

Draft Resolution

111 Santa Rosa Ave. Ste. 240
Santa Rosa, CA 95404

March 1, 2023

Resolution of the Local Agency Formation Commission of the County of Sonoma, State of California, Making Findings and Determinations Related to Information Contained in the Municipal Service Review and Sphere of Influence Study for the Russian River County Sanitation District, a Dependent District of the County of Sonoma, Determining Exemption from the California Environmental Quality Act, Adopting the Determinations of the Municipal Service Review, and Amending the District's Sphere of Influence

RESOLVED, that the Local Agency Formation Commission of the County of Sonoma ("the Commission") hereby finds and determines as follows:

1. Procedural History

1. The Russian River County Sanitation District, a subsidiary district of the County of Sonoma ("the Subject Agency") requested that the Commission prepare a Municipal Service Review ("MSR/SOI Study") of the District pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Government Code section 56000 et seq. ("the Cortese-Knox-Hertzberg Act"). The District also requested an amendment of its LAFCO-designated Sphere of Influence.
2. The Executive Officer considered the request and prepared, using consultant services, a Municipal Service Review and Sphere of Influence Study ("MSR/SOI Study").
3. The Executive Officer determined that the Commission would comply with California Environmental Quality Act ("CEQA") and the State CEQA Guidelines by acting as the lead agency in its consideration of the MSR/SOI Study. The Executive Officer further determined that the MSR/SOI Study is exempt pursuant to State CEQA Guidelines Sections 15306 and 15061(b)(3).
4. Following the preparation of the MSR/SOI Study, the Executive Officer set the matter for consideration by the Commission and provided notice thereof as provided in the Cortese-Knox-Hertzberg Act.
5. The Executive Officer considered written comments received on the MSR/SOI Study and prepared a staff report ("the Executive Officer's Report") which included a recommendation for the MSR/SOI Study. The Executive Officer

furnished copies of the Executive Officer's Report to all persons entitled to copies under the Cortese-Knox-Hertzberg Act.

6. The Commission conducted a noticed public hearing to consider the MSR/SOI Study and Sphere of Influence Amendments on March 1, 2023. At the hearing, the Commission heard and received all relevant oral and written testimony and evidence presented or filed and considered the Executive Officer's Report and the MSR/SOI Study. All interested persons were given the opportunity to hear and be heard. At the conclusion of public testimony, the Commission closed the public hearing and adopted the determinations in the MSR/SOI Study.
7. The Commission has reviewed and considered this resolution and hereby finds that it accurately sets forth the intentions of the Commission regarding the determinations of the MSR/SOI Study.

2. CEQA Compliance

2.1 The Commission concurs with the Executive Officer and finds that the Commission is the lead agency for the preparation of the MSR/SOI Study pursuant to CEQA and the state CEQA Guidelines.

2.2 The Commission finds and determines that preparation of a Municipal Service Review consists largely of the collection of data and research through reports and/or interviews with those knowledgeable about the Agency studied, resulting in conclusions and recommendations. When such activities "do not result in a serious or major disturbance to an environmental resource," pursuant to Section 15306 of the State CEQA Guidelines, is exempt from CEQA.

2.3 The Commission finds and determines that confirming the Sphere of Influence of the Subject Agency is exempt from CEQA pursuant to Section 15061 (b)(3) of the State CEQA Guidelines, which states that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is not a possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

2.3 Confirmation of the Sphere of Influence of the Subject Agency will not result in a physical change to the environment in and of itself. Any future actions for change of organization would be further subject to separate environmental determination.

2.3 The Commission has considered the potential environmental effects of the MSR/SOI Study prior to reaching its decision. The Commission finds that, in doing so, it has fully discharged its responsibilities under CEQA.

3. Cortese-Knox-Hertzberg Act Compliance – Municipal Service Review

3.1 The Cortese-Knox-Hertzberg Act directs LAFCOs to review and update Agency Spheres of influence, as necessary, every five years and further to conduct municipal service reviews prior to, or in conjunction with such updates. With regard to the Agency's Request, the Commission makes the following determinations:

3.2 Growth and Population Projections for the Affected Area:

3.2.1 The RRCSD includes the unincorporated communities of Rio Nido, Guerneville, Guernewood Park, and Vacation Beach. Estimated population of the District is 7305 residents.

3.2.2 Assuming the population will grow at the same rate as the County provides an upper bound to population growth. It is estimated the population may increase by 446 over the next twenty years resulting in a potential of 173 new connections.

3.3 The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence:

3.3.1 Disadvantaged Unincorporated Communities are defined as inhabited unincorporated areas whose median household income is less than 80% of the statewide median household income. For 2020 that figure is \$62,938. The DWR mapping tool identified two areas that fell below 80% of the statewide MHI. One is north of Rio Nido and one south and west of Guerneville that includes Vacation Beach.

3.3.2 CKH requires identification of backbone services to DUC's, water, sewer and fire protection. Water services are provided by California Water Service Company – Armstrong Valley in the northern region and Sweetwater Springs Water District [in the south. Fire services are provided by the Sonoma County Fire District and CALFIRE.

