

FY 2026-27

ENGINEER'S REPORT

Groveland Community Services District

Fire Protection and Emergency Response Services
Assessment

Pursuant to California Government Code Section
50078 et seq., Health and Safety Code Section
13914 and Article XIID of the California
Constitution

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Introduction

The Groveland Community Services District (“Groveland CSD,” “GCSD” or “District”) was established in 1953 as an independent special district under the California Community Services District Law (Government Code §61000, et seq.) providing services to the historic Gold Rush townships of Groveland and Big Oak Flat. The District’s service scope expanded significantly in subsequent decades to include the Pine Mountain Lake development, and the Groveland Fire Department was established by GCSD Board action in 1973. Groveland CSD is today a multi-purpose agency providing water, wastewater treatment, fire protection, and park facilities to the Groveland community. The District is governed by a five-member Board of Directors elected at large by registered voters within the District boundaries.

Groveland CSD provides fire protection, fire prevention, and emergency response services to the unincorporated community of Groveland and the surrounding area in Tuolumne County, California, pursuant to a Schedule A Cooperative Fire Protection Agreement with the California Department of Forestry and Fire Protection (“CAL FIRE”). The District covers approximately 15 square miles and serves a permanent population of approximately 4,500 residents. During peak summer months, the population increases due to seasonal residents and tourism associated with Pine Mountain Lake and proximity to Yosemite National Park. Groveland CSD participates in mutual aid agreements with neighboring agencies, under which the District may provide services outside its boundaries and may receive fire suppression assistance from other agencies within its boundaries.

The District maintains a fire station located at 18930 Main Street in Groveland, California (Station 78). The station is staffed by CAL FIRE personnel under the Schedule A agreement, currently at a 2/0 staffing level (captain and engineer), with a proposed transition to a 3/0 staffing model (captain, engineer, and firefighter) to meet National Fire Protection Association (“NFPA”) 1710 minimum staffing recommendations. The District owns and maintains the fire station, apparatus, and equipment. CAL FIRE provides all operational personnel.

The District owns and operates a fleet including a Type 1 engine (primary for structural fires), a Type 2 engine (in reserve), a Type 3 engine (for wildland fires) and a service vehicle. Tuolumne County Fire co-locates a county engine and crew at the Groveland CSD fire station under a year-to-year co-location agreement; that county engine serves as the primary responder outside the Groveland CSD boundaries and provides mutual aid to Groveland CSD when needed. Groveland CSD responds to between 500 and 600 service calls per year, including structure fires, wildland and vegetation fires, vehicle fires, traffic collisions, hazardous materials incidents, and emergency medical calls. In 2025, 540 incidents were recorded.

The District covers an area designated as a Very High Fire Hazard Severity Zone (“VHFHSZ”) by CAL FIRE, reflecting the significant wildland-urban interface fire risk present in the Groveland community and the surrounding foothills. This high fire risk environment makes reliable, well-staffed fire suppression services particularly critical to the safety and protection of real property within the District.

It is important to note that Groveland CSD provides the only engine dedicated specifically to the Groveland community. Other fire resources in the region have broader mission responsibilities: CAL FIRE resources at Merrell Road prioritize the State’s wildland fire mission and their availability to respond to structure fires within the District is not guaranteed. The U.S. Forest Service does not provide structural property protection. The Tuolumne County engine co-located at Station 78 serves as the primary responder outside the Groveland CSD boundaries. Accordingly, the staffing and apparatus funded by this assessment represent the dedicated, reliable fire protection resource for all property within the Assessment District.

The proposed assessment district described in this Engineer's Report is intended to provide an ongoing, secure funding source for local fire protection and emergency response services. Groveland CSD currently funds fire services primarily through property taxes. However, property tax revenue has not kept pace with the rising cost of the CAL FIRE Schedule A contract, apparatus replacement needs, and other operational costs. The proposed Fire Protection and Emergency Response Services Assessment is designed to close this funding gap and ensure the continued, adequate provision of fire services to property owners within the District.

The cost of providing fire protection and emergency response services continues to rise each year due to increasing emergency calls, CAL FIRE contract cost escalation, enhanced staffing requirements, and substantial increases in operational costs, including fuel, utilities, equipment, and apparatus over recent years.

The lack of a dedicated funding source has left the District unable to keep pace with these rising costs. The proposed assessment will provide the stable, dedicated revenue necessary to maintain and improve the level of fire services.

Specifically, this funding will support increased firefighter staffing to meet the staffing requirements of the CAL FIRE Schedule A contract, as well as equipment and apparatus replacement. Adequate staffing will also allow the fire department of GCSO to deploy the recommended number of personnel to the scene of an incident more rapidly, a key factor in the Insurance Services Office (ISO) rating assigned to local properties. An unfavorable change in ISO rating could result in higher insurance premiums, lower coverage limits, or the cancellation of homeowners insurance coverage.

Groveland CSD seeks to maintain a high level of fire protection and emergency response service by maintaining appropriate staffing levels and providing funding for apparatus replacement.

This Engineer's Report supports a proposed new assessment to enhance existing funding sources, associated services, and equipment, and fund these improved services and equipment. The proposed rates for this proposed assessment are shown in Table 1 below.

Table 1 - Proposed Assessment Rates

Property Type	Proposed Rate	Unit
Single Family	\$475.64	each
Multi-Family	\$226.74	res unit
Commercial/Industrial*	\$933.81	half acre
Storage*	\$995.44	half acre
Parking Lot	\$17.99	each
Vacant	\$72.46	each
Agriculture**	\$9.02	acre
Range Land & Open Space**	\$3.17	acre

*Commercial/Industrial/Office and Storage are assessed per half acre or portion thereof.

**Agriculture and Range Land and Open Space are assessed per acre or portion thereof.

These proposed assessment rates are established by evaluating the relative fire hazard zone factor and the relative travel time factor for each parcel, and are used to calculate the specific assessment for each parcel. These factors are explained in more detail in the Method of Apportionment section of this report.

This Engineer’s Report (the “Report”) was prepared to:

- Describe the fire suppression, safety and emergency response services and equipment that would be funded by the assessments (the “Services”)
- Establish a budget for the Services that would be funded by the assessments in fiscal year 2026-27
- Determine the special benefits received from the proposed Services by property within the Groveland Community Services District Assessment (the “Assessment District”), and
- Describe the method of apportionment to lots and parcels within the Assessment District.

This Report and the proposed assessments have been made in compliance with California Government Code Section 50078 et seq., Health and Safety Code Section 13914 (the “Code”) and Article XIID of the California Constitution (the “Article”).

The Assessment District is narrowly drawn to include only properties that directly receive the additional fire protection and prevention services provided by the assessment funds and are specially benefited from such Services. The Assessment Diagram included in this Report shows the boundaries of the Assessment District.

Legal Analysis of Proposition 218

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

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

Silicon Valley Taxpayers Association, Inc. v Santa Clara County Open Space District (2008) 44 Cal.4th 431

On July 14, 2008, the California Supreme Court issued its ruling in *Silicon Valley Taxpayers Association, Inc. v. Santa Clara County Open Space District* (“*Silicon Valley*”). Several of the most important elements of the ruling are:

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

Groveland Community Services District

Fire Protection and Emergency Response Services Assessment
Fiscal Year 2026-27



Dahms v. Downtown Pomona Property (2009) 174 Cal.App.4th 708

On June 8, 2009, the Court of Appeal amended its original opinion upholding a benefit assessment for property in the downtown area of the City of Pomona. On July 22, 2009, the California Supreme Court granted review and transferred the case back to the Court of Appeal for reconsideration in light of the Supreme Court's discussion in the *Silicon Valley* case. In *Dahms*, the Appellate Court then upheld the assessment that was 100% special benefit (i.e., 0% general benefit) holding that the services and improvements funded by the assessments were directly provided to property in the assessment District. The Court also upheld discounts and exemptions from the assessment for certain properties.

Bonander v. Town of Tiburon (2009) 46 Cal.4th 646

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

Beutz v. County of Riverside (2010) 184 Cal.App.4th 1516

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

**Golden Hill Neighborhood Association V. City of San Diego (2011) 199
Cal.App.4th 416**

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

Compliance with Current Law

This Engineer's Report is consistent with the requirements of Article XIIC and XIID of the California Constitution and with the *Silicon Valley* decision because the Services to be funded are clearly defined; the Services are available to and will be directly provided to all benefited property in the Assessment District; the Services provide a direct advantage to property in the Assessment District that would not be received in the absence of the assessment; and the Services are benefits that are over and above general benefits conferred on real property located in Groveland CSD or to the public at large by other public entities that provide services in and around the Groveland community.

This Report is consistent with *Dahms* because, similar to the *Downtown Pomona* assessment validated in *Dahms*, the Services will be directly provided to property in the Assessment District. More specifically, as discussed hereafter, the Services afford benefits specifically unique and supplied only to property owners within the District, with a corresponding effect that is not shared by other parcels outside of the District or real property in general, including the public at large. While *Dahms* could be used as the basis for a finding of 0% general benefits, this Engineer's Report establishes a more generous separation and quantification of general benefits.

