



CITY OF FORT BRAGG

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COUNCIL COMMITTEE ITEM SUMMARY REPORT

MEETING DATE: OCTOBER 09, 2019
TO: PUBLIC WORKS & FACILITIES COMMITTEE
FROM: PUBLIC WORKS DIRECTOR, TOM VARGA
AGENDA ITEM TITLE: REVIEW THE POTENTIAL EXPANSION OF THE MUNICIPAL IMPROVEMENT DISTRICT WASTEWATER FACILITIES AND CITY OF FORT BRAGG WATER FACILITIES ON THE EAST SIDE OF THE FORT BRAGG CITY LIMITS AND IMPROVEMENT DISTRICT BOUNDARY

BACKGROUND AND OVERVIEW:

During the Public Comments portion of the Public Works & Facilities Committee meeting on September 11, 2019, Mr. Nathan Orsi requested the extension of the sewer system to serve properties along Cedar Street outside of, but in the vicinity of the Municipal Improvement District #1 (MID) boundary. The Committee instructed staff to return with a summary background of the circumstances surrounding the request, including: history, current issues, and future options.

HISTORY

Mr. Orsi and several of his neighbors own property next to or near Cedar Street, Dennison Lane, or Nurnberger Lane. Some of these properties are vacant (as Mr. Orsi's is); several are developed. These properties are in County jurisdiction outside of the eastern city limits and MID boundary. The City limit defines the service area for municipal water service. The MID defines the limit of sewer service. Interested parties own property in the County with MID sewer facilities lying in nearby portions of Cedar Street or Dennison Lane. These pipes serve properties within the MID. However, due to the uneven MID boundary line, the sewer pipes enter and exit the MID service area while also passing through land outside of the MID. The uneven boundary line was created by a series of annexations that took place between 1983 and 1990.

The attached sketch illustrates the situation. Owner names shown on this map summarize those that have contacted the City in the past to request connection to the MID sewer system.

The east side of town is notable for its very shallow groundwater. This makes the installation and maintenance of on-site, septic tanks/leach fields very difficult; especially on some of the smaller parcels. In addition, finding deeper, reliable groundwater for domestic water can be difficult. Historically, there has been a strong desire from owners of both vacant and developed properties to connect to the City's urban (water and wastewater) utilities.

This issue has come up periodically since 2001. In 2001, the MID Board adopted a policy prohibiting new connections to the sewer collection system outside District boundaries. The City Council adopted a similar policy regarding water service in 2000. In response to request(s) for extending sewer and/or water service beyond the City limits/MID boundary the Council and Board took up the matter again in 2003. Consequently, the MID Board passed Resolution 230-2003 (attached) stating its policy for extending sewer service outside of the MID boundary. During discussions at the time, Council expressed a willingness in extending urban utility services to the east if affordable housing was included. It was also important to Councilmembers to make any extension of services, city limits, or MID boundaries cost neutral as other infrastructure or municipal services were likewise added on. In 2006, the City Council passed Resolution 281-2006 clarifying the definition of affordable housing to use the Department of Housing and Urban Development (HUD) definition.

THE CURRENT SITUATION

The current policy envisions the physical extension of sewer service in conjunction with an "Out-of-Area Service Agreement" rather than an outright annexation. The policy is spelled out in seven points:

1. *Establish at least one unit of affordable housing and a minimum of 25% of the total number of units on the property to be served by the new connection(s).*
2. *Submit in-lieu fees for sewer inflow and infiltration repairs which would off-set the increased flow for the development on the property.*
3. *Pay for all of the costs associated with the preparation and processing of an "Out of Area Service Agreement" and environmental review.*
4. *Pay for all costs associated with extending the sewer to serve the property.*
5. *Agree to annex in the future and to pay for the costs of the annexation application.*
6. *Agree to enter into a benefit assessment district for necessary road improvements at the time of annexation to bring the County roads adjoining the property up to City standards and to cover the costs of on-going maintenance.*

7. *Pay for City Attorney costs for drafting of a Development Agreement which would be entered into prior to execution of the “Out of Area Service Agreement” requiring the establishment of affordable housing unit(s) within a specified timeframe and for specified term; payment for costs of annexation, and participation in benefit assessment district for road improvements and maintenance.*

Please note that it may not be possible to enforce the provision in item #5 of agreeing to annex into the MID or City in the future. Furthermore, annexation into the City or MID normally requires the property(s) to be within the City’s General Plan Sphere of Influence (SOI). The most recent map of the SOI with suggested annexation areas is attached.

The current major construction project at the MID’s Waste Water Treatment Facility (WWTF) is upgrading the plant’s ability to treat wastewater more efficiently and economically. It is not increasing the plant’s capacity. The District’s wastewater collection and treatment capacity has been designed to accommodate future growth including the GP mill site. However, it is not possible to estimate what future wastewater capacity needs will be at this time. The mill site land use planning process is still underway. Discussions for future growth are covering a wide spectrum of possibilities with an equally wide range of potential wastewater treatment capacity needs. Water service extension continues to be affected with the uncertainty created by the State of California’s (through the Department of Fish & Wildlife) desire to modify bypass flows at all of the City’s raw water sources. In recent years, concerns regarding climate change resiliency have been growing. These concerns extend to the City’s raw water supply and ability to adequately manage wastewater treatment.

FUTURE OPTIONS

Previous neighborhood suggestions for addressing the wastewater service situation included the idea of modifying the boundary of the MID to add areas along Cedar Street on the east side of town while de-annexing an equal area elsewhere. Another option is to continue with the current policy as described in Resolution 230-2003. Council can also reconsider the policy points in the Resolution and modify them in part or total.

Recently, City Council has recognized the strong inter-relationship between streets and the storm drainage system that protects them. Council and/or the Board may wish to clarify this matter as it applies to Policy item #6.

RECOMMENDATION:

The Committee is requested to consider the information provided, any public comment, or public testimony during the meeting and provide staff with direction as to how to proceed. Several future options have been proposed to assist the Committee in its deliberations. If the current policy in place is deemed adequate, no further action is necessary. The matter can be sent back to staff for further work or research. Finally, it can be forwarded to the full City Council with recommendations for their consideration.

ATTACHMENTS:

1. Area Map
2. Annexation Area Map
3. Resolution 230-2003