



# **Municipal Service Review: Timber Cove County Water District**

Public Review Draft  
August 2020

**Sonoma  
Local Agency Formation Commission**

Timber Cove County Water District  
Municipal Service Review  
Public Review Draft August 2020

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Title Page Photo: Timber Cove Inn via the San Francisco Chronicle

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## 1.0 INTRODUCTION

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### 1.1 LAFCo Role and Responsibility

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, as amended (“CKH Act”) (California Government Code §56000 et seq.), is LAFCO’s governing law and outlines the requirements for preparing Municipal Service Reviews (MSRs) for periodic Sphere of Influence (SOI) updates.

MSRs and SOIs are tools created to empower LAFCO to satisfy its legislative charge of “discouraging urban sprawl, preserving open-space and prime agricultural lands, efficiently providing government services, and encouraging the orderly formation and development of local agencies based upon local conditions and circumstances (§56301).

CKH Act §56301 further establishes that “one of the objects of the commission is to make studies and to obtain and furnish information which will contribute to the logical and reasonable development of local agencies in each county and to shape the development of local agencies so as to advantageously provide for the present and future needs of each county and its communities.”

Based on that legislative charge, LAFCO serves as an arm of the State; preparing and reviewing studies and analyzing independent data to make informed, quasi-legislative decisions that guide the physical and economic development of the state (including agricultural uses) and the efficient, cost-effective, and reliable delivery of services to residents, landowners, and businesses.

While SOIs are required to be updated every five years, they are not time-bound as planning tools by the statute but are plans meant to address the “probable physical boundaries and service area of a local agency” (§56076). SOIs therefore guide both the near-term and long-term physical and economic development of local agencies and their broader county area, and MSRs provide the near-term and long-term time-relevant data to inform LAFCO’s SOI determinations.

### 1.2 Municipal Service Review Purpose

As described above, MSRs are designed to equip LAFCO with relevant information and data necessary for the Commission to make informed decisions on SOIs. The CKH Act, however, gives LAFCO broad discretion in deciding how to conduct MSRs, including geographic focus, scope of study, and the identification of alternatives for improving the efficiency, cost-effectiveness, accountability, and reliability of public services.

The purpose of an MSR in general is to provide a comprehensive inventory and analysis of the services provided by local municipalities, service areas, and special districts. An MSR evaluates the structure and operation of the local municipalities, service areas, and special districts and discusses possible areas for improvement and coordination. MSRs must address at least the following seven factors:

1. Growth and population projections for the affected area.
2. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.
3. Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.
4. Financial ability of agencies to provide services.
5. Status of, and opportunities for, shared facilities.
6. Accountability for community service needs, including governmental structure and operational efficiencies.
7. Any other matter related to effective or efficient service delivery, as required by commission policy.

### **1.3 Municipal Service Review Scope**

The water service provided by Timber Cove County Water District (TCCWD) is evaluated based on the determinations within this MSR. The MSR includes an evaluation of District services that provides LAFCo with an understanding of the provided services' adequacy and efficiency. Evaluations consider service levels, service demand, financing challenges and opportunities, infrastructure needs and deficiencies, opportunities for shared facilities, and governance structure options. Written determinations are made to address the mandatory factors required under statute.

### **1.4 Municipal Service Review Organization**

This MSR includes a discussion of TCCWD water services, with an accompanying set of determinations. The format of the "stand-alone" MSR is based on the Cortese-Knox-Hertzberg Act, the LAFCO MSR Guidelines prepared by the Governor's Office of Planning and Research and adopted Sonoma LAFCO policies and procedures. This report includes:

- Chapter 1 – Introduction, with a LAFCo and MSR purpose overview;
- Chapter 2 – Services Evaluation including determinations;
- Chapter 3 – Agency Profile, including District specific information;
- Appendix A - References Cited with web links where available; and
- Appendix B – Water Rate Comparisons.

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## 2.0 SERVICES EVALUATION

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This TCCWD MSR provides an independent assessment of water services for the agency over the next five to ten years relative. The information generated will be directly used by the Commission in (a) guiding subsequent sphere of influence updates, (b) informing future boundary changes, and – if merited – (c) initiating government reorganizations, such as special district formations, consolidations, and/or dissolutions.

### 2.1 Plans, Policies, Studies

Key references and information sources were gathered for the district considered. The references utilized in this study include published reports; review of agency files and databases (agendas, minutes, budgets, contracts, audits, etc.); master plans; capital improvement plans; engineering reports; finance studies; general plans; and state and regional agency information (permits, reviews, communications, regulatory requirements, etc.). Additionally, the consulting team, in coordination with the LAFCo Executive Officer, contacted TCCWD with requests for information. The following is a list of documents used in preparing this MSR:

- Agency databases (agendas, minutes, financials, and website information)
- Sonoma County General Plan, including the Housing and Land Use Elements

### 2.2 MSR Determinations

The Commission is directed to prepare written determinations to address the multiple governance factors enumerated under G.C. §56430 anytime it prepares a municipal service review. These determinations are similar to findings and serve as independent statements based on information collected, analyzed, and presented in this study's subsequent sections. The underlying intent of the determinations is to identify all pertinent issues relating to the planning, delivery, and funding of municipal services as it relates to the Commission's role and responsibilities. An explanation of these seven determination categories is provided below.

#### Determination 1: Growth and Population

*Growth and population projections for the affected area.*

Factor	Yes	Maybe	No
Will the Water District experience any significant population change or development over the next 5-10 years?			X
Will population changes in the Water District have an impact on services provided?			X
Will projected growth require a change to agency service boundaries?			X



### **Determination**

TCCWD will continue to see some development and population growth associated with the subdivision buildout, however, this growth is not expected to be the primary driver for increased service needs.

### **Discussion**

Currently, the estimated Timber Cove CWD population is 190 with only 49 percent of homes occupied. Further, District growth is expected to be minimal due to the limited number of buildable parcels available for development. If all lots were developed, the total population could increase by 176 to 264 persons (based on two to three fulltime residents per single family home). However, area development is slow and full buildout is not anticipated to occur in the next decade.

### **Determination 2: Disadvantaged Unincorporated Communities**

*The location and characteristics of any Disadvantaged Unincorporated Communities (DUC) within or contiguous to the sphere of influence.*

Factor	Yes	Maybe	No
Does the subject agency provide public services related to sewers, municipal and industrial water, or structural fire protection?	X		
Are there any "inhabited unincorporated communities" (per adopted Commission policy) within or adjacent to the subject agency's sphere of influence that are considered "disadvantaged" (80% or less of the statewide median household income)?			X
If "yes" to both a) and b), is it feasible for the agency to be reorganized such that it can extend service to the disadvantaged unincorporated community. If "no" to either a) or b), this question may be skipped			N/A

### **Determination**

There are no neighboring areas within or adjacent to Timber Cove's Sphere of Influence that could be considered a disadvantaged unincorporated community.

### **Discussion**

This determination was added by Senate Bill (SB) 244, effective in January 2012. A disadvantaged community is defined as an inhabited community of 12 or more registered voters having a median household income of 80 percent or less than the statewide median household income.

The Timber Cove Census Designated Place has a MHI that is 82% of California's statewide MHI. The District is therefore not a DUC. There are no neighboring areas within or adjacent to Timber Cove's Sphere of Influence that could be considered a disadvantaged unincorporated community.

### Determination 3: Capacity and Infrastructure

Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.

Factor	Yes	Maybe	No
Are there any deficiencies in agency capacity to meet service needs of existing development within its existing territory?			X
Are there any issues regarding the agency's capacity to meet the service demand of reasonably foreseeable future growth?			X
Are there any concerns regarding public services provided by the agency being considered adequate?			X
Are there any significant infrastructure needs or deficiencies to be addressed?		X	
Are there changes in state regulations on the horizon that will require significant facility and/or infrastructure upgrades?	X		
Are there any service needs or deficiencies for disadvantaged unincorporated communities related to sewers, municipal and industrial water, and structural fire protection within or contiguous to the agency's sphere of influence?			X

#### Determination

The system is aging but is in overall good condition. The treatment and distribution system needs upgrades to comply with updated state standards regarding disinfectant byproducts. It is recommended that the District continue with planned Water Treatment improvements as outlined in this MSR, to ensure continued compliant treatment levels.

#### Discussion

The planned treatment plant upgrade will permanently eliminate regulated disinfectant byproducts. The SWRCB has agreed to temporarily lower allowable THMS and MCLs level requirements in the water distribution system. Rather than issuing a violation, the SWRCB has allowed the District one year to implement planned treatment upgrades. The District has several other planned projects to increase system efficiency and reliability which are outlined further in this MSR (Section 3.6).



## Determination 4: Financing

*Financial ability of agencies to provide services.*

Factor	Yes	Maybe	No
Does the organization routinely engage in budgeting practices that may indicate poor financial management, such as overspending its revenues, failing to commission independent audits, or adopting its budget late?		X	
Is the organization lacking adequate reserve to protect against unexpected events or upcoming significant costs?			X
Is the organization's rate/fee schedule insufficient to fund an adequate level of service, and/or is the fee inconsistent with the schedules of similar service organizations?	X		
Is the organization unable to fund necessary infrastructure maintenance, replacement, and/or any needed expansion?			X
Is the organization lacking financial policies that ensure its continued financial accountability and stability?			X
Is the organization's debt at an unmanageable level?			X

### **Determination**

The District does not have audits available for FY2015-2020. However, the District is working to remedy this by hiring a new CPA firm to complete the remaining audits and get the District up to date. The District has adequate reserves in place to fund necessary capital improvements. The District is looking into a rate restructure to possibly lower costs for customers as they have the highest rates for the region, according to the water rate comparison analysis provided in Appendix B.