This Report is also consistent with *Bonander* because the Assessment has been apportioned based on the proportional special benefit to each property. Furthermore, the Assessment is consistent with *Beutz* and *Golden Hill* because the general benefits have been explicitly calculated, quantified, and excluded from the Assessment.

Assessment Process

Following submittal of this Report to Groveland CSD for preliminary approval, the Groveland CSD Board of Directors (the “Board”) may, by Resolution, call for an assessment ballot proceeding and public hearing on the proposed establishment of a Fire Protection and Emergency Response Services Assessment.

If the Board approves such a Resolution, a Notice of Assessment and Assessment Ballot will be mailed to each property owner within the proposed Assessment District boundaries who will be subject to the proposed assessment. The Notice will include a description of the Services to be funded by the proposed assessment, the total amount of the proposed assessment and the amount chargeable to the owner's parcel, the reasons for the proposed assessment and the basis upon which it was calculated, and an explanation of the process for submitting a ballot. Each Notice will also include a postage prepaid return envelope and a ballot on which the property owner may mark his or her approval or disapproval of the proposed assessment as well as affix his or her signature.

After the ballots are mailed to property owners in the Assessment District, a minimum 45-day time period must be provided for the return of the assessment ballots. Following this balloting time period, a public hearing must be held for the purpose of allowing public testimony regarding the proposed assessments. Ballots will be received if previously mailed and received by the public agency before the public hearing, or if physically submitted at the public hearing. At the public hearing, the public will have the opportunity to speak on the issue. The public hearing is currently scheduled for July 8, 2026. After receiving ballots and public comment, the public hearing will be closed. The Board will then take a recess to allow for the tabulation of the ballots.

If it is determined that the assessment ballots submitted in opposition to the proposed assessment do not exceed the assessment ballots submitted in favor of the assessment (weighted by the proportional financial obligation of the property for which ballots are submitted), the Board may approve the imposition of assessment for fiscal year 2026-27 and each fiscal year thereafter. If the assessment is confirmed and approved, the Board will order the levy of the assessment to be submitted to the Tuolumne County Auditor/Controller for inclusion on the property tax roll for Fiscal Year 2026-27.

The proposed assessment authorized by the ballot proceeding would be for a maximum assessment rate of \$475.64 per single-family equivalent (see Table 1 for maximum assessment rates of other types of property) . The maximum rate may increase each year by no more than 5%; however, no automatic annual increase is guaranteed or required. The actual assessment rate levied in any given year will be determined by the Board of Directors based on the District's financial needs and the updated Engineer's Report, and may be less than the maximum authorized rate.

In each subsequent year for which the assessment will be continued, an updated proposed budget, assessment rate, and an updated assessment roll listing all parcels and their proposed assessment for the upcoming fiscal year shall be prepared and presented by the Board of Directors for consideration. The Board retains full discretion to levy an assessment at or below the maximum authorized rate for that year. The maximum authorized rate for any fiscal year shall not exceed the prior year's maximum authorized rate increased by 5%.

If the proposed assessment is confirmed and approved, the levy and collection of the assessment would continue year-to-year until terminated by the Board.

Description of Services

Groveland CSD provides a range of fire suppression and protection, prevention, and other fire and emergency-related services to properties within its boundaries.

This proposed benefit assessment would provide funding for two major areas of service improvements within the District for its fire suppression and protection operations:

- Increased Firefighter Staffing to 3/0 by funding the CAL FIRE Schedule A Staffing Agreement
- Improved Maintenance and Replacement of Apparatus and Equipment

Groveland CSD currently contracts with CAL FIRE for the contractual minimum staffing level that includes a 2-person crew on each response. The CAL FIRE Schedule A agreement does not permit staffing to fall below this 2-person minimum. While staffing cannot be reduced further, current funding is insufficient to support the transition to 3-person staffing required for compliance with NFPA 1710 recommendations and consistent with CAL FIRE's updated 66-hour workweek staffing model adopted November 1, 2024. At the same time, the inability to fund equipment replacement means the operational readiness of the District's aging apparatus fleet continues to decline.

The formula below describes the relationship between the final level of services, the baseline level of service based on existing funding, and the enhanced level of services funded by the proposed assessment if it is approved. It should be noted, due to the fact that current operating costs are increasing at a faster rate than current funding sources, the baseline level of services is diminishing over time.

<i>Final Level of Service</i>	=	<i>Current and Diminishing Baseline Level of Service</i>	+	<i>Proposed Enhanced Level of Service</i>
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Below is a more detailed description of these improvements that are provided for the special benefit of property in the Assessment District.

Increased Firefighting Staffing and Training

Firefighting emergency response staffing levels are described colloquially in terms of “speed and weight,” with speed describing the response time and weight describing the number and types of personnel. Staffing levels are also commonly described in terms of the number of firefighting staff per fire truck and/or apparatus, such as “4 on an initial response” or “3 on an initial response.” Groveland CSD is satisfied with its response time (“speed”) but has determined that its staffing levels (“weight”) need to be improved.

Although there are many approaches to deploying firefighting staff, OSHA guidelines place strict requirements on operations, particularly when firefighters are required to enter potentially Immediately Dangerous to Life and Health (IDLH) environments such as structure fires. In these atmospheres, OSHA requires that personnel use self-contained breathing apparatus (SCBA), that a minimum of two firefighters work as a team inside the structure, and that a minimum of two firefighters be on standby outside the structure to provide assistance or perform rescue.

To meet the above-described “2 in, 2 out” standard, the National Fire Protection Agency (NFPA) recommendation is four (4) personnel per apparatus in a community of this size and risk. The District's current CAL FIRE Schedule A agreement provides for 2/0 staffing — a captain and an engineer. The proposed assessment would fund the transition to 3/0 staffing (captain, engineer, and firefighter), which is more consistent with NFPA 1710 minimum staffing guidance and CAL FIRE operational standards.

With 3-person staffing, an initial company is better positioned to assign personnel to both interior and exterior functions upon arrival and to more quickly assemble the staffing necessary to initiate interior structural firefighting in IDLH environments in accordance with OSHA two-in/two-out requirements, without waiting for a full second apparatus.

The transition addresses the critical limitations of the current 2-person crew model, which must remain in a defensive or exterior posture until additional resources arrive. Furthermore, the three-person configuration aligns the fire department of GCSD with CAL FIRE Schedule A operational standards and the staffing transition plan adopted.

Increased firefighting staffing levels will improve the safety and protection of real property within the proposed Assessment District. The proposed assessment would fund firefighter staffing necessary to implement a “3 on an initial response” configuration, with associated costs included in the Table 2 Budget on page 15.

Improved Maintenance and Replacement of Apparatus and Equipment

Groveland CSD seeks to maintain and replace fire apparatus on a planned basis to support effective fire suppression operations. Adequate maintenance and timely replacement of apparatus contribute to the safety and protection of real property within the Assessment District. The District’s apparatus fleet requires ongoing investment to remain operationally ready. The need for replacement is both ongoing and immediate, as the youngest engine in the fleet is approximately 17 years old and the District currently lacks a dedicated funding source for apparatus replacement. As a result, the District is unable to plan for systematic fleet renewal.

A new fire engine costs approximately \$1.3 million and has an estimated delivery time of up to three years from the date of order. The proposed assessment will fund a scheduled apparatus maintenance and replacement program, allocating annual funding toward replacement of the District's fleet over time, consistent with adopted replacement strategies.

Other Services and Supplies

The budget shown in Table 2 includes and summarizes budget allocations for the CAL FIRE Schedule A contract, District staff wages and benefits, equipment and apparatus maintenance and replacement, professional services, facilities maintenance, fuel and utilities, and administration in support of Groveland CSD's fire protection operations.

Cost and Budget

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

Table 2 - Cost and Budget

Groveland Community Services District Estimate of Costs Fiscal Year 2026-27	
Budget Item	Amount
Service, Apparatus and Equipment Needs	
CAL FIRE Schedule A Contract (3/0 Staffing)	\$1,695,905
Equipment and Apparatus Maintenance/Replacement	\$504,699
Professional Services (Legal, Audit, Engineer, Studies)	\$38,686
Facilities Maintenance, Fuel and Utilities	\$57,118
Administrative and Operating Costs	\$358,822
Reserve for 3/0 Firefighter Staffing	\$462,444
Contingency/Reserve	\$59,200
Total Service Needs (a)	\$3,176,875
Less: Est. Total Revenue from Other Sources (General benefit contribution) (b)	\$1,606,082
Net Cost of Servicing to Assessment District (a-b) = (c)	\$1,570,793
Allowance for County Collection (\$3.75 per parcel) = (d)	\$15,600
Total Fire Suppression and Protection Services Budget (c+d) = (e)	\$1,586,393
Total Proposed Assessment Budget (f)	\$1,586,393
Effective Single Family Equivalent Benefit Units in Assessment District (g)	3,335.31
Proposed Assessment per Effective Single Family Equivalent Unit (SFE) (f/g)	\$475.64

Note: Parenthetical letters in Table 2 denote formula variables used to derive the total assessment budget: (a) Total Service Needs; (b) General Benefit Contribution; (c) Net Cost to Assessment District $(a - b) = (c)$; (d) County Collection Allowance; (e) Total Fire Suppression and Protection Services Budget Proposed Assessment Budget $(c + d)$; (f) Total Proposed Assessment Budget; (g) Total Effective SFEs; (h) Proposed Assessment per Effective Single Family Equivalent Unit (SFE) (f/g) .