3.4 Present and Planned Capacity of Public Facilities and Adequacy of Public Services Including Infrastructure Needs or Deficiencies:

3.4.1 The RRCSD system serves approximately 3200 single family dwelling units. The collection system consists of over 39 miles of pipe and 11 lift stations that convey waste to the wastewater treatment facility.

3.4.2 Wastewater receives a tertiary level of treatment before it is released. Between October and May effluent is released to the Russian River. The remainder of the year it is used to irrigate the golf course and adjacent forest land.

3.4.3 RRCSD has a capital improvement program in place to address issues of ageing infrastructure and previous violations associated with flooding. Projects are funded by state and federal grants.

3.4.4 The wastewater treatment plant has upgraded capacity to treat wastewater flows during flood conditions to 0.71 mgd. Average dry weather flow is 0.3 mgd. Since the capacity is more than twice average dry weather flow and with anticipated low levels of growth, the system has sufficient capacity.

3.5 Financial Ability of Agencies to Provide Services:

3.5.1 The RRCSD has a current budget of \$9.5 million. As part of SCWA the RRCSD does not pay salaries and benefits as they would be included in the operations costs charged by SCWA. Consequently, the RRCSD has no direct OPEB obligations as they are included in operations costs. The budget allocates 26% for maintenance projects and 22% for capital improvements.

3.5.2 In four of the last five years the District expenses exceeded revenues. Shortfalls were addressed by transferring funds from reserves. A comparison of revenues to expenses over the last five years indicated the need for a rate increase. Consequently, the Board of Directors adopted a 8.9% rate increase effective July 1, 2022.

3.5.3 The RRCSD anticipates spending \$19.7 million in the next five years on seven capital improvement projects.

3.5.4 The RRCSD has two loans from SWRCB. The first loan was used to complete the Third Unit Process Project. The annual principal and interest payments of \$243,954. The loan is scheduled to be fully paid in 2024. The second loan also from SWRCB was used to fund the Disinfection Upgrade Project. Principal and Interest of \$124,111 are paid annually. The term is 20 years at an annual interest rate of 2.6% with the last payment scheduled for April 2032.

3.6 Status of and Opportunities for Shared Facilities:

3.6.1 The RRCSD is one of several sewer districts administered by the SCWA and works with the other agencies to provide services.

3.6.2 Management efficiencies can be assessed through planning efforts. RRCSD engages in several types of planning activities, such as the Sewer System Local Hazard Mitigation Plan (LHMP) and the Sewer System

Management Plan. The SCWA also prepares a capital improvement plan for each of its member districts and an annual budget, the financial plan.

3.7 Accountability for Community Service Needs, Including Government Structure and Operational Efficiencies:

3.7.1 RRCSD is a zone of service within the Sonoma County Water Agency. Its board of directors are the Sonoma County Water directors, which are the Board of supervisors.

3.7.2 SCWA meets on Tuesdays, where issues relating to RRCSD are heard as needed. Meetings follow the Brown Act.

3.7.3 RRCSD engages the public through its annual newsletter and its website.

3.8 Matters Related to Effective or Efficient Service Delivery, as Required by Commission Policy:

3.8.1 There are three policies with the potential to result in effective or efficient service delivery. They include the SOI policy, the change of organization policy, and the out of area service policy.

4.0 Cortese-Knox-Hertzberg Act Compliance – Sphere of Influence

The Commission is amending the Russian River County Sanitation District's existing sphere of influence to include the three parcels of the "George's Hideaway" property owned by the County of Sonoma, due west of the District's existing territory on River Road. Inclusion of these parcels in the District's sphere of influence makes them eligible for subsequent annexation to the District, and for the provision of sanitary sewer services to the parcels.

NOW, THEREFORE, based on the foregoing findings and determinations and the record of these proceedings, and pursuant to the Cortese-Knox-Hertzberg Act, the Commission hereby declares and orders as follows:

1. The foregoing findings and determinations are true and correct, are supported by substantial evidence in the record, and are adopted as hereinabove set forth.
2. The Commission has reviewed and considered the information contained in the final MSR/SOI Study for the Russian River County Sanitation District.
3. The Commission adopts the determinations made in the MSR/SOI Study.

The Clerk of the Commission is designated as the custodian of the documents and other materials that constitute the record of the proceedings upon which the Commission's decision herein is based. These documents may be found at the office of the Clerk of the Commission, 111 Santa Rosa Ave., Ste. 240, Santa Rosa, CA, 95404.

THE FOREGOING RESOLUTION was introduced at a regular meeting of the Commission on the 1st day of March 2023 and ordered adopted by the following vote:

Commissioners:

AYES:

NOES:

ABSENT:

WHEREUPON, the Chair declared the foregoing resolution adopted and

SO ORDERED.

Mark Bramfitt, Executive Officer

The within instrument is a true and correct copy of the original on file in this office.

ATTEST:

BY: _____
Clerk