

2.14 GRASSY RUN CSD

I. SETTING

Grassy Run Community Services District (District) has been functionally inactive since mid-1997. At that time, the District adopted a resolution that provided the District would no longer expend District funds on Grassy Run roads. Maintenance and repair of these roads had been the sole purpose of the District. This resolution put the District into a state of suspension. Due to this state of suspension; and consequently the District has not provided information for the completion of a Municipal Service Review. The District can be considered an inactive service provider. The following information regarding the historic and current status of the District is provided to explain the District's condition.

Grassy Run Community and its Homeowners' Association were formed in May of 1974. The Association was authorized, through a declaration of covenants and restrictions to impose:

"special assessments for maintenance, repairs and improvements required by regional committees and for financing and paying for subsequent stages of construction of those roads within the existing property, and special assessments for the purpose of installing, maintaining and replacing street name signs and traffic control signs on the private roads within the existing property...."

In late 1982 or early 1983, the Association elected to create a special district with the sole purpose of repair, maintenance and improvement of the Grassy Run roads, which resulted in the formation of the Grassy Run Community Services District. The District functioned in accordance with the above purpose until 1996, when the Shingle Springs Band of Indians initiated a Federal Court lawsuit against the District. This suit contended that in (i) creating the District and (ii) collecting and expending public monies, the residents of Grassy Run had implicitly dedicated their roads to public use.

In April 1997, United States District Judge David F. Levi rejected the contention and ruled that the roads were private, and that the Grassy Run members had never intended the roads for public use. In order to avoid future finding of implied dedication, the District Board made the decision to no longer expend District funds upon the Grassy Run roads. As result of this decision, the District came into a state of suspension in June 1997. The District has conducted no business whatsoever after that point. Since repair, maintenance and improvement of the Grassy Run roads was the sole purpose for the District, the District no longer provides any services.

Litigation between the District and the tribe is still pending. The District may consider dissolution at a future time, depending on the outcome of this litigation. In the interim, all costs and expenditures incurred in connection with the repair, maintenance and improvements of the Grassy Run roads are being made by the Homeowner's Association, and not the District. The District is still collecting its share of the property taxes. The District does not have any property assessments are currently being levied. The only expenditures being made by the District are for insurance premiums, which is a significant portion of the property taxes received.

The District is currently providing no services and no additional analysis is necessary to assess the District's condition.

II. SPHERE OF INFLUENCE RECOMMENDATIONS

The Sphere of Influence (SOI) recommendations analyze the appropriateness of the District's SOI boundaries, relative to the capabilities of the service provider and future growth.

- 1) The present and planned land uses in the area, including agricultural and open space lands.

Present land uses within the District are primarily rural residential. Planned land uses are anticipated to remain the same as current land uses.

- 2) The present and probable need for public facilities and services in the area

Present needs for public facilities and services are currently being met by a private provider, the Grassy Run Homeowner's Association. Probable needs for public facilities and services are not currently anticipated to vary from present needs, as future demands are expected to remain the same. The Grassy Run Homeowner's Association is expected to remain the roadway service provider.

- 3) The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

The District does not provide any services it has been authorized to provide.

- 4) The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

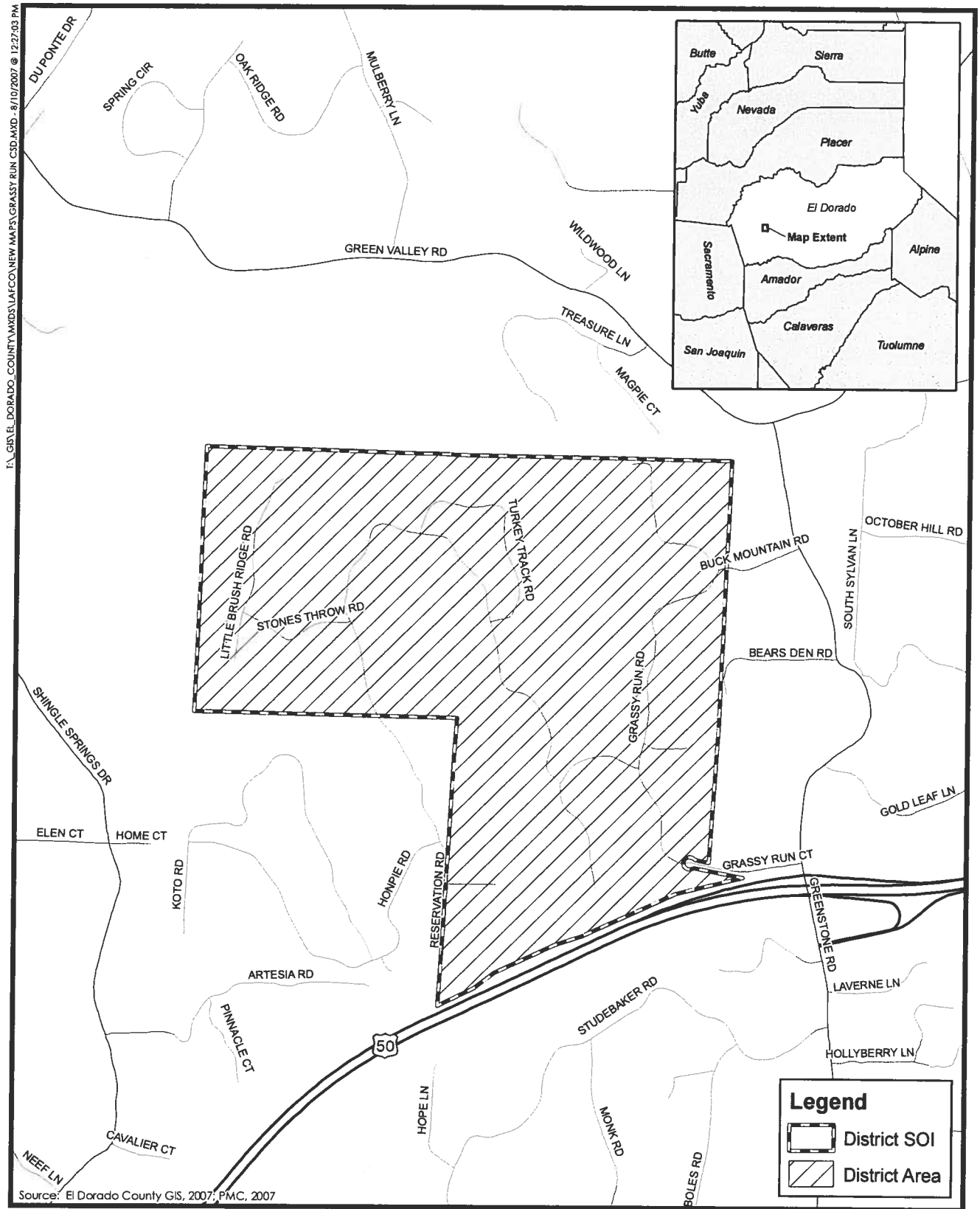
Social communities of interest in the area include the Grassy Run Homeowner's Association.

Since the District is not expecting to provide any services in the foreseeable future and is considering dissolution, a zero sphere of influence may be appropriate.

III. BIBLIOGRAPHY

Masterson, Janice; President, Grassy Run Community Services District. Correspondence RE: Road and Road Maintenance Services Municipal Service Review. April 2, 2007.

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Legend



-  District SOI
-  District Area



Figure 2-14.1
Grassy Run CSD
PMC