### **Discussion**

This determination provides an analysis of the financial structure and health of the District, including the consideration of rates and service operations, as well as other factors affecting financial health and stability. Other factors considered include those that affect the financing of needed infrastructure improvements and compliance with existing requirements relative to financial reporting and management.

The most recent audit available is for FY2014/2015 which was completed in late February 2020. The District has hired a new CPA firm who will be starting the remaining audits in May 2020. The treasurer of the District will be heavily involved with the process to push for a timelier completion and ensure the records are brought up to date as quickly as possible. It is recommended that the District publish audits on time and continue to complete and post them in a timely manner to ensure transparency.

TCCWD has sufficient revenues to cover district costs, allowing the District to build up its reserves to over \$1 million. This will ensure the costs of any future repairs and/or upgrades

can be funded adequately. It is recommended that the District use these funds and resources to complete the Water Treatment Plant Upgrade.

The District currently implements a base rate of \$65 per month and water usage is charged at 0.09 per gallon which is the highest rate in the region. The District is looking into a rate restructure in the hopes of lowering the costs for customers. It is recommended that the District restructure the rates as necessary to provide for affordability while still covering regular costs of the District.

The District currently has two outstanding debts for land acquisition and infrastructure development. These debts are currently covered by existing customers fees and the District is anticipated to repay the debts on schedule.

**Determination 5: Shared Facilities**

*Status of, and opportunities for, shared facilities.*

Factor	Yes	Maybe	No
Are subject agencies currently sharing services or facilities with other organizations?	X		
Are there any opportunities for the organizations to share services or facilities with neighboring or overlapping organizations that are not currently being utilized?			X
Are there any governance options that may produce economies of scale and/or improve buying power in order to reduce costs?			X
Are there governance options to allow appropriate facilities and/or resources to be shared, or making excess capacity available to others, and avoid construction of extra or unnecessary infrastructure or eliminate duplicative resources?			X

**Determination**

The District currently supplies water to the Timber Cove Inn, a registered public utility. There are no other neighboring areas in or adjacent to Timber Cove’s Sphere of Influence that could be considered as shared facilities opportunities not currently being utilized.

**Discussion**

The District provides water to the Timber Cove Inn which has its own registered water system, their own water source and treatment. However, they utilize District water to fill storage tanks on the weekends to help meet demands. Due to the remote nature of the subdivision there are no other entities with similar services nearby that may benefit from shared services. If the District were to combine administrative functions with other county

governed systems there might be some cost savings, however, since District staffing is already limited, and considering onsite monitoring requirements cost savings would be minimal.

**Determination 6: Government Structure and Local Accountability**

*Accountability for community service needs, including governmental structure and operational efficiencies.*

Factor	Yes	Maybe	No
Are there any issues with meetings being accessible and well publicized? Any failures to comply with disclosure laws and the Brown Act?			X
Are there any issues with filling board vacancies and maintaining board members?			X
Are there any issues with staff turnover or operational efficiencies?			X
Is there a lack of regular audits, adopted budgets and public access to these documents?	X		
Are there any recommended changes to the organization’s governance structure that will increase accountability and efficiency?			X
Are there any governance restructure options to enhance services and/or eliminate deficiencies or redundancies?			X
Are there any opportunities to eliminate overlapping boundaries that confuse the public, cause service inefficiencies, unnecessarily increase the cost of infrastructure, exacerbate rate issues, and/or undermine good planning practices?			X

**Determination**

The District is governed in a manner so as to comply with the Brown Act and members of the Board of Directors were elected appropriately through Sonoma County Elections. However, the District is behind on annual audits as noted previously. It is recommended that the District work towards completion of all audits and develop protocols to ensure timely completion of future audits.

**Discussion**

The TCCWD is managed by a five-member Board of Directors elected by members of the District in County Elections. Members must maintain a voting residence in the District. A ballot election is conducted, managed by the Sonoma County Registrar of Voters on the regular November ballot. There is currently sufficient interest for Board positions.

The TCCWD currently maintains a website where District information can be found including Board meeting agendas and minutes which are posted at least 72 hours in

advance. They are also in compliance with California Public Records Act in providing a list of enterprise systems currently in use<sup>1</sup>. The website should continue to be upgraded in order to comply with SB929 which went into effect on January 1, 2020.

**Determination 7: Other Matters Related to Effective or Efficient Service Delivery**

*Any other matter related to effective service delivery, as required by commission policy.*

Factor	Yes	Maybe	No
Are there any other service delivery issues that can be resolved by the MSR/SOI process?		X	

**Determination**

There is a continued need for services, however, it is not necessary to change the SOI to meet current and future needs. The District should update the Commission on their financial status in two years’ time once audits through FY2020/21 have been completed.

**Discussion**

Sonoma LAFCo has specified the sustainability of local agencies as a priority matter for consideration in this MSR. Sustainable local governments that take practical steps to protect the environment and our natural resources through land conservations, water recycling and reuse, preservation of open space and opting to use renewable energy are the key players in determining the sustainability of the region. The Timber Cove CWD has a history of water conservation which allows for minimal strain on natural resources and as such, no further considerations are necessary at this time.

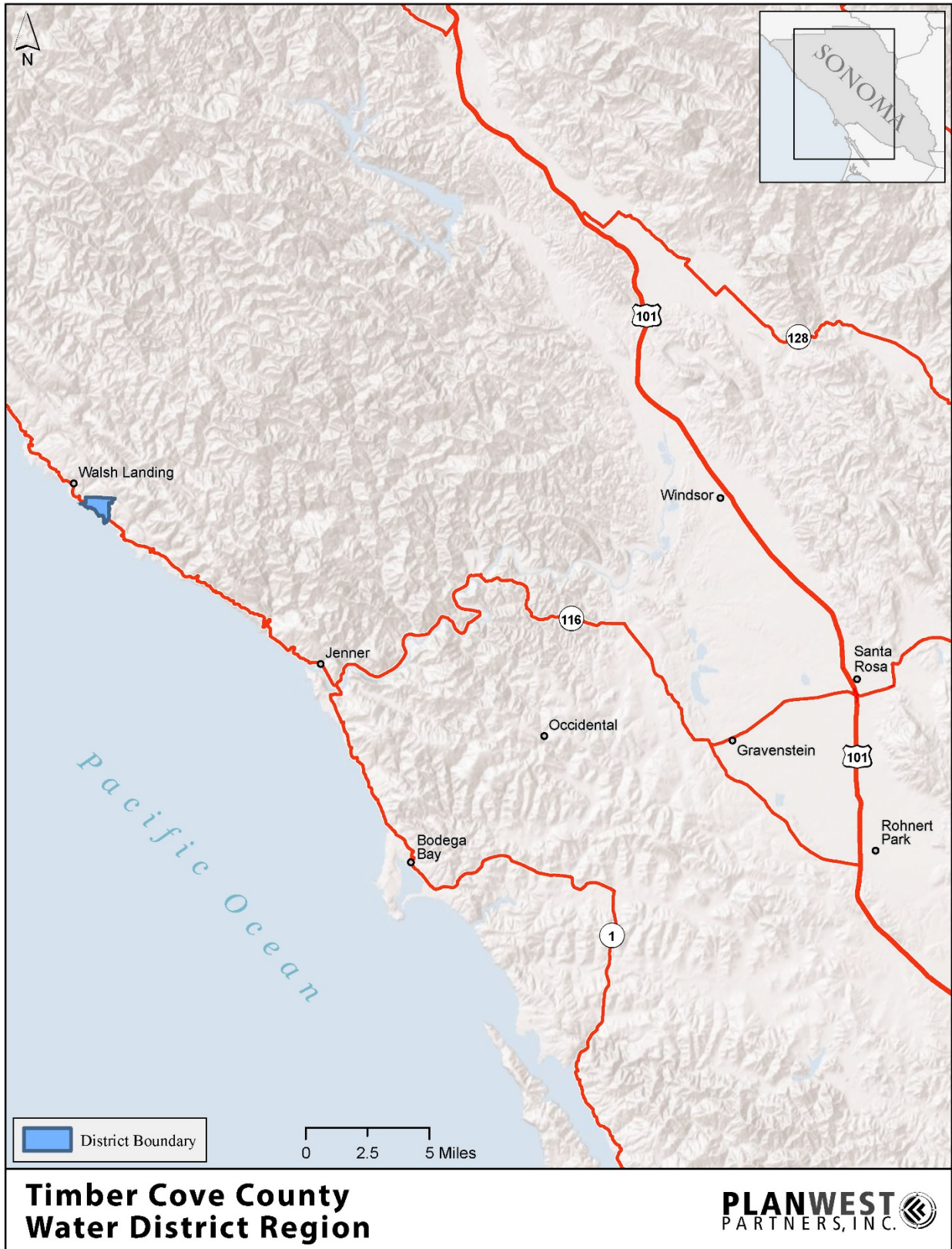
In addition, other matters for consideration could relate to the potential future SOI determination and/or additional effort to review potential advantages or disadvantages of consolidation or reorganization. However, at this time there are no plans for consolidation or reorganization.