The “Service Needs” cost estimates are presented in the budget table above for the 2026-27 fiscal year only but are based upon financial forecasting over a 15-year cycle and beyond. This forecasting concludes that these costs will persist consistently in the future. Consistent with the General Benefit requirement described later in this Report, at least 7% of the total cost of the Groveland CSD Fire Services must be funded from sources other than this proposed assessment to cover any general benefits from the Services. The current Tuolumne County property tax contributions and other sources represent approximately 50.56% ($\$1,606,082 / \$3,176,875$) of the total cost of Groveland CSD Fire Services, far in excess of the required 7% non-assessment general benefit funding requirement. The Total Effective SFEs are the sum of the assigned Effective Single-Family Equivalent units for each affected parcel based upon a parcel-by-parcel analysis of the service area consistent with the Method of Apportionment described later in this Report.

Method of Apportionment

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

The Assessment District area consists of all Assessor Parcels within the Groveland CSD boundaries. The method used for apportioning the assessment is based on the proportional special benefits from the Services to be provided to the properties in the assessment area over and above general benefits conferred on real property or to the public at large. Special benefit is calculated for each parcel in the Assessment District using the following process:

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

Implementation of an Assessment for Fire Protection Services

California Government Code Section 50078 et seq. allows agencies which provide fire suppression services, such as Groveland CSD, to levy assessments for fire suppression services. Section 50078 states the following:

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

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

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

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

The assessment must be levied based on the special benefit to property. Special benefit means a particular and distinct benefit received by property over and above any general benefits conferred on real property located in the Assessment District or the public at large. With reference to the requirements for assessment, Section 50078.5 of the California Government Code states:

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

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

Health and Safety Code Section 13914 states:

A [fire protection] district may levy an assessment for fire suppression services pursuant to Article 3.6 (commencing with Section 50078) of Chapter 1 of Part 1 of Division 1 of Title 5 of the Government Code.

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

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

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

The following two sections describe how and why the Fire Protection Services specially benefit properties. This special benefit is particular and distinct from its effect on other property, and other real property and the public at large do not share the special benefit.

Overview of Special Benefits from Fire Protection Services

Special Benefit is defined in Article XIID of the California Constitution as a “particular and distinct benefit over and above general benefits.” The proposed services and improvements provide “particular and distinct” benefit because they are distinctly defined and described and are provided directly to the parcels within the Assessment District boundaries. The proposed services and improvements are “over and above general benefits” currently supplied by the Groveland CSD and other agencies.

Fire suppression and emergency response services are delivered directly to an individual parcel, providing protection to that property and its occupants. This direct service delivery distinguishes fire protection services from more generalized public amenities, such as parks and open space, where the benefit is not tied to a specific parcel and requires travel to access. As recognized in *Silicon Valley*, special benefit must be particular and distinct, and the parcel specific nature of fire protection and emergency response supports this distinction.

In summary, real property located within the boundaries of the proposed Assessment District distinctly and directly benefits from increased safety and protection of real property and human life in the Assessment District.

Description of Special Benefit From Fire Protection Services

In order to allocate the assessments, the special benefit arising from the Services that will be provided to property in the Assessment District has been identified and described below. This special benefit must confer a direct advantage to the assessed properties; otherwise it would be general benefit, as described further in this report.

The following special benefit confers to residential, commercial, industrial, institutional, and other lots and parcels resulting from the improved fire protection and emergency response services that will be provided in the Assessment District. This special benefit is summarized as follows:

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

The proposed Assessment funds three specific service components that benefit real property within the Assessment District: maintaining the baseline CAL FIRE Schedule A contract staffing level; transitioning from 2/0 to 3/0 staffing to enhance emergency response capability; and establishing a dedicated apparatus replacement program to support reliable, continuous operation of firefighting equipment. Collectively, these improvements are intended to reduce the risk of property damage from fires within the Assessment District.

"Fire is the largest single cause of property loss in the United States. In the last decade, fires have caused direct losses of more than \$120 billion and countless billions more in related cost."¹

"Proper fleet replacement reduces maintenance and repair costs, out-of-service time, and risk to employees from the continued use of apparatus past its expected service life."²

"The strategies and techniques to address fire risks in structures are known. When implemented, these means have proven effective in the reduction of losses."³

Since the Groveland community is located within a Very High Fire Hazard Severity Zone, this designation reflects the significant wildland-urban interface fire risk, including terrain, fuel load, wind patterns, and fire history that characterize the area. The presence of a well-staffed, locally based fire station is particularly critical in this environment, since timely response is directly correlated with property loss outcomes.

The proposed improved fire suppression, prevention, protection, and emergency response services support this special benefit by providing the District with the needed resources to protect real property from uncontrolled fires.

The proposed increased firefighting staffing supports this special benefit by providing needed personnel resources. Current OSHA regulations require that two firefighters remain outside a structure during an emergency response to a structure fire, while two firefighters may enter (the "2 in, 2 out" requirement). The proposed transition to 3/0 staffing will address this constraint and allow the District to respond with the standard of "3 on an initial response" on emergency calls. Properties receive direct special benefit from the increased staffing because the increase in staffing in turn increases the likelihood that property and life will be protected. With a 3-person crew, an initial company is better positioned to assign personnel to both interior and exterior functions upon arrival and to more quickly assemble the staffing necessary to initiate interior structural firefighting in accordance with OSHA two-in/two-out requirements. This represents a measurable improvement in fire suppression capability that provides a direct benefit to improved properties within the Assessment District.

The increased firefighting staffing specifically satisfies the strict legal requirements of the *Silicon Valley* decision in that these Services are clearly defined, are available to and will be directly provided to all benefited property and will provide a direct advantage that would not be received in the absence of the assessment.

General Versus Special Benefit

Article XIII D of the California Constitution requires any local agency proposing to increase or impose a benefit assessment to “separate the general benefits from the special benefits conferred on a parcel.”

In other words:

$$\textit{Total Benefit} = \textit{General Benefit} + \textit{Special Benefit}$$

The rationale for separating special and general benefits is to ensure that property owners subject to the benefit assessment are not paying for general benefits. The assessment, therefore, can fund special benefits but cannot fund general benefits.

Under Proposition 218, property owners of the parcels subject to the assessment *should not* and *cannot* be required to pay for the general benefits through the assessment arising from the proposed service and equipment improvements, as such costs must be funded through other revenue sources. This is an essential assessment payer protection requirement of all Proposition 218-compliant assessments. In order to clearly and overwhelmingly satisfy this important requirement, the general benefit has been calculated in each step favoring its reasonable maximum to totally avoid any possibility that the total general benefit to be funded from other sources is under-calculated.

There is no statutory formula to calculate, quantify and separate general benefit in support of benefit assessment analysis. General benefits are benefits from improvements or services that are not special in nature, are not “particular and distinct,” and are not “over and above” benefits received by other properties, or the public at large. *Silicon Valley* provides some clarification by indicating that general benefits provide “an indirect, derivative advantage” and are not necessarily proximate to the improvements. Again, in this Report, the general benefit is generously estimated and described, and then budgeted so that it is funded by sources other than the assessment. Although there is not an industry standard for this general benefit calculation, the three-component (plus an adjustment for emergency medical) approach shown in the formula below has been the most widely used.

	<i>1.) Benefit to Real Property Outside the Assessment District</i>
+	<i>2.) Benefit to Real Property Inside the Assessment District that is Indirect and Derivative</i>
+	<i>3.) Benefit to the Public at Large</i>
+	<i>(Adjustment for Emergency Medical Services)</i>
=	<i>General Benefit</i>

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

Calculating General Benefit

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

1.) Benefit to Property Outside the Assessment District

Properties within the Assessment District receive almost all of the special benefits from the Services because the Services will be provided solely in the Assessment District boundaries. (It should be noted that the Services may, at times, be used outside the Groveland CSD boundaries. However, this use is part of a mutual aid agreement and is offset, at least in part, by the provision of Services by other outside agencies within the Assessment District boundaries.)

