

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Public Works		(2) MEETING DATE July 25, 2006		(3) CONTACT/PHONE Dean Benedix, Utilities Division Engineer (805) 781-5267	
(4) SUBJECT Request to Approve the Creation of Zone of Benefit C within County Service Area No. 7 (Oak Shores) and Set a Hearing Date of August 1, 2006 for Public Hearing on Imposing a Moratorium for the Issuing of Will-Serve letters outside the boundaries of CSA 7, Zone A					
(5) SUMMARY OF REQUEST It is requested that your Board approve the creation of Zone C and the moratorium to initiate formal actions to enable CSA 7 to provide wastewater service to Tract 2162, Phases 2 – 6 in the future.					
(6) RECOMMENDED ACTION It is our recommendation that your Board: 1. Adopt the attached resolution establishing the formation of Zone C of County Services Area No. 7, and 2. Set a Hearing Date of August 1, 2006 for a Public Hearing to consider Imposing a Moratorium for the Issuing of Will Serve Letters outside the boundaries CSA Zone 7A.					
(7) FUNDING SOURCE(S) CSA 7		(8) CURRENT YEAR COST N/A		(9) ANNUAL COST N/A	
(10) BUDGETED? <input type="checkbox"/> No <input type="checkbox"/> Yes <input checked="" type="checkbox"/> N/A					
(11) OTHER AGENCY/ADVISORY GROUP INVOLVEMENT (LIST): County Planning and Building Department, County Counsel, Regional Water Quality Control Board					
(12) WILL REQUEST REQUIRE ADDITIONAL STAFF? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes, How Many? _____ <input type="checkbox"/> Permanent _____ <input type="checkbox"/> Limited Term _____ <input type="checkbox"/> Contract _____ <input type="checkbox"/> Temporary Help _____					
(13) SUPERVISOR DISTRICT(S) <input checked="" type="checkbox"/> 1st, <input type="checkbox"/> 2nd, <input type="checkbox"/> 3rd, <input type="checkbox"/> 4th, <input type="checkbox"/> 5th, <input type="checkbox"/> All			(14) LOCATION MAP <input checked="" type="checkbox"/> Attached <input type="checkbox"/> N/A		(15) Maddy Act Appointments Signed-off by Clerk of the Board <input checked="" type="checkbox"/> N/A
(16) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Hearing (Time Est. _____) <input type="checkbox"/> Presentation <input type="checkbox"/> Board Business (Time Est. _____)			(17) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions (Orig + 4 copies) <input checked="" type="checkbox"/> Contracts (Orig + 4 copies) <input type="checkbox"/> Ordinances (Orig + 4 copies) <input type="checkbox"/> N/A		
(18) NEED EXTRA EXECUTED COPIES? <input type="checkbox"/> Number: _____ <input type="checkbox"/> Attached <input checked="" type="checkbox"/> N/A			(19) BUDGET ADJUSTMENT REQUIRED? <input type="checkbox"/> Submitted <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A		
(20) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A			(21) W-9 <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes		(22) Agenda Item History <input checked="" type="checkbox"/> N/A Date:
(23) ADMINISTRATIVE OFFICE REVIEW <p align="center"><i>OK Leslie Brown</i></p>					

Reference: 06JUL25-C-8

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SAN LUIS OBISPO COUNTY DEPARTMENT OF PUBLIC WORKS

Noel King, Director

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email address: pwd@co.slo.ca.us

TO: Board of Supervisors

FROM: Dean Benedix, Utilities Division Manager

VIA: Paavo Ogren, Deputy Director of Public Works *PAO 7/24/06*

DATE: July 25, 2006

SUBJECT: Creation of Zone of Benefit C within County Service Area No. 7 (Oak Shores) and Set a Hearing Date of August 1, 2006 for Pubic Hearing on Imposing a Moratorium for the Issuing of Will-Serve letters outside the boundaries of CSA 7, Zone A

Recommendation

It is our recommendation that your Board:

1. Adopt the attached resolution establishing the formation of Zone C of County Services Area No. 7.
2. Set a Hearing Date of August 1, 2006 for a Pubic Hearing to consider Imposing a Moratorium for the Issuing of Will Serve Letters outside the boundaries CSA Zone 7A.