Since the District is currently behind on their financial audits, it is recommended that they provide the Commission with an update on their financial status in two years after audits have been completed through FY2020/21. This will allow the Commission to make more informed decisions about the long-term health and reliability of the District.

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<sup>1</sup> California Public Records Act, Local Agencies Inventory SB 72.

Figure 1: Timber Cove CWD Regional Map





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## 3.0 AGENCY PROFILE

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### 3.1 Overview

Timber Cove is a small community located on the California Coastline approximately 70 miles north of San Francisco and 160 miles south of Eureka. The TCCWD was formed to provide water service to the community. The district treats and distributes water to an area of approximately 495 acres that encompasses a planned residential community along Sonoma’s coastline. It is managed by a five member Board of Directors elected by members of the District during County Elections and maintains a limited staff for day to day operations.

The district has two permits to take water from Timber Cove Creek and purchased the site of its creek wells from Caltrans in 2015<sup>2</sup>. The district now provides water to approximately 270 customers and supports water flow to fire hydrants. A Watershed Sanitary Survey conducted by Forsgren Associates was published December 2011. A Distribution System Evaluation was performed by Brelje and Race Consulting Engineers in December 2011.

Table 1: Timber Cove CWD Overview

Overview	
<b>Chief Operator and Plant Manager:</b>	Tanner Heirs
<b>Main Office:</b>	22098 Lyons Court, Jenner, CA 95450
<b>Formation Date:</b>	April 24, 1984
<b>Services Provided:</b>	Treat and distribute water
<b>Boundary:</b>	495 acres
<b>Population Served:</b>	Approximately 270

### 3.2 Formation and Development

Well water was the mainstay of Timber Cove settlers throughout the 19th and early 20th Century, along with the clear-running creek water<sup>3</sup>. Often the well water was found to contain iron and manganese.

A Mutual Water Company was formed on January 31, 1978 to provide water to Timber Cove residents. On August 1, 1984, this company transferred its rights to the TCCWD, formed by the Sonoma County Board of Supervisors on April 24, 1984. The District was formed under the California Water District Code, §30290, in an election on April 1, 1984, when the District assumed various assets and liabilities of the Timber Cove Mutual Water Company. Among the transferred assets were wells on Cundall Court, Lyons Court, Signaigo Way, and Ruoff Drive. The District is governed by a Board of Directors and provides water services to the property owners in the Timber Cove area.

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<sup>2</sup> <http://www.timbercovecountywaterdistrict.org/history.html>

<sup>3</sup> <http://www.timbercovecountywaterdistrict.org/history.html>



### 3.3 Boundary and Sphere of Influence

The TCCWD boundary is approximately 495 acres and the sphere of influence (SOI) is coterminous (Figure 2). For SOI updates, the Commission considers the following:

- o Retention and strengthening of community identities, as well as increasing efficiency and conserving resources, by providing essential services within a framework of controlled growth;
- o Identification of the county's prime agricultural land and protection of this land through all available devices, such as including controlling the provision of services, requiring infill development first, and preferring non-prime land for growth. Other open-space resources such as stream banks, floodplains, and present and future recreation areas should also be protected for public benefit;
- o Creation of realistic and controlled, yet flexible, planning areas into which anticipated services can be expanded as growth requires and as the communities' resources provide;
- o Provision of infrastructure systems such as streets, sewers, water, open space for parks and recreation as a product of growth, rather than growth inducing;
- o Encouragement of district annexation or incorporation as a means of supplying the full range of urban services as required; and
- o Evaluation of the availability and need for basic services in each community and forecast these to meet anticipated population growth, and recommend creation, expansion, consolidation and/or reorganization of districts when the need for such change is indicated.
- o Consideration of Commission policies, service reviews, and special studies that may be relevant to determining agency spheres of influence.

The territory to the east and north of the existing district boundary is open space. It does not appear necessary nor appropriate to extend district services into these areas. This open space aids in defining the limits of TCCWD. The Pacific Ocean forms the west and south TCCWD boundaries with the exception of the northwest corner, which is bordered by Stillwater Cove Regional Park.

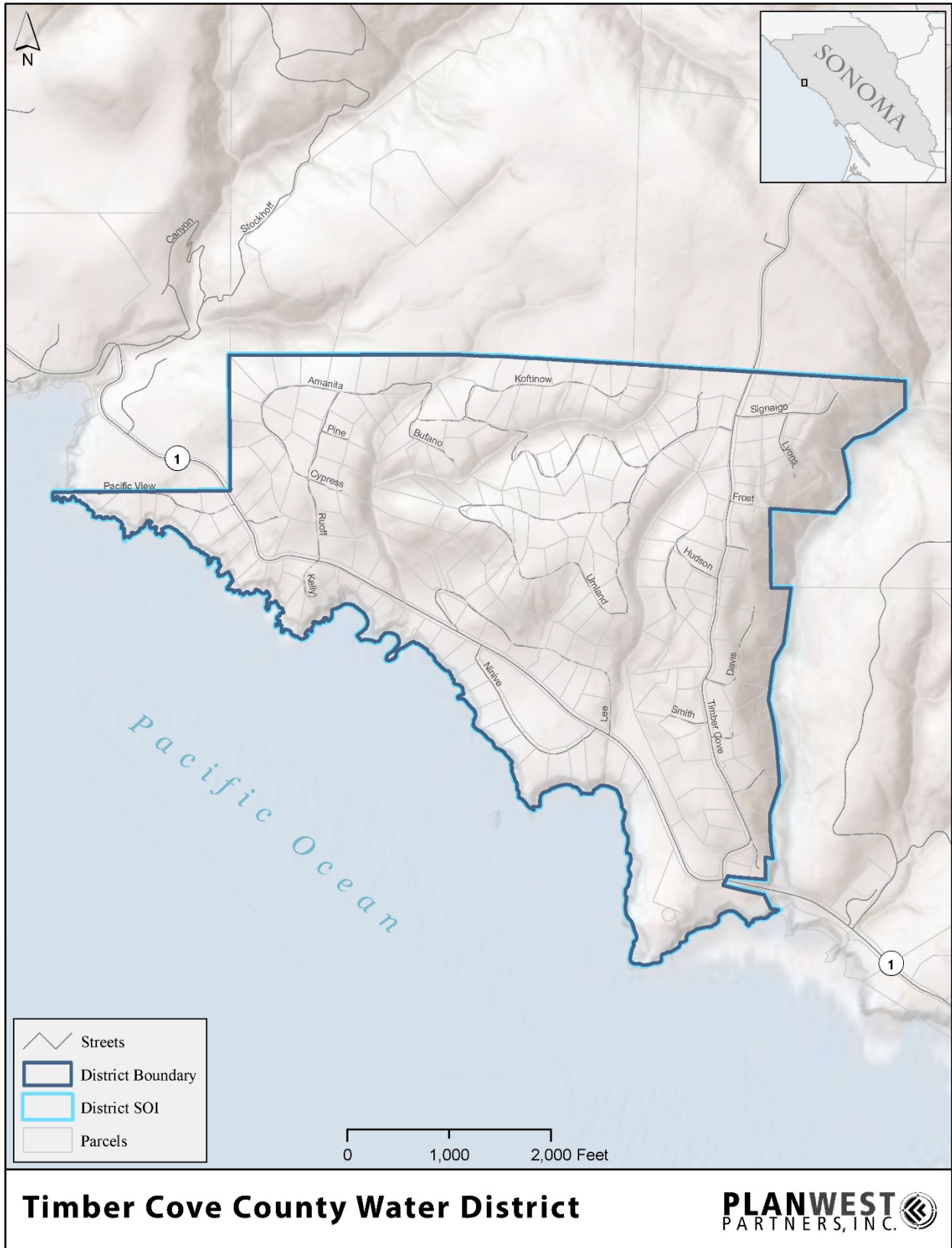
### 3.4 Land Use

Timber Cove is approximately 15 miles north of Jenner and 18 miles south of Sea Ranch. This scenic coastal area is surrounded by beaches, coves, forests, and the Pacific Ocean. The entirety of the district is within the Coastal Zone and is therefore subject to Sonoma County's LCP. South of Timber Cove and eleven miles north of Jenner is Fort Ross, a California State Historic Park, attracting tourists to this historic Russian-era fort compound which has been designated as a National Historic Landmark<sup>4</sup>.

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<sup>4</sup>Fort Ross Conservancy. Accessed March 26, 2020. <https://www.fortross.org/>.

Figure 2: Timber Cove CWD Boundary and SOI



## Countywide Land Use

Sonoma County adopted a General Plan on September 23, 2008<sup>5</sup>, which includes the seven mandated elements and four optional elements. The County is currently updating the General Plan.

The General Plan Land Use Element, which provides guidance on development and intended uses in the unincorporated areas of the county, includes eleven general goals which focus on accommodating future growth in the nine existing cities including development of affordable housing, maintaining adequate public services, protecting open spaces, agricultural land, and other resource areas, and providing for a sustainable future. Land use in Sonoma County is summarized in Table 1 below.