Properties proximate to, but outside of, the boundaries of the Assessment District receive some benefit from the proposed Services due to some degree of indirectly reduced fire risk to their property. Specifically, the parcels immediately contiguous to Groveland CSD's boundaries enjoy a reduction to the possibility of a fire "jumping" from an adjacent structure (within the District's boundaries) because Groveland CSD controls structure fires within its boundaries. Because the District's primary role is directed towards structure fires, as opposed to wildland fires, and structure fires generally "jump" more slowly, it is reasonable to only consider the directly adjacent, but outside, parcels. These are estimated to receive some benefit relative to parcels within the Assessment District, but they do not directly receive the improved fire protection resulting from the Services funded by the Assessments.

At the time the Assessment was proposed, the Engineer of Work, using the Geographic Information Systems, quantified the number of parcels proximate to the Assessment District boundary but outside the Assessment District, and thereby determined that there were approximately 80 directly adjacent properties. Further consideration of the types, use, location, and other attributes of the outside but proximate parcels is not warranted due to numeric insignificance, and would not materially increase the accuracy of this analysis:

80 parcels outside Groveland CSD but proximate to the District Boundaries

4,160 parcels in the Assessment District.

Calculation:

General Benefit to Property Outside the Assessment District =

*$80 / (4,160 + 80) = 1.89\%$: ~ rounded to **2.0%***

It can reasonably be argued that properties protected inside, but near the Assessment District boundaries, are offset by similar fire protection provided outside, but near, the Assessment District's boundaries, through mutual aid agreements. However, this analysis uses the more generous approach of finding that **2.0%** of the Services may be of general benefit to property outside the Assessment District and cannot be funded by this assessment.

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

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

The *Silicon Valley* decision indicates that the fact that a benefit is conferred throughout the Assessment District area does not make the benefit general rather than special, so long as the Assessment District is narrowly drawn and limited to the parcels directly receiving shared special benefits from the service. This concept is particularly applicable in situations involving a landowner-approved assessment-funded extension or improvement of a local government service to benefit lands. This Report therefore concludes that, other than the general benefit to properties outside the Assessment District (discussed above) and to the public at large (discussed below), the general benefit from the fire protection services that is “indirect and derivative” is negligible.

3.) Benefit To The Public At Large

Because the Services directly serve and benefit all of the property in the Assessment District, any general benefit conferred on the public at large would be small.

The public at large uses the public highways, and when traveling in and through the Assessment District the public may benefit from the services without contributing to the assessment. A fair and appropriate measure of the general benefit to the public at large is the amount of highway and throughway street area within the Assessment District relative to the overall land area. An analysis of maps of the Assessment District shows that Highway 120 — the primary thoroughfare traversing the Groveland CSD service area — has an approximate centerline length of 6.5 miles (34,320 linear feet) and an average right-of-way width of 60 feet, yielding a total ROW area of approximately 2,059,200 square feet (47 acres). With the total District acreage of approximately 9,371 acres, the highway ROW area constitutes approximately **0.50%** of the total land area.

A 1.0% contribution therefore is a generous, fair, and appropriate measure of the general benefit to the public at large within the District and cannot be funded by this assessment.

Adjustment to Account for Emergency Medical Services as General Benefit

For the purposes of this Report, an additional adjustment has been made to the general benefits calculation to account for general benefits that may result from the District's rescue and emergency medical services ("EMS") associated with the proposed Services. The use of Proposition 218 compliant assessments to fund EMS remains subject to legal and policy considerations. This proposed assessment is designed to provide funding for fire protection and emergency response services, including fire-related and non-fire-related rescue and associated medical services. However, the general benefit component attributable to typical non-fire, non-rescue EMS calls, such as cardiac arrest or other medical aid incidents, is not funded by this proposed assessment. Those costs are instead funded by the District's non-assessment revenue sources.

Groveland CSD is authorized to provide EMS in addition to its primary responsibility of fire protection and suppression. In fact, a significant portion of Groveland CSD's emergency service calls are associated with providing EMS, with 363 of 533 total incidents in 2025, or 68%, classified as medical calls. Nonetheless, the majority of the District's costs are associated with supporting fire suppression services, not EMS.

EMS-related costs are identified using an incremental cost methodology, under which only those costs that vary with EMS call activity are attributed to EMS. Fixed costs, including personnel, facilities, apparatus capital, and fire suppression readiness equipment, are excluded because they are incurred to maintain continuous fire protection capability regardless of EMS call volume. There are two categories of costs attributable to EMS activity: fuel for EMS responses and EMS supplies and equipment. A proportion of usage costs for apparatus operations and maintenance costs are allocated to EMS based on the EMS call volume as a percentage of total calls (68.1%), reflecting the wear and usage that EMS calls place on District apparatus. Personnel costs, SCBA, protective clothing, station maintenance, and other fixed readiness costs are excluded as they are driven by fire suppression capability, not EMS volume.

An evaluation of call records and incremental costs associated with non-fire, non-rescue EMS calls indicates that EMS-related expenses total \$38,752 out of a total district budget of \$3,176,875, representing 1.22% of overall operating costs (see Table 3). This cost analysis supports an EMS adjustment of 1.22%, which has been generously rounded up to **4.0%**. The engineer is requiring a **4.0%** adjustment for this component.

Table 3 – EMS Cost Allocation

EMS Expense	Proposed Budget FY 2026-27	Estimated Cost for EMS-Related Services
EMS Fuel Cost*	\$21,523	\$14,636
EMS Apparatus Operations and Maintenance Cost*	\$23,796	\$16,181
EMS Supplies and Equipment	\$7,935	\$7,935
Total EMS Cost	\$53,254	\$38,752

* Estimated EMS-attributed costs for fuel and apparatus maintenance are calculated at 68% of each line item's proposed budget, reflecting EMS calls as a percentage of total 2025 incidents (363 EMS calls / 533 total incidents)

Summary of General Benefits

Using a sum of the measures of general benefit for the public at large and land outside the Assessment Area, we find that approximately 7% of the benefits conferred by the proposed Fire Protection and Emergency Response Assessment may be general in nature and must therefore be funded by sources other than the assessment.

General Benefit Calculation		
<i>(1. Outside the Assessment District - Adjacent parcels)</i>		<i>2.00%</i>
<i>(2. "Indirect and Derivative" Property within the Assessment District)</i>	+	<i>0.00%</i>
<i>(3. Public at Large)</i>	+	<i><u>1.00%</u></i>
<i>(Subtotal of General Benefit)</i>		<i>3.00%</i>
<i>(Emergency Medical Adjustment)</i>	+	<i><u>4.00%</u></i>
<i>(Total of General Benefits)</i>	=	<i>7.00%</i>

The Assessment District's total budget for 2026-27 is \$3,176,875. Of this total assessment budget amount, the District will contribute approximately \$1,606,082 from property taxes and other non-assessment sources. This represents approximately 50.56% of the total cost of services being funded from sources other than the assessment far in excess of the **7.0%** general benefit funding requirement determined above. Therefore, general benefit is fully funded by non-assessment sources, and the entire assessment amount may be levied for special benefit.

Zones of Benefit

The Assessment District consists of a single zone encompassing all parcels within the Groveland CSD boundaries. All parcels within the District receive special benefit from the improved fire protection and emergency response services. However, the level of special benefit varies by parcel based on: (1) property type and associated fire risk and replacement value; (2) fire hazard zone designation; and (3) response travel time. These factors are incorporated into the apportionment methodology to ensure that each parcel's assessment corresponds proportionally to its relative special benefit.

The Assessment Area is rural and predominantly located within the Very High Fire Hazard Severity Zone as designated by CAL FIRE, with a limited road network that results in significant variation in travel times from the fire station to individual parcels. Accordingly, the special benefit received by each parcel varies based on both fire hazard zone designation and response travel time.

The Assessment District has been defined to include only those parcels that receive special benefit from the proposed services. Properties of similar type receive comparable levels of service and associated benefit, with parcel-specific adjustments for fire hazard zone and response travel time as described in the Method of Assessment section. Accordingly, a single assessment zone is appropriate, and variations in special benefit are addressed through the application of hazard and travel time factors rather than separate Zones of Benefit. Instead, each parcel's assessment is individually calculated based on its specific location characteristics, including fire hazard zone designation and response travel time, as described in detail in the Method of Assessment section.

Assessment Apportionment

The Assessment Engineer determined that the appropriate method of assessment should be based on the type of property, the relative risk of fire by type of property, the relative fire hazard zone factor, the relative travel time factor, the relative size of the property, and the relative damage value (replacement cost) of fires by property type. This method is further described below.

Method of Assessment

The next step in apportioning assessments is to determine the relative special benefit for each property. This process involves determining the relative benefit received by each property in relation to a “benchmark” property, a single-family detached dwelling on one parcel (one “Single-Family Equivalent Benefit Unit” or “SFE”).

