to the public involvement currently carried out by residents in the existing SOI. Access to the numerous bodies of water in the expanded SOI will also need to be available to District personnel.

5.1.2 - SOI Recommendation

It is recommended the District SOI be increased to include all lands located in Madera County. However, current service boundaries will remain unchanged until residents residing within an identified geographical region outside the current boundaries vote to approve, by majority, a zone of benefit. A fair share portion of property tax fees, according to the Revenue and Taxation Code 99.01, would provide funding for the Districts provided services. These zones of benefit will provide the District an opportunity and funding to provide mosquito abatement services to communities within Madera County who request the service.

5.2 - Chowchilla Memorial Healthcare District

Madera County LAFCO has the critical responsibility of administrating established and proposed sphere of influences from communities and districts throughout the County. Chapter 4 of the Local Government Reorganization Act of 2000 contains the authorizing code providing powers to LAFCO concerning a community or district SOI. Section 56425. (a) of this act states:

“In order to carry out its purposes and responsibilities for planning and shaping the logical and orderly development and coordination of local governmental agencies so as to advantageously provide for the present and future needs of the county and its communities, the commission shall develop and determine the sphere of influence of each local governmental agency within the county and enact policies designed to promote the logical and orderly development of areas within the sphere.

Currently, the Healthcare Districts only has twenty-five beds available to patients. The District operates at or above 95% occupancy at all times. Therefore increasing the sphere of influence would not be conducive to the services provided. The District is already under staffed and without an adequate budget. Increasing or changing the sphere of influence would not generate enough revenue to make a significant difference in the financial budget. In addition, since the facility is at or near capacity, increasing the sphere would not add additional service capacity.

With increased development in the area, new healthcare providers have entered the Chowchilla community. The Healthcare District still has a great need for its services since the new providers do not provide long-term care.

5.2.1 - SOI Recommendation

It is recommended the Sphere of Influence remain unchanged until the Healthcare District either expands its current facility and increases its bed numbers or moves to a new facility that can accommodate more than 25 beds.

SECTION 6: REFERENCES

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