Some of the goals relate to rural growth as they consider the supply of adequate services and environmental suitability for rural development. Five out of the eleven goals relate to rural communities, specifically focusing on their growth and planned water and sewer capacities. The goals also prioritize vacant infill parcels and providing services for projected growth when necessary, while also considering constraints. Further, there is a focus on water resources considering sustainability and conservation.

**Table 2: Sonoma County Land Use Summary**

<b>% of Total Land Use</b>	<b>Land Use Designation</b>
7	Diverse Agriculture
<1	General and Limited Commercial
<1	General and Limited Industrial
19	Land Extensive Agriculture
7	Land Intensive Agriculture
6	Public/quasi-public
8	Rural Residential
52	Resources and Rural Development
<1	Recreation/Visitor Serving Commercial
<1	Urban Residential

## Local Coastal Program

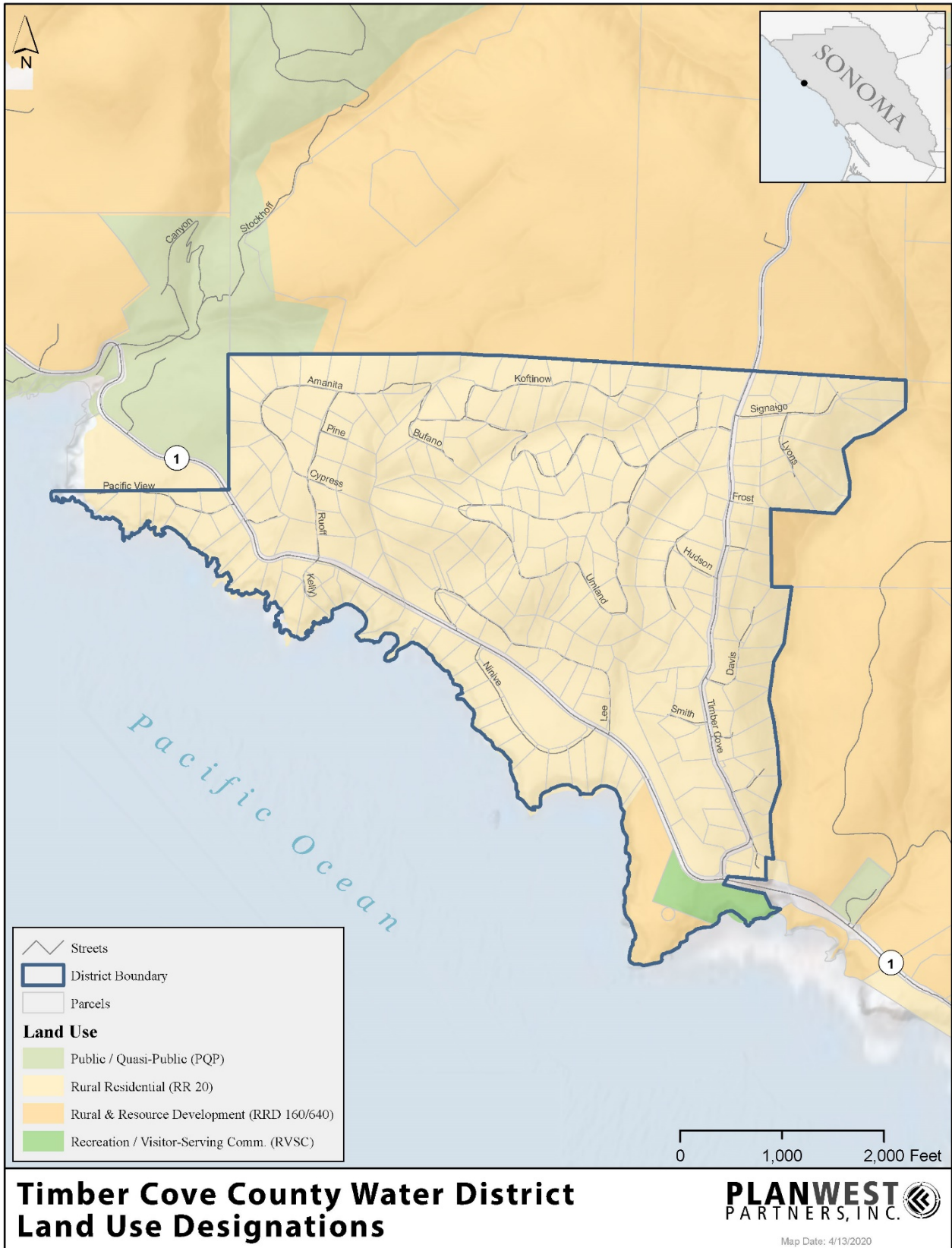
TCCWD is located in the Coastal Zone and subject to a Local Coastal Program (LCP), a planning document providing guidance for the conservation and development of Sonoma County's and the overall California coastal region<sup>6</sup>.

Local governments within the Coastal Zone are required to develop an LCP for the area of the Coastal Zone within their jurisdiction. The LCP provides local governments with tools to guide Coastal Zone development while partnering with the California Coastal Commission to fulfill the requirements of the California Coastal Act.

<sup>5</sup> County of Sonoma General Plan 2020 Land Use Element September 23, 2008.

<sup>6</sup> <https://www.coastal.ca.gov/lcps.html>. California Coastal Commission. Local Coastal Program. Accessed March 20, 2020.

Figure 3: Timber Cove CWD Land Use





An LCP is comprised of a “Land Use Plan” (LUP) and an “Implementation Plan” (IP), which create measures to enact the plan<sup>7</sup>. Decisions governed by the LCP are used for short-term and long-term planning in conserving coastal resources. Each LCP includes measures exclusive to each community, while also considering regional and statewide goals and policies so as to conform with the Coastal Act. Once the LCP is adopted by a city council of County Board of Supervisors, the LCP is submitted to the California Coastal Commission for review and conformance with the California Coastal Act.

In 2001, the County started revising and updating the 1989 General Plan while simultaneously applying the same process to the LCP<sup>8</sup>. The County adopted Sonoma County General Plan 2020 Land Use Element on September 23, 2008. Correspondingly, the LCP Update includes applicable General Plan 2020 goals, objectives, and policies, and incorporates objectives and policies exclusive to the Coastal Zone and the greater Sonoma Coast/Gualala Basin Planning Area.

The current LCP was written in 1981 and amended in 2001. Sonoma staff and consultants are in the LCP update process which includes several public comment opportunities. The Public Review Draft was made available for review in September 2019. Public hearings will be scheduled before the Planning Commission, Board of Supervisors, and California Coastal Commission.

The LCP Update purpose is to mirror policies related to coastal development adopted in the Sonoma County General Plan 2020. Further, this LCP Update adds new information and policy in the following areas: sea level rise (2100 planning horizon), biotic resources, geologic hazards, water quality, and public access. The intention of the update is to develop a modern, up-to-date, and easy-to-read document with digital maps. The Update focuses on new information, changed conditions, and policies in these key areas: Agricultural Resources, Public Access, Sea Level Rise, Biotic Resources, Geologic Hazards, and Water Quality.

## TCCWD Land Use

Land use in the District is Rural Residential<sup>9</sup>. Single family homes are scattered throughout the remote area along with the Timber Cove Inn situated on a bluff in the southern tip of the district boundary. The area surrounding Timber Cove is rural and sparsely populated. Land use in the adjacent areas consists of Resources and Rural Development, Public/Quasi-Public, and Recreation Visitor Serving Commercial. The Resources and Rural Development category allows residences at very low densities due to lack of infrastructure, greater distance from public services, poor access, conflicts with resource conservation and production, and significant physical constraints and hazards<sup>10</sup>. See Figure 3 for further land use details.

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<sup>7</sup> California Coastal Commission. Local Coastal Programs. Accessed March 20, 2020.

<sup>8</sup> <https://sonomacounty.ca.gov/PRMD/Long-Range-Plans/Local-Coastal-Program/Current/>. County of Sonoma. Local Coastal Program. Accessed March 20, 2020.

<sup>9</sup> Sonoma County ArcMap View. Accessed March 26, 2020.

<https://sonomacounty.maps.arcgis.com/apps/webappviewer/index.html?id=06ac7fe1b8554171b4682dc141293962>

<sup>10</sup> County of Sonoma General Plan 2020. Land Use Element.

### 3.5 Population and Growth

LAFCo is required to make MSR determinations on growth and population. When planning for the provision of future services and infrastructure, it is important to have ready access to accurate growth and population projections. This MSR also identifies and considers how disadvantaged communities and growth and population data contribute to that analysis.

Sonoma County has nine cities and a large unincorporated area, including many geographically isolated communities. The majority of the county's population resides within its cities along the Highway 101 corridor<sup>11</sup>.

#### County Population

The total 2018 Sonoma County population was approximately 499,942<sup>12</sup>. The County experienced steady population growth between 2008 and 2017, with an overall growth rate of 6.4 percent<sup>13</sup>. In 2017, approximately 35 percent of Sonoma County's population inhabited the county's largest city, Santa Rosa. Between 2008 and 2017, Sonoma County's population consistently elevated through a blend of steady in-migration and childbirths.