This SFE methodology is commonly used to distribute assessments in proportion to estimated special benefits and is generally recognized as providing the basis for a fair and appropriate distribution of assessments. In this Report, all properties are assigned an SFE value, which is each property's relative benefit in relation to the benefit received by a single-family home on one parcel.

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

Equation 1 – Relative Special Benefit to Properties

<p>Special Benefit =</p> $\sum(\text{Fire Risk Factors}) * \sum(\text{Structure Replacement Factors}) * \sum(\text{Location/Topography Factors})$
--

Simply put, the special benefit conferred to property is the product of the fire risk, the structure replacement costs and the location and topographic factors.

Typically, the development of the rate methodology for fire assessments is based upon fire risk and structure value. However, in this case, due to the particular nature of Groveland CSD fire hazards and terrain, two additional factors (Fire Hazard Zone and Proximity (Travel Time)) were added in support of a uniquely rigorous and detailed, parcel-by-parcel development of rate and assessment.

For example, by this formula, a hypothetical parcel used for a high fire risk operation (i.e., a fireworks factory), with high value structures, in a high fire hazard zone and very close to a fire station, receives a high amount of special benefit. Conversely, a vacant lot not in a high fire hazard area and a long way from a fire station would receive far less special benefit. It follows that the special benefit, and accordingly, the assessment amount, should be calculated and assigned consistent with this logic.

Overview of Approach

Each parcel is evaluated, and the special benefit is calculated using 4 attribute criteria:

Risk and Replacement Factors:

- 1.) Fire Risk (see Table 4)
- 2.) Structure Replacement Value (see Table 5)

These factors are summarized in Table 7

Location and Topography Adjustments:

- 3.) Location and Topography - Hazard Zone (see Table 6)
- 4.) Location and Topography - Proximity (Travel Time) (see Table 7)

Overview of Normalization in Adjustments in Multi-Attribute Analysis

One of the greatest engineering challenges in modeling and calculating special benefit on a specific parcel is the need to balance the effect of various attributes in a multi-attribute analysis. In this case, the special benefit method of apportionment is based upon four different attributes and each must be “weighted” to affect the overall special benefit calculation in a reasonable way, commensurate with their effect on the overall special benefit. The general approach taken is to adjust each attribute value towards a reasonable proportion of 1, such that it is consistent with the base unit of 1 Single-Family Equivalent. See the “Area Adjustment Factor” used in Table 4 and the Impact Factor used in Tables 6 and 7.

1.) Fire Risk Factors

This fire risk is based upon the specific parcel type and use, including use of structure (e.g., used for cooking), type of structure (centralized heating), etc.

The National Fire Protection Association (“NFPA”), one of the preeminent authorities on fire protection in the United States, publishes the Structure Fires by Occupancy Annual Averages Report. This report comprehensively tabulates the number of fires for each classification of property type within the United States. Our analysis uses the Structure Fires by Occupancy Annual Averages from 2015-2019 Report and the 2018-2022 Report and serves as a reasonable and rational basis to determine fire risk.

The percentage of fires for each property type is then divided by the total number of that property type to determine un-normalized fire risk factors. Finally, the risk factors are normalized based upon a factor of 1.00 for a single-family property. Table 4 on the following page tabulates the Fire Risk Factors for each property type.

Table 4 – Normalized Fire Risk Factors

Property Type	Percentage of Study Units(a)	Percentage of Fires(b)	Risk Factor(b/a)	Normalized Risk Factor
Single Family	68.2%	58.91%	0.8640	1.0000
Multi-Family	15.5%	23.36%	1.5028	1.7394
Commercial/Industrial	3.3%	8.82%	2.6982	3.1230
Office	0.6%	1.02%	1.5861	1.8358
Storage	0.6%	2.51%	4.4027	5.0959
Parking Lot ⁽¹⁾	NA	NA	0.0000	0.4439
Vacant	8.8%	3.39%	0.3836	0.4439
Agriculture	1.5%	0.90%	0.5906	0.6836
Range Land & Open Space	1.4%	1.08%	0.7688	0.8898

Structure Fires by Occupancy 2015-2019 Annual Averages and 2018-2022 Annual Averages, NFPA, and an analysis of the percentage of properties by property type in the State of California by SCI.

⁽¹⁾This study did not provide sufficient analysis to develop risk factors for parking lots, so the vacant property type is used as a proxy.

The effect of installed fire sprinklers on the special benefit received from the proposed services must be tempered by the fact that many factors including fire type, weather, roofing material, building materials response time, defensible space, use of working smoke detectors, type of windows, maintenance of sprinkler system, etc. likely more significantly affect fire protection. These factors are incorporated into our analysis. Sprinklers have been required for commercial parcels for many years, so that element is already incorporated into our risk analysis. However, more recently, sprinklers for new and renovated residential structures have become required. Special cases will be considered as part of the standard appeals process described later in this Report.

2.) Structure Replacement Value Factors

The relative value of different property types was evaluated within the District to determine the Structure Replacement Value Factor according to the following formula:

Equation 2 – Structure Replacement Value Factors

Structure Replacement Value =

Normalized: $\left[\left(\text{Structure Weighting Factor} * (\text{Average Improved Value}) \right) + \left(\text{Land Weighting Factor} * (\text{Average Land Value}) \right) \right] * \text{Area Adjustment Factor}$

Where:

- **Structure Weighting Factor** = 10, to “weight” the relative importance of structure over land.
- **Average Improved Value** is the average value of all structures and improvements.
- **“Normalized: []”** process is required to adjust the Structure Replacement Value factor as compared to a single-family property type. The calculated structure replacement value for a specific property type is divided by the structure replacement value for a single-family property type — and then it is multiplied by the area adjustment factor.
- **Area Adjustment Factor** adjusts the relative replacement value of multi-family properties as compared to a single-family residence and only affects multi-family parcels.. The adjustment factor of 0.5256 is calculated as the ratio of the average multi-family improvement value to the average single-family improvement value ($\$152,756 \div \$290,640$), as derived from 2025 Tuolumne County Assessor records. The factor is 1.0 (no adjustment) for all other property use types.
- **Land Weighting Factor** = 1
- **Average Land Value** is the average value of all land per property type.

Table 5 below is a tabulation of the structure replacement values for each property type as defined by Equation 2, on the previous page.

Table 5 – Structure Replacement Factors

Property Type	Average Improvement Values (a)	Average Land Values (b)	Adjusted, Weighted Normalized Replacement Value Factor	Unit
Single Family	\$290,640	\$73,955	1.0000	each
Multi-Family	\$152,756	\$26,576	0.2741	res unit
Commercial/Industrial/Office	\$314,138	\$605,778	1.2573	acre
Storage	\$200,000	\$448,029	0.8214	acre
Parking Lot	\$8,947	\$164,477	0.0852	acre
Vacant	\$25,958	\$36,560	0.3432	each
Agriculture	\$8,185	\$805	0.0277	acre
Range Land & Open Space	\$1,806	\$4,286	0.0075	acre

Source: (a) and (b) values derived from an analysis of the 2025 Tuolumne County Assessor records.

Summary of Risk and Replacement Factors

Per the formula above, the relative special benefit for each property type (the “SFE” or “Single-Family Equivalent” Benefit Units) is determined as the product of the normalized Fire Risk Factors and the normalized Structure Replacement Value Factors. Table 6, below, summarizes the benefit for each property type.

Note that to derive an actual Assessment amount, the SFE benefit factors shown in Table 6 for each property type must be multiplied by the parcel-specific Fire Hazard Zone Risk Factors (Table 7) and Travel Time Premium Factor (Table 8) applicable to each individual parcel.

Table 6 – Benefit Summary per Property Type

Property Type	Fire Risk Factors	Replacement Cost Factors	SFE Factors	Unit
Single Family	1.0000	1.0000	1.0000	each
Multi-Family	1.7394	0.2741	0.4767	res unit
Commercial/Industrial/Office*	3.1230	1.2573	1.9633	half acre
Storage*	5.0959	0.8214	2.0929	half acre
Parking Lot	0.4439	0.0852	0.0378	each
Vacant	0.4439	0.3432	0.1523	each
Agriculture	0.6836	0.0277	0.0190	acre
Range Land & Open Space	0.8898	0.0075	0.0067	acre

*The SFE Factors for Commercial/Industrial/Office and Storage is reflected in half acres, which equals to (Fire Risk Factors * Replacement Cost)/2.

Residential Properties

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

Properties with more than one residential unit are designated as multi-family residential properties. These properties benefit from the Services in proportion to the number of dwelling units that occupy each property. The relative benefit for multi-family properties was determined per the formula to be 0.4767 SFEs per residential unit. This rate applies to condominiums as well.

Commercial/Industrial, Storage & Office Properties

Commercial and industrial properties are assigned benefit units per acre, since there is a relationship between parcel size, structure size and relative benefits. The relative benefit for commercial and industrial properties was determined per the formula to be 3.9266 SFEs per acre (1.9633 per half acre) or portion thereof. The relative benefit for storage properties was determined per the formula to be 4.1857 SFEs per acre (2.0929 per half acre) or portion thereof. There are currently no office-classified properties within the Assessment District; should any be identified, the SFE factor would be 1.9633 per half acre or portion thereof.