Discussion

County Service Area (CSA) 7 was formed on December 11, 1967 to provide special district services to the Oak Shores community on the north shore of Lake Nacimiento. CSA 7, Zone A, was formed April 5, 1976 for the specific service of collecting, treating, operating and maintaining a sanitary sewer system.

The existing CSA 7 wastewater system capacity is not adequate to provide service to additional areas outside of CSA 7A. Improvements and modifications to the existing CSA 7 wastewater system are needed in order to accommodate the tentative map approved for Tract 2162 in September 1996. Engineers of the developer have evaluated, and we have reviewed, beneficial alternatives to modify and improve the existing sanitary sewer treatment plant and expand the disposal capacity.

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Based on our review of the engineering reports prepared so far, we do believe that their proposal may be feasible. The next steps require final engineering review and preparation of the conditions for Tract 2162 (Phases 2 – 6) to obtain wastewater service. The “conditional will-serve” letter that is developed for that purpose will be submitted to your Board for approval, and it will include those conditions under which the moratorium may be lifted. The lifting of the moratorium may be for specific phases, or it may be for all phases.

Imposition of a moratorium outside of CSA 7A is recommended since the County is unable to provide will-serve letters for that territory at this time. The County submitted a request for an amended waste discharge order (AWDO) on July 14, 2006, based on the engineering reports prepared by the developer and reviewed by staff. We anticipate that issuance of the AWDO may take approximately 9 months.

Other Agency Involvement/Impact

The County Planning and Building Department is aware of the requested action. The tentative map for Tract 2162 could expire in September 2006 since they are unable to comply with the map condition that requires them to obtain service from CSA 7. The moratorium acknowledges the fact that CSA 7 cannot provide service to Tract 2162 at this time. County Counsel has reviewed and approved the attached resolution and ordinance as to form and legal effect. The environmental coordinator determined that this action is exempt under CEQA.

The RWQCB must issue an AWDO for the implementation of wastewater system expansions. The RWQCB has advised us that they generally support the recommended sanitary sewer system improvements as a beneficial system improvement.

Financial Considerations

Approval of this item has no direct financial impact to the district. The cost (approximately \$ 47,000 thus far) of reviewing the connection of this project to the existing treatment plant has been completely borne by the developer. The engineer’s estimated cost of improvements to the existing wastewater system to accommodate this project is approximately \$ 8 million and will be borne by the developer.

The purpose of establishing Zone C is to ensure that existing customers of Zone A are not negatively impacted financially by this project and will allow different rates and standby charges to be established in Zone C to pay for the impacts of this project, both capital and operating if necessary.

Results

Approval of this resolution will result in the establishment of Zone C of CSA 7 to provide for sanitary sewer service and allow for provision of equitable payment of the costs of such service. Establishment of the date for hearing for the moratorium will provide for

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consideration of issues impacting the provision of sanitary sewer service to and establishment of a moratorium for CSA 7C. These actions will contribute to the safety, health and welfare of the Oak Shores Community.