The majority of both in- and out-migration for Sonoma County between 2015 and 2016 involved adjacent Marin County. Marin County was the origin of 2,011 in-migrants to Sonoma County, a figure that was over twice that for San Francisco County, the second greatest origin of in-migration to Sonoma County. Beside other adjacent counties, Sonoma County also experienced a significant amount of both in-migration from and out-migration to Los Angeles County.

Sonoma County experienced reductions in population following the fires in 2017-2019, including the Tubbs Fire, west of the Town of Windsor and in parts of northern Santa Rosa, and the Kincade Fire, to the northeast of the Town of Windsor and the City of Healdsburg.<sup>14</sup>

#### County Projected Growth and Development

According to projections from the California Department of Finance, the Sonoma County population is projected to grow to 507,250 in 2020, 534,439 in 2030, 572,664 in 2040, 598,795 in 2050 and 616,340 in 2060<sup>15</sup>.

In Sonoma County's nine cities, growth is the result of both new residential development and annexations of existing households at the edges of the cities. Net population change in unincorporated areas includes decreases because of the annexations and growth

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<sup>11</sup> Geography, Demographics, and Socio-Economic Data, Sonoma County Department of Health Services. Accessed March 5, 2020.

<sup>12</sup> American Community Survey 1-year Estimate (2018), Table S0101 – Age and Sex, California. Accessed March 5, 2020.

<sup>13</sup> Sonoma County Economic and Demographic Profile, Center for Economic Development, 2018.

<sup>14</sup> Geography, Demographics, and Socio-Economic Data, Sonoma County Department of Health Services. Accessed March 5, 2020.

<sup>15</sup> Population Projections, California Department of Finance, January 31, 2013



attributable to new residential development. These trends follow the city centered growth and development policies of the General Plan.

An additional cause affecting unincorporated area growth is the amount of lots that are developed through the Certificate of Compliance process. In recent years, recognition of antiquated parcels has at times undermined the General Plan<sup>16</sup>. The County is required to recognize certain lots that have been lawfully created and maintained even though they may conflict with General Plan densities and other policies. The County has had some success in reducing the number of potential lots developed through this process, but generally has been unsuccessful in its continuing efforts to persuade the State legislature to further reduce this problem.

### **TCCWD Population and Growth**

The community of Timber Cove is a Census Designated Place (CDP) which has a slightly larger boundary that extends further southeast than the TCCWD. The entire Timber Cove subdivision, which is contained within the CDP, includes 277 lots, of which, 189 have been developed, leaving 88 available for potential development with single family homes.

The American Community Survey (ACS) estimates that only 49 percent of homes are occupied<sup>17</sup> in the Timber Cove CDP which led to an estimated 2018 population of 149<sup>18</sup>. While the ACS data is based on a small sample size and has a large margin of error, it is an indicator that many homes within this area may be unoccupied, second homes, or vacation rentals which leads to a smaller full time resident population. In 2019, the District conducted a population survey and determined there is a population of 190<sup>19</sup>.

Further District growth is expected to be minimal due to the limited number of buildable parcels available for development. If all lots were developed, the total population could increase by 176 to 264 persons (based on two to three fulltime residents per single family home). However, development in the area is slow and full buildout is not anticipated to occur within the next decade.

### **Disadvantaged Unincorporated Communities**

LAFCo is required to evaluate disadvantaged unincorporated communities (DUCs) as part of this review, including the location and characteristics of any such communities within or contiguous to the TCCWD's SOI. A DUC is an unincorporated geographic area with 12 or more registered voters with a median household income of 80% or less of the statewide median household income. The identification of DUCs is intended to ensure that the needs of these communities are met when considering service extensions and/or annexations in unincorporated areas.

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<sup>16</sup> County of Sonoma General Plan 2020. Land Use Element.

<sup>17</sup> American Community Survey, 2018 5-Year Estimates, Table DP04: Selected Housing Characteristics, Timber Cove CDP. Accessed May 26, 2020.

<sup>18</sup> American Community Survey, 2018 5-year Estimates, Table S0101: Age and Sex, Timber Cove. Accessed May 26, 2020.

<sup>19</sup> CA Drinking Water Watch – System Details: Timber Cove County Water District. Accessed July 29, 2020.

The median income for Timber Cove is estimated at \$58,125 according to the US Census Bureau.<sup>20</sup> This is 82% of California's statewide MHI of \$71,228<sup>21</sup>. The District is therefore not a DUC. There are no neighboring areas within or adjacent to Timber Cove's Sphere of Influence that could be considered a disadvantaged unincorporated community. Therefore, there is no need to give special consideration to any DUCs.

## 3.6 Municipal Services

### Water

The district serves 189-meter connections. Timber Cove Creek which runs along the District's eastern edge is its water source. Prior to treatment at the District's plant, surface water is pumped into a 9.4 million gallon (MG) raw water storage reservoir. After treatment, water is stored in three holding tanks prior to distribution. The water source is most vulnerable to contamination from transportation corridors, such as Highway 1 and other surrounding roads.<sup>22</sup> However, water is diverted from the creek before it reaches the Highway 1 corridor. The District petitioned for an extension of time for water right permits 20781 and 20460. The notice for the petition was posted on February 19, 2009.<sup>23</sup>

The District is able to pump up to 53,000 gallons per day from the creek and so far, this has been sufficient to meet demand. The District also has two wells which are not currently used. One well is on standby and the other is not approved for operations. Both wells contain a high level of iron, and water from these wells would need to be pretreated before being processed by the District's main treatment plant. Currently, there is no infrastructure connecting the wells to the raw water reservoir or the treatment plant and there is no plan to activate the wells for use.

Water is treated with a direct filtration system that includes coagulation, flash mixing, filters, and disinfection with chlorine. There are two filtration systems including one with a capacity of 37 gallons per minute that can process up to 54,000 gallons before requiring a backwash. The second has a capacity of 28 gallons per minute and can process up to 48,000 gallons before requiring a backwash. Both systems can be run at the same time but the District alternates between the two.

The raw water reservoir overflow is reached at 25 feet or 9.4 MG according the District's transducer. The District also maintains three storage tanks. Tank 3 is adjacent to the treatment plant and has a capacity of 101,000 gallons. Tank 2, which is gravity fed by Tank 3, has a capacity of 21,900 gallons. Tank 1, which is gravity fed by Tank 2, has a capacity of 64,700 gallons. During 2016, the raw water reservoir reached very low levels and there was concern about adequate supply for District residents. However, this

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<sup>20</sup> American Community Survey 5-year Estimates (2018), Table S1903: Median Income in the Past 12 Months, California. Accessed January 22, 2020.

<sup>21</sup> American Community Survey 5-year Estimates (2018), Table S1903: Median Income in the Past 12 Months, California. Accessed January 22, 2020.

<sup>22</sup> 2015 Consumer Confidence Report.

<sup>23</sup> Notice of Petition for Extension of Time for Permits 20781 and 20460, Division of Water Rights, State Water Resources Control Board.

decrease in supply was due to operator error and not a reflection of the source capacity or infrastructure deficiencies. This error has since been corrected. Under normal operating procedures, the reservoir has enough capacity to provide water to residents for more than 12 months.

During December 2019, the District produced 361,117 gallons, averaging 11,649 gallons per day<sup>24</sup>. Customers received 70% of that water (251,852 gallons), averaging 8,124 gallons per day. Timber Cove Inn used 40,766 gallons, accounting for 16% of the total production of water or averaging 1,315 gallons per day. 73,520 gallons of water were returned to the reservoir, accounting for 72% of operational usage. A leak on the side of the meter caused a loss of 16,695 gallons.

### ***Regulatory Compliance***

According to the 2016 Consumer Confidence Report (CCR)<sup>25</sup>, there was a total trihalomethanes (TTHM) maximum contaminant level violation due partially to the SWRCB change in maximum allowed levels from 120 parts per billion (ppb) to 80 ppb. The District has been working closely with the SWRCB to come into compliance with this regulation.

For July 2018, the District received a violation for not reporting a portion of the 15-minute turbidity readings due to missing data<sup>26</sup>. Additionally, both Iron and Aluminum levels from raw water were elevated in May 2017, and in response the District is increasing monitoring of Iron and Aluminum levels before and after treatment.

The SWRCB issued a compliance order on February 17, 2016 regarding a threatened violation of California Health and Safety Code §116555 requiring the District provide specific information to demonstrate that the system will meet its long-term water demand.<sup>27</sup> The District has been working to show that there is sufficient supply to meet both current and future demand.

### ***Planned Upgrades and Infrastructure***

The water system is fairly simple in design which makes it easy to repair. The system is aging but is in overall good condition. The distribution system may need a few upgrades and there are existing 2-inch lines which have been grandfathered in.

There is no official Capital Improvement Plan (CIP), but there is a list of potential projects. Capital improvements are funded through the \$65 monthly service charge. One project that is in the early stages of discussion is obtaining an additional water source in the form of another reservoir or well that is better suited for connection to the treatment plant.

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<sup>24</sup> TCCWD February Board Packet. Accessed March 27, 2020.

