

SONOMA LOCAL AGENCY FORMATION COMMISSION

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Staff Report

Meeting Date: August 7, 2024

Agenda No. Item 4.1

Agenda Item Title: File No. 2023-03: Valley of the Moon Water District Municipal Service Review and Sphere of Influence Study, adoption of determinations and amendment of the District's sphere of influence

Proposal: None

**Environmental:
Determination:** Exempt pursuant to State CEQA Guideline Sections 15306 and 15061 (b)(3)

Staff Contacts: Mark Bramfitt

ANALYSIS

Overview

Using consulting services, staff has prepared a Municipal Service Review and Sphere of Influence Study for the Valley of the Moon Water District. The Commission reviewed the study at its June meeting and directed staff to make amendments.

The Municipal Service Review portion of the study evaluates the District across a set of factors required by the Cortese-Knox-Hertzberg Act. The study finds that the District is in sound condition across these factors.

The Sphere of Influence portion of the Study addresses five additional factors and concludes that the sphere of influence should be made amended to include parcels on and nearby Dunbar Road in the Trinity Oaks area, and for a single parcel on Flicker Hill Road in Glen Ellen. These parcels have experienced groundwater supply issues, and the study finds that the District has adequate water supply capacity to meet demands if the parcels are annexed to the District.

Staff, at the Commission's direction, added language to the study regarding water supply, noting that the District's Urban Water Management Plan relies on historical growth patterns, and does not contemplate two large potential development projects that would dramatically increase water demands.

Staff is requesting that the Commission review the amended study and consider a resolution that would adopt the determinations in the Study and amend the District's sphere of influence as recommended.

Background

In 2023, the Commission authorized staff to select Mulberg and Associates as a consultant to prepare a Municipal Service Review and Sphere of Influence Study for the Valley of the Moon Water District. Property owners on and nearby Dunbar Road in the Trinity Oaks area requested that the study be conducted in order to potentially amend the sphere of influence of the District. The property owners have deposited funds with LAFCO to cover the costs of conducting the study.

Mulberg and Associates prepared a Public Review Draft of the study, which was amended by staff (Attachment 1). The study includes a set of determinations, which in turn forms the basis for a draft resolution (Attachment 2), for the Commission to consider adopting at the August 7, 2024 meeting.

Amendments Regarding Present and Planned Capacity of Public Facilities

The Commission noted that the previous draft of the study did not coherently describe how the District's Urban Water Management Plan accounts for water demand growth, notably in relationship to two large potential development projects that are seeking District services.

These projects are the proposed Hanna Boys Center development on the east side of Arnold Drive in the Springs (directly across from the existing campus), and the redevelopment of the Sonoma Developmental Center.

The Hanna project proposal includes about 668 units of housing and supporting commercial development, as well as a hotel. The Sonoma Developmental Center proposal includes 930 units of housing and 410,000 square feet of commercial development including a 120-room hotel.

The Sonoma Developmental Center has a variety of water supply resources on site, but at this time the State of California has retained rights to the supplies, so it is uncertain if that supply could be used to offset water demand from the development.

The County is also preparing a Springs Specific Plan for properties on either side of Highway 12 in the Springs as well as some territory north of Verano Avenue above the City of Sonoma. If adopted, the plan would create zoning that would allow for additional commercial and residential development beyond what is allowable currently. Though there are no development proposals that anticipate these potential changes, there is the possibility for more significant development in the area covered by the study in coming years.

The District's Urban Water Management Plan, which is a document prepared every five years to project water supply and demand, uses historical water demand growth in its projections – a rate that averages about 1.5% annually. It does not anticipate, or project demands from the significant development projects as described above.

Staff has amended discussion of these issues in the MSR and Sphere Study and has amended determinations as well. The amended determinations are reflected in the draft resolution accompanying this item.

RECOMMENDATION

Staff recommends that the Commission consider adopting the determinations set forth in the Public Review Draft of the Municipal Service Review and Sphere of Influence Study for the Valley of the Moon Water District, and further that it approve an amendment to the District's sphere of influence as recommended in the report.

Staff has prepared a draft resolution (Attachment 2) for the Commission's consideration.

Attachments:

1. Municipal Service Review and Sphere of Influence Study for the Valley of the Moon Water District; public review draft.
2. Draft resolution adopting determinations of study and amending the sphere of influence of the District.