Vacant and Undeveloped Properties

The relative benefit for vacant properties was determined per the formula to be 0.1523 SFEs per parcel. The relative benefit for stand-alone parking lots was determined per the formula to be 0.0378 SFEs per parcel.

Rangeland & Open Space Properties

The relative benefit for range land & open space properties was determined per the formula to be 0.0067 SFEs per acre or portion thereof.

Agricultural Properties

The relative benefit for agricultural properties requires additional analysis, as required by Government Code 50078 et seq. and the unique aspects of agricultural properties within the boundaries. This analysis considered how agricultural operations may mitigate risk, onsite or proximate water availability, response time, capability of the fire suppression service, and any other factors which reflect the benefit to the land resulting from the fire suppression service provided. Agricultural properties have been analyzed for fire risk and replacement cost per the formula. The relative benefit for agricultural properties was determined per the formula to be 0.0190 SFEs per acre or portion thereof.

Other Properties

Properties that do not fit within the major categories described above have been individually reviewed and the special benefit has been individually calculated. These properties are primarily mixed-use properties with the relative special benefit calculated from the relative proportion of each of the underlying property uses.

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

All public properties that are specially benefited are assessed. Publicly owned property that is used for purposes similar to private residential, commercial, industrial, or institutional uses is benefited and assessed at the same rate as such privately owned property.

Miscellaneous, small, and other parcels such as roads and right-of-way parcels typically do not have significant risk of fire damage. Moreover, for common area parcels, the fire benefits are assigned to the other improved parcels in the project that share common ownership of the common area. These miscellaneous parcels receive minimal benefit from the Services and are assessed an SFE benefit factor of 0.

3.) Fire Hazard Zone Risk Factors

CAL FIRE works with local agencies to study various fire risk factors throughout rural California including terrain, vegetation, fuel load, wind, weather, etc. and designates specific geographic areas according to fire risk. Within the Assessment Area, certain areas are designated as Very High, High, or Moderate as well as areas that do not fall into any of these zones (“None”). Accordingly, parcels receive higher special benefit from the fire protection and emergency response services if they are located in higher risk zones.

The majority of Groveland CSD service area falls within a Very High Fire Hazard Severity Zone designation, consistent with the Tuolumne County Unit Fire Plan (2025). This designation directly reflects the elevated fire risk to real property in these areas and is central to the special benefit analysis.

Refer to Appendix A for a diagram of the Fire Hazard Areas in Groveland CSD.

Table 7 shows the normalized Fire Hazard Risk Factor for each fire risk zone.

Table 7 – Fire Hazard Zone Risk Factors

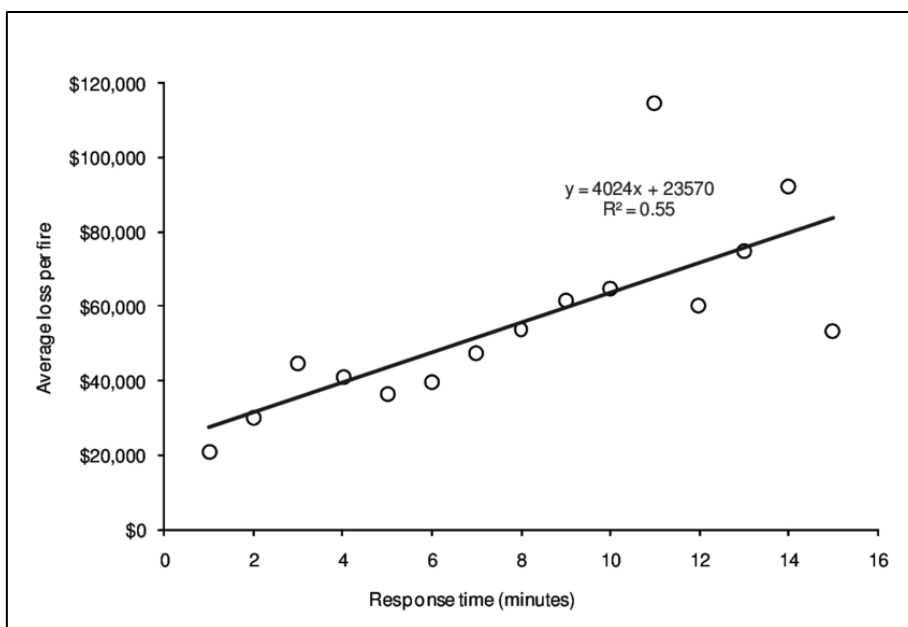
Fire Hazard Zone	Score	Impact Effect	Normalized Fire Hazard Zone Factor
Very High	2	120	1.00
High	1.2	112	0.93
Moderate	1	110	0.92
None	0	100	0.83

The Score is relative special benefit conferred for each risk zone. The Impact Factor is the relative weight for this risk factor on the overall special benefit calculation, and is the Score multiplied by 10 and added to the base value of 100.

4.) Proximity (Travel Time) Risk Factors

Timely response is a critical factor in responding to emergency calls to ensure the safety of people and protection of property. Numerous studies have confirmed this well-established understanding. Figure 1 below is drawn from one study: Neil Challands, "The Relationships Between Fire Service Response Time and Fire Outcomes," Fire Technology, July 2010, which quantifies the linear relationship between response time and property loss. Accordingly, parcels that are closer to a fire station require a shorter travel time for response, and receive a higher level of special benefit than parcels with a longer travel time.

Figure 1 - Travel Time versus Property Loss



Source: Neil Challands "The Relationships Between Fire Service Response Time and Fire Outcomes," Fire Technology, July 2010.

Travel time from the fire station to each parcel was calculated and analyzed using Geographical Information Systems.

Refer to Appendix B for a diagram of the Response Areas Travel Time in Groveland CSD.

Table 8 on the following page shows the relative normalized value of travel time.

Groveland Community Services District

Fire Protection and Emergency Response Services Assessment
Fiscal Year 2026-27

Table 8 – Travel Time Premium Factor

Travel Time	Score (\$)	Impact Effect	Normalized Travel Time Factor
<5	43,690	138	1.00
5 to 10	63,810	126	0.91
10-15	83,930	120	0.87
15-20	104,050	116	0.84
20+	124,170	114	0.82

Assessments Calculation

Each parcel's assessment is calculated by multiplying the assessment rate by the SFE benefit factor (Table 6), fire hazard zone factor (Table 7) and travel time premium factor (Table 8):

Example Calculations

Case #1: Single-Family Residence in Very High Hazard Zone with a 5–10 Minute Travel Time

Assessment Rate = Annual Base SFE Rate × 1.0000 (from Table 6) × 1.00 (from Table 7) × 0.91 (from Table 8) = 0.910 × Annual Base SFE Rate = **\$432.83**

Case #2: Single-Family Residence in Moderate Hazard Zone with a 20+ Minute Travel Time

Assessment Rate = Annual Base SFE Rate × 1.0000 (from Table 6) × 0.92 (from Table 7) × 0.82 (from Table 8) = 0.754 × Annual Base SFE Rate = **\$358.63**

Case #3: Commercial Property on 2 Acres in Very High Hazard Zone with a 10–15 Minute Travel Time

Assessment Rate = Annual Base SFE Rate × 3.9266 (from Table 6) × 2 acres × 1.00 (from Table 7) × 0.87 (from Table 8) = 6.832 × Annual Base SFE Rate = **\$3,249.57**

Case #4: Vacant Lot in a Very High Hazard Zone with a < 5 Minute Travel Time

Assessment Rate = Annual Base SFE Rate × 0.1523 (from Table 6) × 1.00 (from Table 7) × 1.00 (from Table 8) = 0.1523 × Annual Base SFE Rate = **\$72.43**

Proposed Annual Base SFE Rate = **\$475.64** for 2026-27

Government Code § 53759.1 and 53759.2

AB 2257, effective January 1, 2025, is codified in Government Code §§ 53759.1 and 53759.2. Government Code § 53759.1 authorizes public agencies to implement an exhaustion of administrative remedies requirement in the context of a proposed Proposition 218 property related fee or assessment. If the local agency complies with certain specified requirements, property owners are required to submit a written objection regarding a proposed property related fee or assessment during the ratemaking process and by a specified deadline no less than 45 days after mailing of notice pursuant to Proposition 218, and prohibited from challenging the property related fee or assessment in litigation if they did not submit a timely written objection. To implement this requirement, the local agency is required, among other things, to prepare written responses to the timely submitted objections and present them to the local agency governing body, which will make certain specified determinations prior to the close of the Proposition 218 protest hearing. This process is intended to run concurrently with the Proposition 218 timeline and does not impact a property owner's ability to submit a protest pursuant to Proposition 218.