[http://www.timbercovecountywaterdistrict.org/uploads/8/3/4/2/83422192/february\\_board\\_packet.pdf](http://www.timbercovecountywaterdistrict.org/uploads/8/3/4/2/83422192/february_board_packet.pdf)

<sup>25</sup> 2016 Consumer Confidence Report

<sup>26</sup> 2018 Consumer Confidence Report

<sup>27</sup> Compliance Order No.02 -18 -16R\_001, Division of Drinking Water, State Water Resources Control Board, February 17, 2016.

Another project that is in the permitting stage is an improved THM removal system and carbon filter repack in order to meet updated State standards.

TCCWD is currently in the planning process for a treatment plant upgrade to address continuing issues with disinfectant byproducts. This has been an issue since approximately 2012 and was identified as the largest issue in 2019<sup>28</sup>. The planned treatment plant upgrade will eliminate the disinfected byproducts permanently.

The SWRCB has agreed to temporarily lower the requirements for the allowable levels of THMS and MCLs in the water distribution systems. In some cases, TCCWD meets the allowable levels, however in other cases, the district is above the allowable levels. Rather than issuing a violation, the SWRCB has allowed the District one year to find a solution.

The District submitted a plan to the SWRCB for a permit process to remedy the issue of disinfectant byproducts. Included in the plan is an air blower and mixer for Tank 3 which has been identified as the byproducts source. This will include an air blower and mixer at an estimated cost of \$70,000 (including labor).

The proposed Water Treatment Plant Upgrade also includes a list of items the District wishes to accomplish which includes, among other items, the following<sup>29</sup>:

- Standardized operations-month-by-month and year-by-year systems in place that are enforceable by the Board and staff based on regulations from the Sonoma Water Resources Control Board.
- Wireless capability for off-site controls of treatment plant valves and pumps, allowing for sending data needed to create monthly reports.
- Secure additional water sources, such as re-drilling the well at the weir.
- Install meters at all properties.

### **Other Water Services & Service Providers**

The District provides water to the Timber Cove Inn which has its own registered water system as a registered public utility. Timber Cove Inn has their own water source and treatment. However, they utilize District water to fill storage tanks on the weekends to help meet demands. Other water systems (both public and private) in unincorporated Sonoma County are operated by Russian River Utility including County Service Area (CSA) 41 water systems and the Russian River County Water District.<sup>30</sup>

## **3.7 Organizational Structure**

The TCCWD is managed by a five-member Board of Directors elected by members of the District in County Elections. Members must maintain a voting residence in the District. A

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<sup>28</sup> TCCWD February 2020 Minutes.

<sup>29</sup> TCCWD February 2020 Board Packet. Accessed March 27, 2020.

[http://www.timbercovecountywaterdistrict.org/uploads/8/3/4/2/83422192/february\\_board\\_packet.pdf](http://www.timbercovecountywaterdistrict.org/uploads/8/3/4/2/83422192/february_board_packet.pdf)

<sup>30</sup> <https://www.ruwater.com/systems.shtml>

ballot election is conducted, managed by the Sonoma County Registrar of Voters on the regular November ballot. There is currently sufficient interest for Board positions.

Per California Water Code §30520-30520, the Board must elect a President and may elect a Vice President. Only the President and Vice President can represent the District outside a meeting. The other directors may represent the board given that there is a request at a meeting followed by a vote to finalize the request.

The current board President and Vice President have had formal Brown Act training by the District's attorney. The Directors are to be signed up for the training on AB54 and AB240. The President, and the other board members are currently signed up and the remaining board members are expected to as well.

**Table 3: Timber Cove CWD Board of Directors**

Director Name	Background	Term Expiration
Chris Feddersohn	President	November 2021
John Rea	Vice President	November 2021
Kris Kilgore	Director	November 2021
Spencer Lipp	Director	November 2023
Tim Winterer	Director	November 2023

### Staffing and Operations

The District currently employs four staff members with Board of Directors oversight. Staff members include one fulltime operator, two limited time operators (one part-time equivalent), and a fulltime administrative manager. The District also contracts for the treasurer who is considered an at will employee. The Administrative Manager also acts as the Secretary to the Board which includes about eight hours of service a month. Secretary responsibilities include distributing the board packets, taking minutes, and performing other secretarial duties as needed<sup>31</sup>. No director can serve as a treasurer, manager, auditor, or secretary.

Four employees may not be sufficient to ensure there are no service interruptions. Considering the importance of such an essential service, the District may want to further develop their plan for absences and emergencies.

### 3.8 Accountability and Transparency

The TCCWD currently maintains a website where District information can be found including Board meeting agendas and minutes. They are also in compliance with California Public Records Act in providing a list of enterprise systems currently in use<sup>32</sup>. The website will continue to be upgraded in order to comply with SB929 which went into effect on January 1, 2020.

<sup>31</sup> TCCWD February Board Packet. Accessed March 27, 2020.  
[http://www.timbercovecountywaterdistrict.org/uploads/8/3/4/2/83422192/february\\_board\\_packet.pdf](http://www.timbercovecountywaterdistrict.org/uploads/8/3/4/2/83422192/february_board_packet.pdf)

<sup>32</sup> California Public Records Act, Local Agencies Inventory SB 72.

On May 30, 2019, the District provided notice to its customer for periodic test of backflow prevention assembly<sup>33</sup>. Also, during the month of May 2019 and June 2019, the District provided information regarding the cross-connection control program survey to its customers as required by the State of California<sup>34</sup>.

### Meetings and Agendas

The board meets on the fourth Saturday every month at 10:00 am at Fort Ross Elementary School at 30600 Seaview, Cazadero, CA unless otherwise determined by the President. According to the regulations, "Regular meetings will be held at a location, date, and time as determined by the President. To the extent possible, at the end of each regular meeting, the time, date, and location of the next meeting shall be confirmed. Special meetings may be called as allowed by the California Water Code and Standing Rules upon a vote of the Board or by the President in the event that a vote by the Board is not possible and time is of the essence<sup>35</sup>."

Agendas are posted at the water plant gate at 22108 Timber Cove Road and other community sites. It is the responsibility of the Vice President to post meeting notices. The secretary is responsible for preparing and distributing meeting agendas and minutes.

### 3.9 Financial Overview

The District is required to adopt an annual budget for the District's general operations each fiscal year. The annual budget is prepared in accordance with the basis of accounting utilized by the District. The budget is amended from time to time as needed and is approved by the Board of Directors.

The most recent audit available is for FY2014/2015 which was completed in late February 2020. The District has hired a new CPA firm who will be starting the remaining audits in May 2020. The treasurer of the District will be heavily involved with the process to push for a timelier completion and ensure the records are brought up to date as quickly as possible.

### Revenues and Expenditures

The current funds on deposit as of March 1, 2020 are \$1,016,271.79. These are split between deposits at Edward Jones and 3 accounts with Mechanics bank. Water sales and base rates provide revenues to the district. Recent expenditures have decreased greatly due to staff reorganization.

### Rates/ Fees Structure

There is currently a base rate of \$65 per month and water usage is charged at 0.09 per gallon. The District is looking into a rate restructure in the hopes of lowering the costs for customers. A comparison of TCCWD rates to other municipalities in the region has been

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<sup>33</sup> Notice for Periodic Test of Backflow Prevention Assembly, Timber Cove County Water District, May 30, 2019.

<sup>34</sup> Cross Connection Control Program Survey, Timber Cove County Water District, May 2019.

<sup>35</sup> Standing Rules and Regulations of Timber Cove County Water District, February 25, 2017



included as Appendix B. This preliminary analysis shows that TCCWD rates are the highest for the region.

Table 4: Timber Cove Profit and Loss by Fiscal Year

Category	FY15/16 <sup>36</sup>	FY16/17	FY17/18	FY18/19
<b>Revenues</b>				
Water	\$249,984	\$184,878	\$260,205	\$288,171
Interest & Water Plant	\$365	\$736	\$2,240	\$3,375
Base Rates	\$249,600	\$249,600	\$249,730	\$244,990
Other	\$0	\$0	\$27,020	\$16,274
<b>Total Revenue</b>	<b>\$535,149</b>	<b>\$470,414</b>	<b>\$539,195</b>	<b>\$579,209</b>
<b>Expenses</b>				
Administrative Charges	\$64,705	\$76,481	\$101,301	\$196,417
Payroll (5300)	\$0	\$76,204	\$139,692	\$5,616
Operations (5400)	\$139,659	\$186,168	\$151,999	\$116,821
State Loan Interest	\$3,206	\$2,561	\$1,914	\$1,242
Doubtful Accounts	\$9,835	\$1,820	\$0	\$0
Payroll (5496)	\$0	\$0	\$0	\$164,345
Fire Abatement	\$0	\$310	\$474	\$210
<b>Total Expenses</b>	<b>\$217,404</b>	<b>\$343,542</b>	<b>\$395,380</b>	<b>\$487,238</b>
<b>Other Revenues/(Expenses)</b>				
County Debt Service	\$573	(\$1,922)	\$0	\$0
Capital Improvements	\$0	\$0	(\$98,199)	(\$47,752)
Depreciation	(\$128,325)	(\$63,510)	\$0	\$0
Internal Transfers	\$6,854	(\$3,091)	\$0	\$0
<b>Gain (Loss)</b>	<b>\$196,847</b>	<b>\$58,349</b>	<b>\$45,616</b>	<b>\$44,219</b>

Note: Dollar amounts have been rounded to the nearest whole dollar.