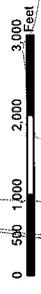
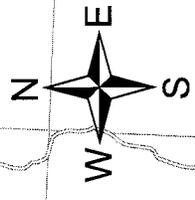
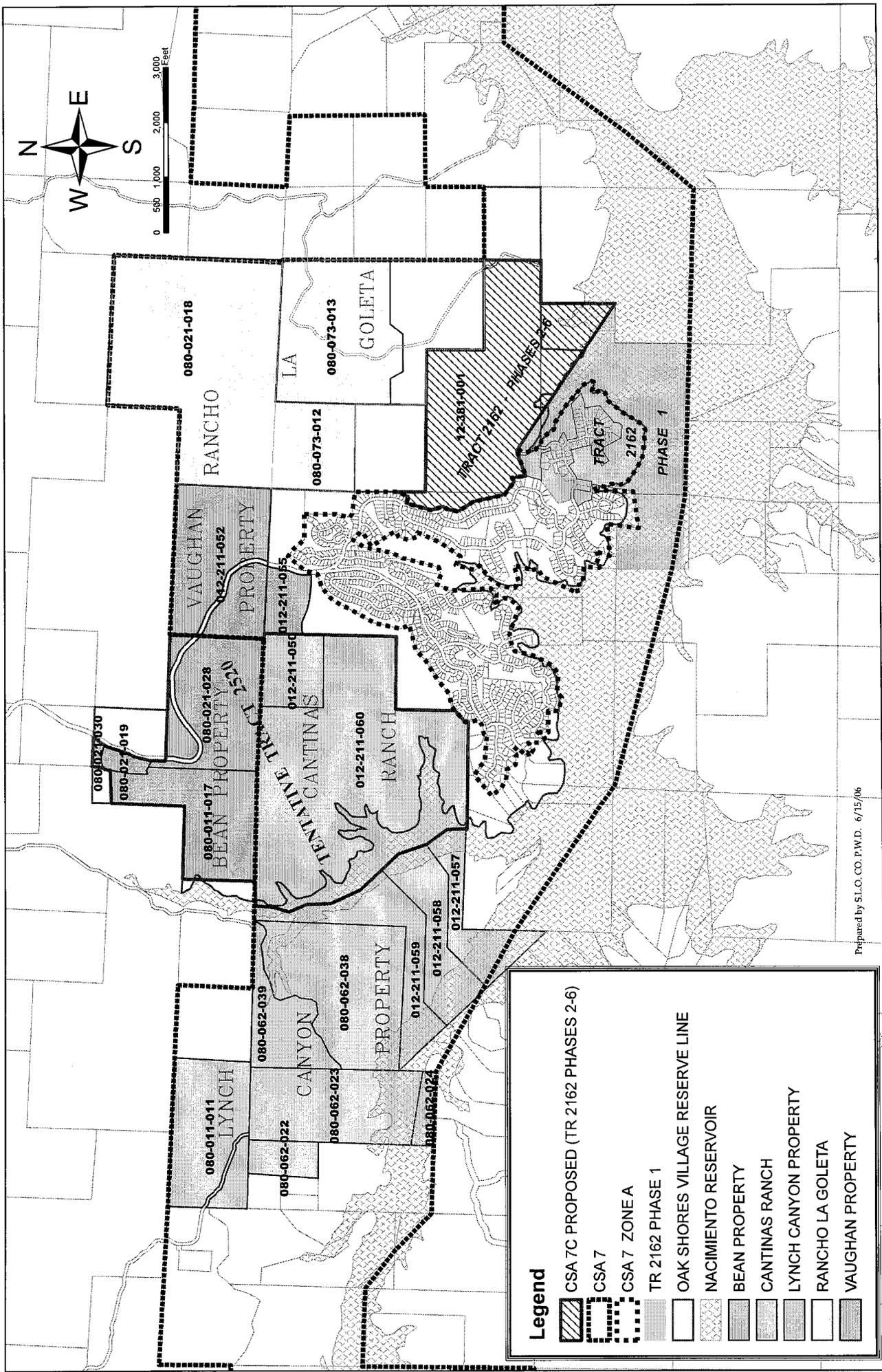
Attachments: Vicinity Map
Resolution
Draft Ordinance

File: CSA Nos. 7 & 7C

Reference: 06JUL25-C-8

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Legend

- CSA 7C PROPOSED (TR 2162 PHASES 2-6)
- CSA 7
- CSA 7 ZONE A
- TR 2162 PHASE 1
- OAK SHORES VILLAGE RESERVE LINE
- NACIMIENTO RESERVOIR
- BEAN PROPERTY
- CANTINAS RANCH
- LYNCH CANYON PROPERTY
- RANCHO LA GOLETA
- VAUGHAN PROPERTY