Government Code § 53759.2 specifies the scope of a Court's review of the administrative record of the underlying ratemaking proceeding, if the local agency complied with Government Code § 53759.1 in adopting the property related fee or assessment being challenged.

Groveland CSD intends to comply with and implement Government Code § 53759.1 with respect to the proposed assessment. Property owners will be informed of the deadline and process to submit a written objection, and other dates related to Groveland CSD's compliance with this provision.

Appeals of Assessments Levied to Property

Any property owner may appeal the assessment levied on his or her property by filing a written appeal with the GCSD General Manager, or his or her designee. Any such appeal is limited to correction of an assessment during the then current fiscal year. Upon the filing of any such appeal, the General Manager, or his or her designee, will promptly review the appeal and any information provided by the property owner. If the General Manager, or his or her designee, finds that the assessment should be modified, the appropriate changes shall be made to the assessment roll. If any such changes are approved after the assessment roll has been filed with the County for collection, the General Manager, or his or her designee, is authorized to refund to the property owner the amount of any approved reduction. Any dispute over the decision of the General Manager, or his or her designee, shall be referred to the GCSD Board of Directors; the decision of the Board shall be final.

Additional Background on Relative Benefit

When property owners decide how to cast their ballot for a proposed assessment, each property owner should weigh the perceived value of the Services proposed to them and their property against the proposed cost of the assessment to their property. If property owners of a certain type of property are either opposed or in support of the assessment in much greater percentages than owners of other property types, this is an indication that, as a group, these property owners perceive that the proposed assessment has relatively higher or lower “utility” or value to their property relative to owners of other property types. One can also infer from these hypothetical ballot results, that the apportionment of benefit (and assessments) was too high or too low for that property type. In other words, property owners, by their balloting, ultimately indicate if they perceive the special benefits to their property to exceed the cost of the assessment, and, as a group, whether the determined level of benefit and proposed assessment (the benefit apportionment made by the Assessment Engineer) is consistent with the level of benefits perceived by the owners of their type of property relative to the owners of other types of property.

Criteria and Policies

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

Duration of Assessment

It is proposed that the Assessment be levied for fiscal year 2026-27 and continued every year thereafter, so long as the risk of fire on property in the Assessment District remains in existence and GCSD requires funding from the Assessment for improved fire protection and suppression services. As noted previously, if the Assessment and the duration of the Assessment are approved by property owners in an assessment ballot proceeding, the Assessment can be imposed and continued annually after the Board approves an annually updated budget and rate for the Assessment. In addition, the Board must hold an annual public hearing to continue the Assessment.

Assessment

WHEREAS, the Board of Directors of the Groveland Community Services District formed the Fire Protection and Emergency Response Services Assessment District and is proceeding with the proposed levy of assessments under California Government Code sections 50078 et seq. (the “Code”) and Article XIIIID of the California Constitution (the “Article”);

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

NOW, THEREFORE, the undersigned hereby recommends the following assessment to cover the estimated cost of said Services, including incidental costs.

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

Table 9 – Summary Cost Estimate

Fiscal Year 2026-27 Budget	
Total for Servicing	\$3,176,875
Contributions from Other Sources	\$0
Total Allowance for Collections	\$15,600
Total Fire Suppression & Protection Services Budget	\$3,192,475

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

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

The assessment is subject to an annual increase at the discretion of the Board of Directors, with a maximum annual adjustment not to exceed 5%. No automatic annual increase is guaranteed or required. The maximum authorized assessment rate for any fiscal year shall not exceed the maximum authorized rates from the prior fiscal year multiplied by the percentage increase. The actual rate levied in any fiscal year will be determined by the Board based on the District's financial needs and the updated Engineer's Report, and may be less than the maximum authorized rate.

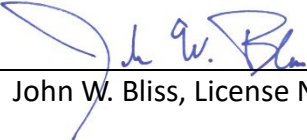
Each parcel or lot of land is described in the Assessment Roll by reference to its parcel number as shown on the Assessor's Maps of Tuolumne County for the fiscal year 2026-27. For a more particular description of said property, reference is hereby made to the deeds and maps on file and of record in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

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

Dated: April 3, 2026

Engineer of Work

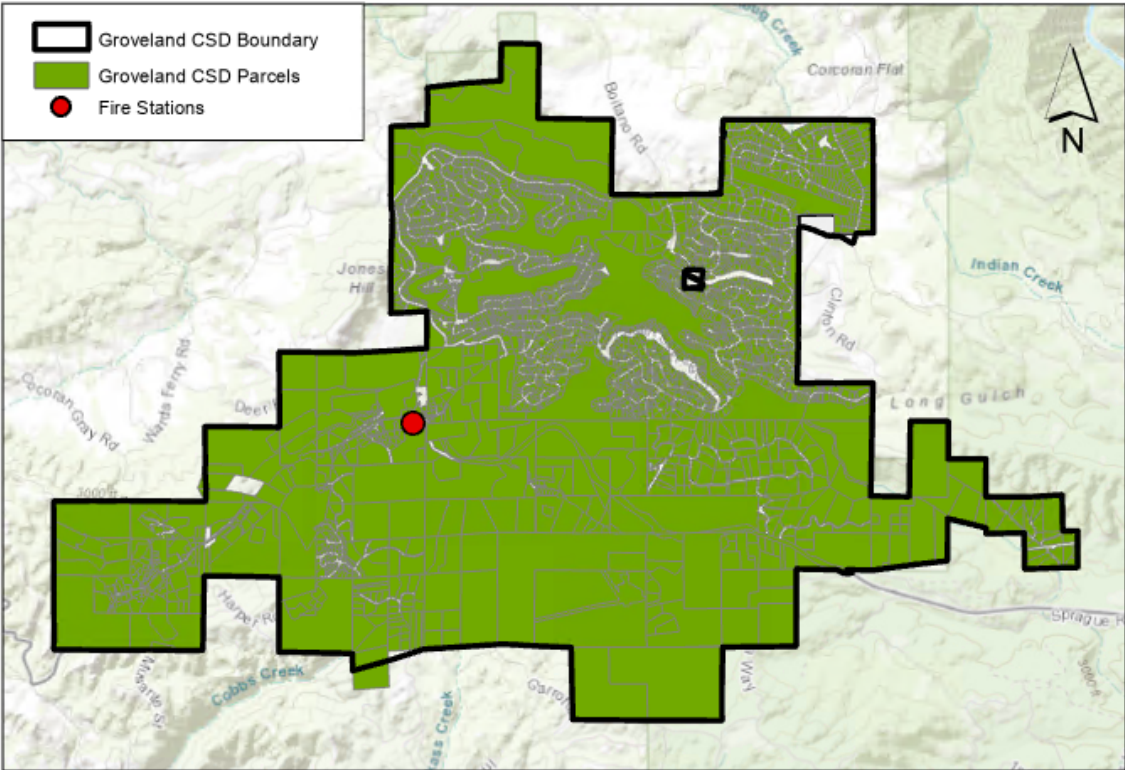


By 
John W. Bliss, License No. C052091

Assessment Diagram

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

The boundaries reflect the current Groveland CSD jurisdictional boundary as of Fiscal Year 2026-27. Should any annexations to the District be completed and approved by the Local Agency Formation Commission (LAFCO), the Assessment District boundaries and assessment roll would be updated accordingly in the fiscal year following the effective date of annexation.



FILED IN THE OFFICE OF DISTRICT MANAGER
 GROVELAND COMMUNITY SERVICES DISTRICT,
 COUNTY OF TUOLUMNE,
 CALIFORNIA, THIS _____ DAY OF _____, 2026.

 SECRETARY OF THE BOARD

RECORDED IN THE OFFICE OF THE DISTRICT MANAGER
 OF GROVELAND COMMUNITY SERVICES DISTRICT,
 COUNTY OF TUOLUMNE, CALIFORNIA
 THIS _____ DAY OF _____, 2026.

 SECRETARY OF THE BOARD

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

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

 SECRETARY OF THE BOARD

FILED THIS _____ DAY OF _____, 2026 AT THE
 HOUR OF _____ O'CLOCK ____ M. IN THE OFFICE OF THE
 COUNTY TAX COLLECTOR OF THE COUNTY OF
 TUOLUMNE, STATE OF CALIFORNIA, AT THE REQUEST
 OF THE BOARD OF
 GROVELAND COMMUNITY SERVICES DISTRICT.