As shown in Table 4 above, TCCWD has sufficient revenues to cover district costs. This is allowing the District to build up its reserves which are now over \$1 million. This will ensure the costs of any future repairs and/or upgrades can be funded adequately.

It should be noted that the FY2015/16 Basic Financial Statement was recently completed for the District and shows higher operating expenses than the profit and loss accounting shown in Table 4. This is largely due to a change in accounting practices during this time. In order to get an accurate depiction of the District's financial status, it is recommended that the District provide LAFCo a financial update in two years after audits have been completed through FY2020/21.

<sup>36</sup> The Basic Financial Statement for FY2015/16 was recently completed and shows that District operating revenues totaled \$535,357 while the operating expenses totaled \$677,318. This results in an operating loss of (\$141,961). When non-operating revenues and expenses are considered, the District resulted in a decrease of net position of (\$94,304).

## **Long Term Liabilities**

The County of Sonoma acts as a fiscal agent for debt service payments on behalf of the District for special assessment bonds. The County collects special assessments from District taxpayers which are used to make special assessment bond payments. The County ensures the District complies with special assessment bond ordinance requirements.

The County of Sonoma collects special property assessments and allocates them to the District. Sufficient funds are held on deposit in order to make debt service payments on the Districts State Water Loan. All other amounts are distributed to the District which deposits the fund with West America Banks.

Table 5: Timber Cove CWD Annual Budget Summary

Category	Budget 15/16	Budget 16/17	Budget 17/18	Budget 18/19	Budget 19/20
<b>Revenues</b>					
Water Sales	\$170,000	\$247,830	\$255,060	\$240,000	\$266,000
Plant Base Rate	\$187,000	\$212,940	\$250,000	\$250,000	\$248,000
Fire Abatement Fee	\$0	\$32,760	\$32,760	\$32,760	\$0
Meter Set Fee	\$0	\$35,000	\$0	\$0	\$0
Bad Debt	\$0	(\$12,000)	(\$3,000)	\$0	\$0
Late Charges	\$0	\$400	\$400	\$0	\$0
Grant	\$0	\$0	\$20,000	\$0	\$0
Interest Income	\$0	\$0	\$0	\$0	\$0
<b>Total Revenue</b>	<b>\$357,000</b>	<b>\$516,930</b>	<b>\$692,560</b>	<b>\$522,760</b>	<b>\$514,000</b>
<b>Expenses</b>					
Operator Expenses	\$900	\$4,000	\$4,000	\$40,000	\$40,000
System Parts	\$2,700	\$12,000	\$12,000	\$25,000	\$300
Tools	\$850	\$5,200	\$5,200	\$2,000	\$6,000
Office & System Expenses	\$121,600	\$135,600	\$121,600	\$207,000	\$19,500
Labor	\$18,550	\$56,000	\$33,000	\$4,500	\$110,562
Workers Comp	\$0	\$0	\$9,000	\$0	\$0
Taxes	\$0	\$0	\$7,500	\$0	\$0
Insurance	\$5,300	\$5,300	\$12,600	\$6,000	\$10,000
Permits	\$1,200	\$1,200	\$1,200	\$12,000	\$12,200
Water Testing	\$6,100	\$9,000	\$10,500	\$4,000	\$26,000
Maint. Service & Parts	\$0	\$0	\$0	\$0	\$17,500
Vegetation Management	\$0	\$0	\$6,000	\$20,000	\$6,000
Utilities	\$8,800	\$11,200	\$11,200	\$342,500	\$23,000
Contingencies	\$16,600	\$22,530	\$21,260	\$34,250	\$0
Miscellaneous	\$0	\$0	\$0	\$0	\$19,238
<b>Total Expenses</b>	<b>\$182,600</b>	<b>\$247,830</b>	<b>\$255,060</b>	<b>\$376,750</b>	<b>\$404,000</b>
<b>Gain (Loss)</b>	<b>\$174,400</b>	<b>\$269,100</b>	<b>\$437,500</b>	<b>\$146,010</b>	<b>\$110,000</b>

The district issued two bonds in 1994 (1994A and 1994B) which included an existing bond issued around 1986. The purpose of all these bonds was to develop the distribution system. 1994A was for \$1,128,828.76 and matured in 2009. 1994B is the California State loan which also included a \$400,000 grant from the State of California. Bond 1994B, for \$437,164.32, retired in 2019.

In August 1994, the District issued \$1,128,829 of Assessment District 1994, Limited Obligation Improvement Bonds for water reservoir site acquisition and water storage reservoir construction, a water treatment plant, a water main, and pumping facilities.

The District acts only as the property owners' agent for assessment collection, forwarding collection to the bondholders, and initiating foreclosure proceedings for bondholder benefit. For these reasons, neither the debt nor the related debt service transactions are recorded in the District's basic financial statements. The principal balance outstanding at June 30, 2015 is \$104,000.

Under the Safe Drinking Water Bond Law of 1988, the California Department of Water Resources provided the District with a \$460,000 loan and \$400,000 grant. The District is obligated to make semi-annual payments to the State for a period not to exceed 25 years at an interest rate of 2.955%. The first semi-annual payment was due October 1, 1998. Included in the payment schedule was a 5% administrative fee bringing the total initial principal amount to \$483,000. The outstanding balance as of June 30, 2015 was \$113,534.

The District may be eligible to apply Clean Water State Revolving Fund (CWSRF) Program and Hardship Grants Programs for Rural Communities of the U.S. Environmental Protection Agency or the Rural Community Assistance Program (RCAP) loans if necessary.

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## Appendix A: References Cited

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## Appendix B: Water Rate Comparison

In order to compare Timber Cove County Water District's rates for water services to other municipalities in the region, a selection of agencies was chosen including: Healdsburg, Cotati, Valley of the Moon, Petaluma, Russian River, and Windsor. The different agencies chosen charge for water services in varying ways. Some have tiered structures while others charge a single rate per unit of water. Some charge on a monthly basis and others on a bi-monthly basis. In order to directly compare charges for water, each agency's charges were broken down into a base charge per month and dollar per gallon use fee. These use fees were then separated into applicable tiers. Each agency's tiered structure may vary. A brief summary of each agency's charges is included for reference.

The average monthly charge for a single family home was also calculated to compare rates. This calculation was made utilizing an average water consumption of 80 gallons per day per person<sup>37</sup> for a three member single family household during an average month with 30 days. This equates to approximately 7,200 gallons per month. Using this amount of water usage, the resulting monthly charge was calculated for each agency. The results of both comparisons are summarized in the table below.

It should be noted that most homes in the Timber Cove County Water District are second homes and not utilized full time. Additionally, residents have learned to conserve water as much as possible. As such, water use in the District is much lower than the 7,200 gallons used for comparison here. Typical monthly water bills in the District range from the base charge of \$65 to around \$300.

Fee Category <sup>1</sup>	Timber Cove	Healdsburg	Cotati	Valley of the Moon	Petaluma	Russian River	Windsor
<i>Base Monthly Charge</i>	65.0000	23.19	21.1950	13.0550	11.2200	20.0000	11.6900
Tier 1 (\$/gal)	0.09000	0.00700	0.00360	0.00410	0.00530	0.00200	0.00314
Tier 2	~	~	0.00462	0.00715	0.00590	0.00300	0.00342
Tier 3	~	~	0.00582	~	0.00674	0.00400	0.00483
Tier 4	~	~	~	~	0.00797	0.00600	0.00648
<b>Typical Monthly Charge</b>	<b>\$713<sup>2</sup></b>	<b>\$73.59</b>	<b>\$47.12</b>	<b>\$52.34</b>	<b>\$52.93</b>	<b>\$42.80</b>	<b>\$35.48</b>

<sup>1</sup>Tiers vary by water district. See individual district summary for more information on tiered structure.

<sup>2</sup>According to District representatives, water use in the District is much lower than the 7,200 gallons used for comparison here. Typical monthly water bills in the District range from the base charge of \$65 to around \$300.

<sup>37</sup> USGS, Water Science School, Water Q&A: How much water do I use at home each day? Accessed May 5, 2020 from [https://www.usgs.gov/special-topic/water-science-school/science/water-qa-how-much-water-do-i-use-home-each-day?qt-science\\_center\\_objects=0#qt-science\\_center\\_objects](https://www.usgs.gov/special-topic/water-science-school/science/water-qa-how-much-water-do-i-use-home-each-day?qt-science_center_objects=0#qt-science_center_objects).

## City of Healdsburg

The City of Healdsburg is approximately 14 miles north of Santa Rosa on Highway 101 and 22 miles inland from Timber Cove. Their current water and wastewater rate schedule was originally adopted in 2016 and included annual increases through July 2020. The current rates include a set monthly service charge based on type of connection and a non-tiered water use rate that is charged per hundred cubic feet (HCF)<sup>38</sup>.

