

SONOMA LOCAL AGENCY FORMATION COMMISSION

575 ADMINISTRATION DRIVE, ROOM 104A, SANTA ROSA, CA 95403

(707) 565-2577 FAX (707) 565-3778

www.sonomalafco.org

Staff Report

Meeting Date: August 2, 2023

Agenda No. Item 5.2

Agenda Item Title: Addenda to Russian River County Sanitation District
Municipal Service Review

**Environmental
Determination:** Exempt pursuant to Section 15061 (b)(3) of the State CEQA
Guidelines

Staff Contact: Mark Bramfitt

Analysis

Background

In March 2023 the Commission adopted a Municipal Service Review and Sphere of Influence Study for the Russian River County Sanitation District (Attachment 1).

In particular, the Commission adopted by resolution the determinations outlined in the study and amended the District's Sphere of Influence to include three parcels west of the District's boundary, owned by the County of Sonoma Community Development Commission. These parcels are commonly referred to as the "George's Hideaway" property and are intended for development of a homeless services and housing project.

In deliberations, Commissioners and members of the public raised additional questions regarding District operations.

Staff consulted directly with representatives from Sonoma Water (Sonoma Water operates and manages the District, which is a dependent district of the County) to address several areas of interest, resulting in the comments presented below.

Staff does not believe that this additional material warrants modifications to the determinations adopted in March, or to new determinations.

The Commission can consider this material as is, without any formal adoption process. The Commission could also indicate that they would like further information.

As an alternative, the Commission can direct staff to prepare a formal Addendum to the original study. If the latter course is chosen, staff recommends undertaking a public and affected agency notification process, followed by formal consideration and adoption of an Addendum Report by the Commission.

Addendum Material

Infrastructure Capital Needs

The MSR indicated that the District has identified tens of millions of dollars worth of capital improvement projects, including almost twenty million dollars for seven projects scheduled for implementation in the next five years. The Commission indicated an interest in whether the District will seek grant funding for any of these projects as a means of moderating rate increases for District users.

The District has secured grant funding for projects in the past and has at least one major grant proposal under consideration. The District has also secured loan funding, which allows the District to spread capital costs over time, relieving pressure to raise rates quickly.

Nevertheless, the District's ratepayers, already burdened with some of the highest costs in the County, will be asked to pay increased rates in the future to meet capital project needs.

Regulatory Compliance

The District has been subject to regulatory compliance orders in the past and is currently negotiating with the State Water Resources Control Board over a compliance order.

Previous orders have been related to proper processing of waste streams when the Russian River floods, inundating the District's treatment plant. The District has raised various collection system facilities to address these circumstances. The District has also installed an ultraviolet light treatment system in order to reduce discharge of chlorine-based disinfection byproducts into the River.

Additional Services/Expanded Territory

Commissioners indicated that there have been significant efforts made to evaluate sanitation issues for the Monte Rio and Villa Grand regions west and down river of the District. While these areas are not within the District's territory or Sphere of Influence, the District has been privy and active in these discussions.

It is unclear what solutions might best meet the needs of these areas. Installation of a collection system and any necessary treatment plant upgrades are likely to be prohibitively expensive. Other options include localized on-site treatment systems, effluent storage systems with subsequent transfers to a treatment plant, or a septic system inspection and maintenance service.

If any of these options are considered, it would be LAFCO's purview to determine if the Russian River County Sanitation District territory should be expanded so that the District could provide services, or whether a new District could be formed.

Costs for New Connections

Commissioners sought assurance that the cost to serve new connections in the District would not be borne by existing customers. The District, like all agencies operating "enterprise" functions (e.g. water and sewer services), conducts regular assessments of near-term capital project needs and determines a connection fee that new users must pay to receive service. Additionally, new users must pay for all of the capital costs associated directly with connecting them to the system.

Recommendation

The Commission can accept these addenda informally or may ask for more information. Staff does not believe that the determinations adopted by the Commission in March require amendments, or that new determinations are warranted.

If the Commission would like to adopt this information formally, staff recommends preparation of a formal Addendum Report, and that the report be circulated to affected agencies and the public, followed by consideration of the document by the Commission.

Attachments

1. Municipal Services Review and Sphere of Influence Study for Russian River County Sanitation District