Prepared by S.L.O. CO. P.W.D. 6/15/06

5/13/06

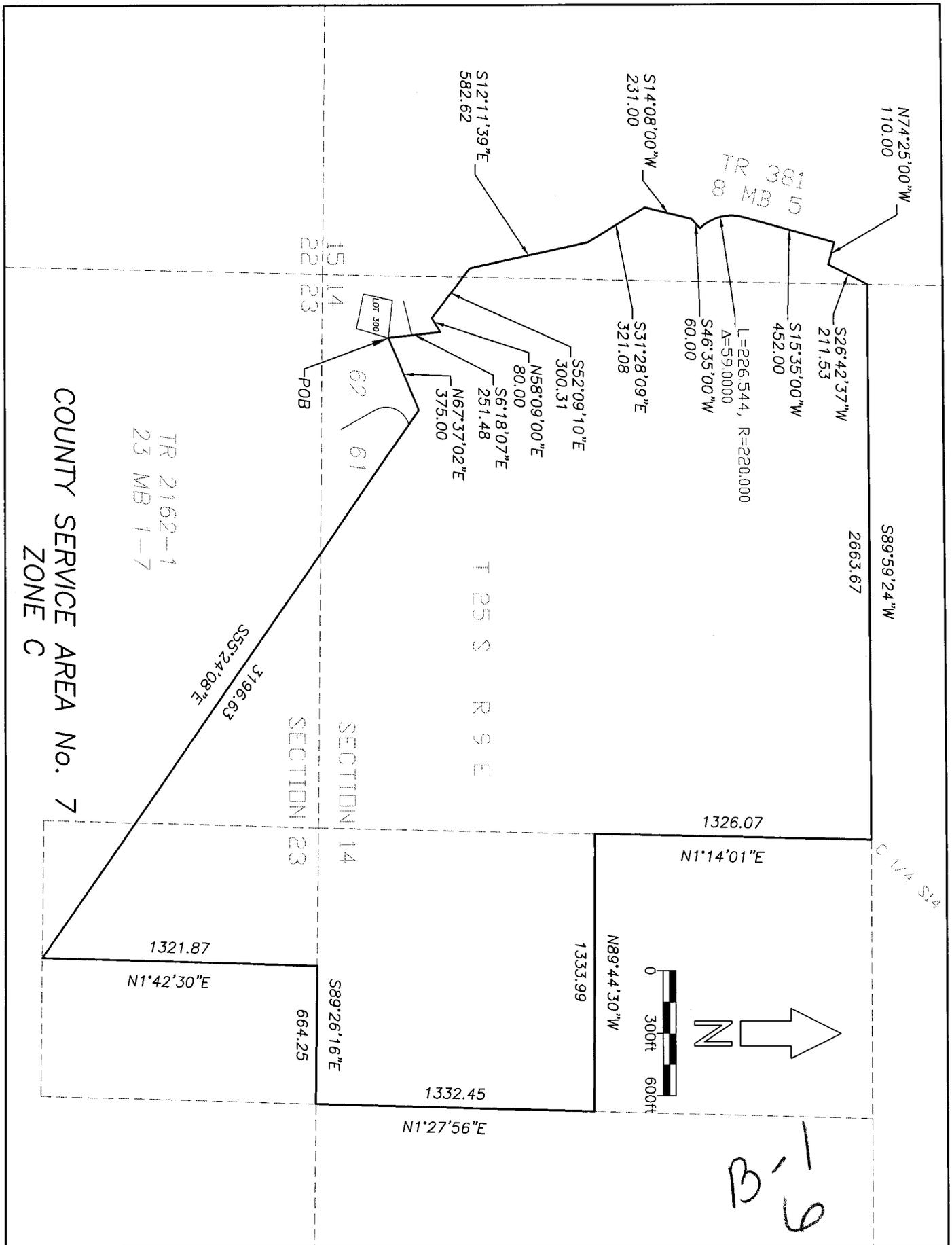


Exhibit A

COUNTY SERVICE AREA NO. 7
ZONE C

All that real property in the county of San Luis Obispo, State of California being portions of Sections 14, 15 and 23 of Township 25 South, Range 9 East, Mount Diablo Base and Meridian being more particularly described as follows:

Beginning at the northeast corner of Lot 300, Tract 381 (described in error as the northwest corner in Resolution #2003-267 adopted August 5, 2003 Ordering the Expansion of Zone A of SLO County Service Area No. 7) as recorded in Book 8 at Page 5 of Maps in the Office of the County Recorder of said County of San Luis Obispo; thence North 67°37'02" East 375.00 feet along the northwesterly boundary of Lot 62 of Tract 2162-1 as recorded in Book 23 at Pages 1 through 7 of Maps in the office of said County Recorder;

thence South 55°24'08" East 3196.63 feet along the northeasterly boundary of Lot 61 of said Tract 2162-1 to the southeast corner of the west half of the northwest quarter of the northeast quarter of said Section 23;

thence North 01° 42'30" East 1321.87 feet to the northeast corner of the west half of the northwest quarter of the northeast quarter of said Section 23;

thence South 89°26'16" East 664.25 feet along the northerly line of said Section 23 to the northeast corner of the northwest quarter of the northeast quarter of said Section 23;

thence North 01°27'56" East 1332.45 feet to the northeast corner of the southwest quarter of the southeast quarter of said Section 14;

thence North 89°44'30" West 1333.99 feet to the northwest corner of the southwest quarter of the southeast quarter of said Section 14;

thence North 01°14'01" East 1326.07 feet to the northeast corner of the southwest quarter of said Section 14;

thence South 89°59'24" West 2663.67 feet to the northwest corner of the southwest quarter of said Section 14;

thence along the easterly boundary of said Tract 381 the following courses and distances;