<b>Water Rate Schedule</b>					
	<b>July 2016</b>	<b>July 2017</b>	<b>July 2018</b>	<b>July 2019</b>	<b>July 2020</b>
<b>Monthly Service Charge</b>					
Single Family	\$ 20.21	\$ 21.01	\$ 21.85	\$ 22.51	\$ 23.19
Multi-Family (per DU)	\$ 14.05	\$ 14.62	\$ 15.20	\$ 15.66	\$ 16.13
<b>Non-Residential</b>					
1" meter	\$ 32.33	\$ 33.62	\$ 34.96	\$ 36.01	\$ 37.09
1 1/2" meter	\$ 62.36	\$ 64.85	\$ 67.44	\$ 69.46	\$ 71.54
2" meter	\$ 98.54	\$ 102.48	\$ 106.58	\$ 109.78	\$ 113.07
3" meter	\$ 183.03	\$ 190.35	\$ 197.96	\$ 203.90	\$ 210.02
4" meter	\$ 303.69	\$ 315.84	\$ 328.47	\$ 338.32	\$ 348.47
<b>Water Usage Rates (\$/HCF)</b>					
All Potable Water Use	\$ 4.80	\$ 4.99	\$ 5.19	\$ 5.35	\$ 5.51
Riverview HOA (1)	\$ 1.26	\$ 1.31	\$ 1.36	\$ 1.40	\$ 1.44
Hydrant Water Sales (2)	\$ 9.60	\$ 9.98	\$ 10.38	\$ 10.70	\$ 11.02

**Notes:**

- (1) Rate applicable to Riverview HOA under terms of 1997 order of condemnation.
- (2) Deposits and connection charges may also apply.

## City of Cotati

The City of Cotati is located in between Santa Rosa and Petaluma on Highway 101. There is a bi-monthly water service charge based on type on connection and water use is charged based on three tiers of usage at a set amount per gallon<sup>39</sup>.

<sup>38</sup> City of Healdsburg, Resolution No. 34-2016, adopted May 2, 2016.

<sup>39</sup> City of Cotati, Resident Services, Water and Sewer Services, Water and Sewer Rate Adjustment for FY 19-20.

Water and Sewer Rate Adjustment for FY 19-20<sup>1</sup>

<b>Water Usage Rates (\$/gallon)</b>				
Single Family Residential <sup>2</sup>	Current	Rate Adjustment	Adjusted	(Oct 15, 2017)
Tier 1 (0 to 10,000 gallons)	\$ 0.00339	\$ 0.00021	\$	0.00360
Tier 2 (10,000 to 20,000 gallons)	\$ 0.00435	\$ 0.00027	\$	0.00462
Tier 3 (20,000 gallons +)	\$ 0.00553	\$ 0.00029	\$	0.00582
<b>All Other Accounts</b>				
Tier 2	\$ 0.00378	\$ 0.00023	\$	0.00401

<b>BiMonthly Water Service Charges (\$/bimonth)</b>				
Meter Size	Current	Rate Adjustment	Adjusted	(October 15, 2017)
3/4" (Typical Single Family Home)	\$ 39.99	\$ 2.40	\$	42.39
1"	\$ 65.38	\$ 3.92	\$	69.30
1 1/2"	\$ 128.26	\$ 7.70	\$	135.96
2"	\$ 204.03	\$ 12.24	\$	216.27
3"	\$ 380.94	\$ 22.86	\$	403.80
4"	\$ 633.62	\$ 38.02	\$	671.64

Valley of the Moon

The Valley of the Moon Water District serves the community which is located along Highway 12 just north of the City of Sonoma. There is a bi-monthly service charge based on type of connection and water use is charged at a set rate per 1,000 gallons based on land use type (commercial, institutional, residential, etc.)<sup>40</sup>.

**Rates below are effective for all bills generated on or after August 1, 2019.**

Commercial / Industrial / MFR 4+ Units Rate		\$ 6.22 per 1000 gallons
Institutional		\$ 6.20 per 1000 gallons
Irrigation Rate		\$ 7.06 per 1000 gallons
Single Family Residential / MFR 2 or 3 Units	0-4	\$ 4.10 per 1000 gallons
Tiered Rates – usage per billing period	> 4	\$ 7.15 per 1000 gallons

Bi-Monthly Service Charges (Effective 08/01/2019)

Meter Size	Residential	Non-Resid.	Fire Line
5/8"	\$ 26.11	\$ 42.78	NA
3/4"	\$ 37.49	\$ 62.51	NA
1"	\$ 60.26	\$ 101.95	NA
1 1/2"	\$ 117.19	\$ 200.57	NA
2"	\$ 185.49	\$ 318.91	\$ 17.39
3"	\$ 634.48	\$ 634.48	\$ 34.09
4"	NA	\$ 989.49	\$ 64.83
6"	NA	\$ 1,975.65	\$ 143.90
8"	NA	NA	\$ 249.32
10"	NA	NA	\$ 372.31
12"	NA	NA	\$ 468.94

<sup>40</sup> Valley of the Moon Water District, Water Rates, set August 1, 2019. Accessed May 5, 2020 from <https://www.vomwd.org/rates>.

## Petaluma

The City of Petaluma is located approximately 15 miles south of Santa Rosa on Highway 101. There is a fixed monthly service charge based on type of connection and water is charged at a set rate per HCF for four different tiers of use<sup>41</sup>.

### **1.1 Water Service Charges (Effective July 1, 2019)**

The fixed monthly service charge is based on meter size.

<b>Size of Service</b>	<b>Fixed Service Charge</b>
Multi-Family: Per Dwelling Unit	\$8.64
Up to 1" Meter (residential)	\$14.40
Up to 3/4" (non-residential)	\$14.40
1" Meter	\$22.44
1 1/2" Meter	\$42.56
2" Meter	\$66.73
3" Meter	\$123.10
4" Meter	\$203.63
6" Meter	\$404.92

### **1.2 Water Consumption Charges (Effective July 1, 2019)**

<b>Customer</b>	<b>Consumption Charge</b>	
<b>Single Family Residential</b>	<b>(\$/hcf)</b>	<b>(\$/cf)</b>
Tier 1 (0-4.00 hcf)	\$3.95	\$0.0395
Tier 2 (4.01-8.00 hcf)	\$4.41	\$0.0441
Tier 3 (8.01-16.00 hcf)	\$5.04	\$0.0504
Tier 4 (16.01+ hcf)	\$5.96	\$0.0596
All Other Customers	\$4.41	\$0.0441
Temporary Service & Water Haulers	\$6.69	\$0.0669

## Russian River

The Russian River County Water District is located along the Russian River just north of Forestville on Highway 116 approximately 12 miles inland from Jenner. There is a monthly base charge for service based on type of dwelling and a four-tiered rate structure for water use that is charged per thousand gallons. The District also charges an annual assessment of \$30 for capital improvements<sup>42</sup>.

<sup>41</sup> City of Petaluma, Summary of Utility Rates (Water and Wastewater), Effective July 1, 2019. Accessed May 5, 2020 from <https://cityofpetaluma.org/documents/water-and-sewer-billing-info/>.

<sup>42</sup> Russian River County Water District, Water Rates. Accessed May 5, 2020 from <https://rrcwater.org/service-area-facilities/water-rates/>.

Monthly water bills have two parts:

(1) A flat charge of \$20.00 per month for single family dwellings, \$30 per month for duplexes or properties with a second unit and \$40 per month for triplexes to pay for services that must be provided regardless of the amount of water delivered, including meter reading, facility maintenance, billing and customer service; and

(2) A consumption charge to reflect the amount of water used, billed according to a four-tiered rate structure.

The structure for single family dwellings is as follows:

- \$2.00 per thousand gallons for the first 2,000 gallons
- \$3.00 per thousand gallons for the next 2,000 gallons
- \$4.00 per thousand for the next 4,000 gallons
- \$6.00 per thousand for all usage exceeding 8,000 gallons

## Windsor

The town of Windsor is located just north of Santa Rosa on Highway 101 and is approximately 18 miles inland from Jenner. There is a monthly base fee for water service based on type of connection and there is a four-tier structure for water use which is charged at a set rate per gallon<sup>43</sup>.

### **Water Usage Rates (\$/gallon)**

#### Single Family Residential

1st Tier	0-4,000 gal/mo	\$	0.00314
2nd Tier	4,001-7,000 gal/mo	\$	0.00342
3rd Tier	7,001-17,000 gal/mo	\$	0.00483
4th Tier	Over 17,000 gal/mo	\$	0.00648

#### Multi-Family Residential (per dwelling unit)

1st Tier	0-2,000 gal/mo/DU	\$	0.00314
2nd Tier	2,001-3,000 gal/mo/DU	\$	0.00342
3rd Tier	3,001-5,500 gal/mo/DU	\$	0.00483
4th Tier	Over 5,500 gal/mo/DU	\$	0.00648

### **Monthly Service Charges (\$/month)**

#### All Water Services including Airport Area

Up to 3/4" meter	\$	11.69
1" meter	\$	18.23
1 1/2" meter	\$	34.45
2" meter	\$	53.98
3" meter	\$	99.56
4" meter	\$	164.69
6" meter	\$	327.36
8" meter	\$	522.65
10" meter	\$	750.55

<sup>43</sup> Town of Windsor, Administrative Services Department, Utility Billing, Rates – Water Rates Effective July 2019. Accessed May 5, 2020 from <https://www.townofwindsor.com/140/Rates?NID=140>.