 COUNTY TAX COLLECTOR, COUNTY OF TUOLUMNE

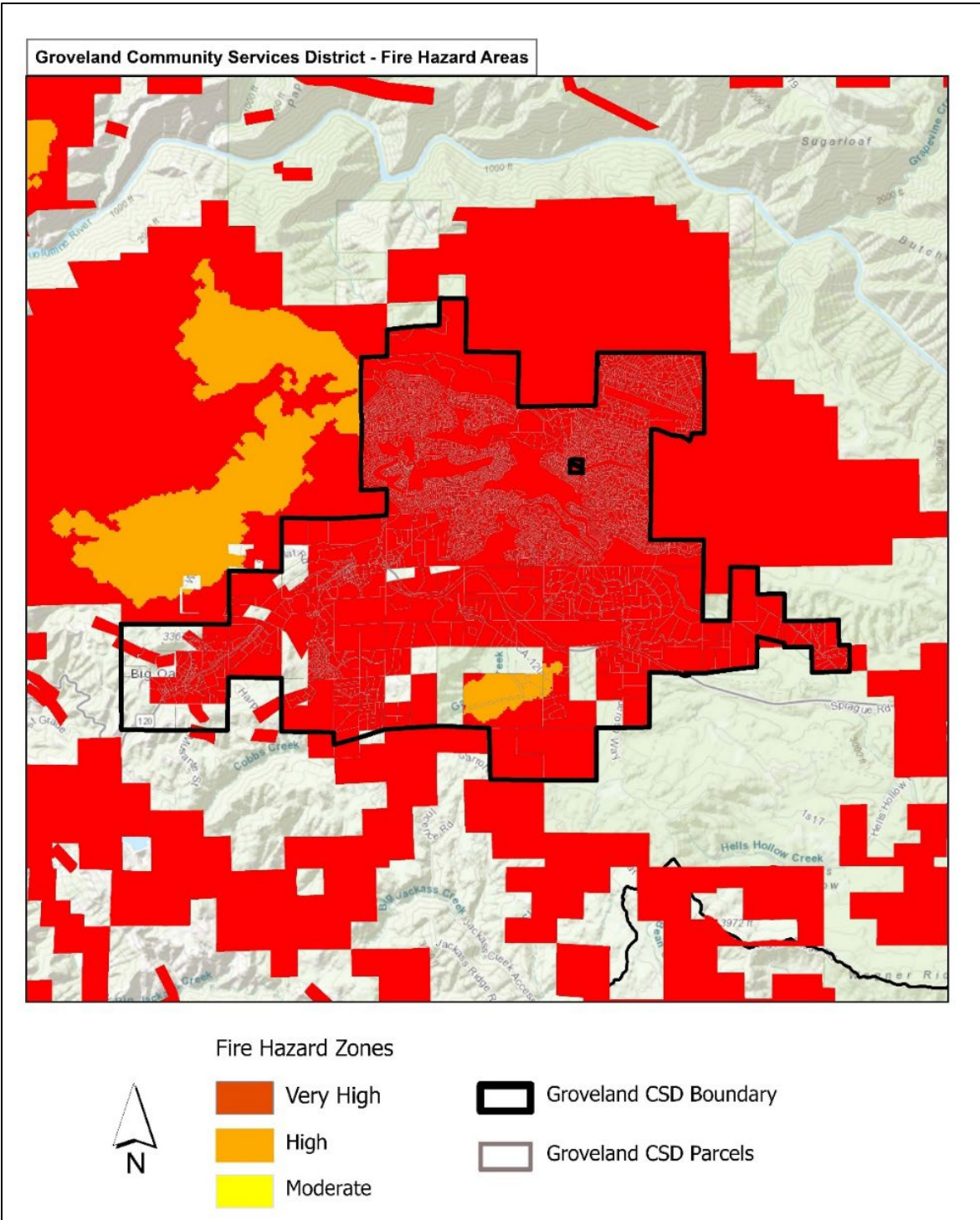
**Groveland Community Services District
 Fire Protection and Emergency Response Services
 Assessment Diagram**

SCI Consulting Group
 4745 Mangels Blvd
 Fairfield, CA 94534
 707-430-4300



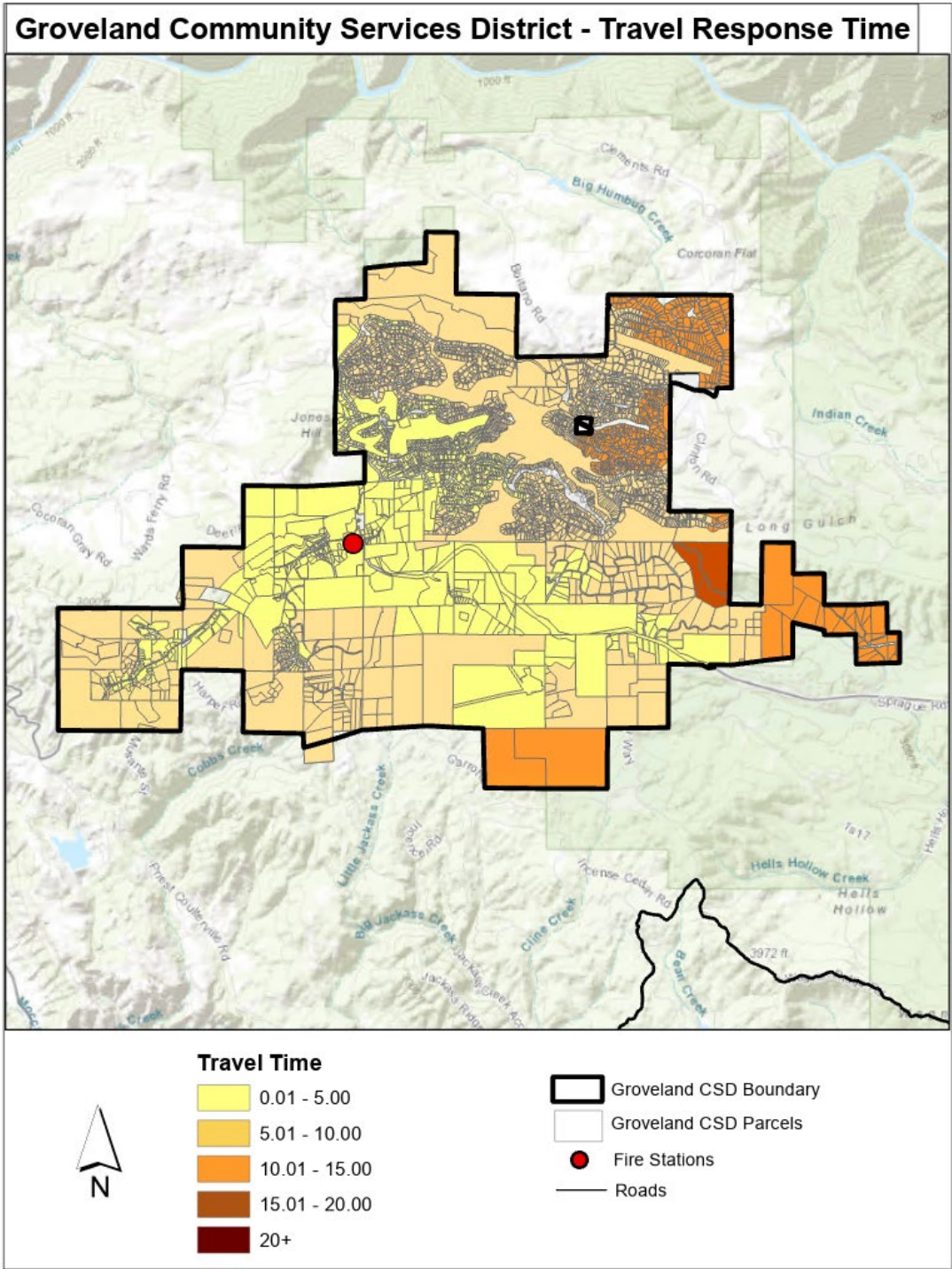
Appendix A – Fire Hazard Areas Diagram

The fire hazard designations shown on the map on the follow page are derived from CAL FIRE's Fire Hazard Severity Zone (FHSZ) mapping, as maintained by the California Department of Forestry and Fire Protection, and the Groveland CSD parcel shapefile. Groveland CSD has not conducted independent fire hazard rating analysis; the designations shown reflect the official CAL FIRE FHSZ classifications for parcels within the Assessment District boundary.



Appendix B – Response Areas Travel Time Diagram

Travel time was calculated using GIS analysis based on ESRI StreetMap Premium road network data, the industry-standard commercial routing dataset used by emergency services and public agencies nationwide. Travel times represent estimated drive time from Station 78 (18930 Main Street, Groveland) to individual parcel centroids under normal driving conditions. The Response Areas Travel Time Diagram is on the following page.



Appendix C – Assessment Roll, Fiscal Year 2026-27

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

End Notes

¹ Insurance Services Offices Inc. <http://www.rockwall.com/documents/fire/ISO.pdf>

² (Joseph Murray, Ph.D., "The Importance of Fleet Replacement Funding Plans," Fire Apparatus Magazine, August 1, 2024, <https://www.fireapparatusmagazine.com/magazine/fire-chief-considerations-the-importance-of-fleet-replacement-funding-plans/>)

³ *ibid.*, p.2