South 26°42'37" West 211.53 feet;

North 74°25'00" West 110.00 feet;

South 15°35'00" West 452.00 feet;

thence southeasterly along a curve concave northeasterly with a radius of 220.00 feet through a central angle of 59°00'00" a distance of 226.54 feet;

thence continuing along said easterly boundary,

South 46°35'00" West 60.00 feet;

South 14°08'00" West 231.00 feet;

South 31°28'09" East 321.08 feet;

South 12°11'39" East 582.62 feet;

South 52°09'10" East 300.31 feet;

North 58°09'00" East 80.00 feet;

South 6°18'07" East 251.48 feet to the northeast corner of said lot 300 and the True Point of Beginning.

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IN THE BOARD OF SUPERVISORS
County of San Luis Obispo, State of California

_____ day _____, 20__

PRESENT: Supervisors

ABSENT:

RESOLUTION NO.

**RESOLUTION OF THE BOARD OF SUPERVISORS
ACTING ON BEHALF OF COUNTY SERVICE AREA NO. 7
ESTABLISHING AND FORMING ZONE C
WITHIN COUNTY SERVICE AREA NO. 7**

The following Resolution is now offered and read:

WHEREAS, Government Code Section 25210.8 of the County Service Area Act authorizes the Board of Supervisors to establish zones within any County Service Area with tax rates, service charges, benefit assessments, fire suppression assessments, or connection charges varying with the extent of benefit to each zone derived from the services provided to the property within such zone; and

WHEREAS, on September 24, 1996 your Board approved Resolution No. 96-354, which conditionally approved a tentative tract map for Tract 2162; and

WHEREAS, on August 5, 2003 your Board approved Resolution No. 2003-267, which annexed Tract 2162, Phase 1, to County Service Area (CSA) No. 7A, for the purpose of providing sewer service to the lots in Phase 1; and

WHEREAS, current capacity of the wastewater system in CSA 7A is insufficient to provide service to Phases 2-6 of Tract 2162; and

WHEREAS, the owners of Tract 2162 Phases 2-6 desire to establish a zone of CSA 7 for the purpose of providing sewer services; and

WHEREAS, it is in the public interest that a zone of CSA 7 be formed for said purposes.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Supervisors of the County of San Luis Obispo, State of California, acting on behalf of CSA 7, as follows:

1. That the recitals set forth hereinabove are true, correct and valid.
2. That there be and hereby is established and formed within CSA 7, a new zone to be called "Zone C", effective upon the date of adoption of this Resolution, within that territory of the County of San Luis Obispo, State of California, which is more particularly described on the document attached hereto marked "Exhibit A" which is hereby incorporated herein by reference as though here full set forth.

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3. That said Zone C is established and formed for the construction, maintenance, repair, operation and enlargement of a wastewater collection, treatment and disposal system.
4. The action to create a new Zone C within the boundaries of County Service Area 7 is not subject to CEQA because the activity is an organizational or administrative activity of government that will not result in direct or indirect physical changes in the environment as described in State CEQA Guidelines Section 15378(b)(5); and the activity is part of the creation of a government funding mechanism or other fiscal activities which do not involve any commitment to any specific "project" which may result in potentially significant physical impact on the environment as described in State CEQA Guidelines Section 15378(b)(4).

Upon motion of Supervisor _____, seconded by Supervisor _____, and on the following roll call vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAINING:

the foregoing Resolution is hereby adopted.

Chairperson of the Board of Supervisors

ATTEST:

Clerk of the Board of Supervisors

[SEAL]

APPROVED AS TO FORM AND LEGAL EFFECT:

JAMES B. LINDHOLM, JR.
County Counsel

By: _____

Robert J. Jones
Deputy County Counsel

Dated: _____

7/14/06

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San Luis Obispo County
Department of Public Works

Draft 7-14-06

County Service Area 7 Wastewater Treatment System

Ordinance No _____

Imposing a Moratorium On the Issuance of Will Serve Letters For Sewer Service in Portions of County Service Area 7 Outside of County Service Area 7A (Oak Shores Development)

The Board of Supervisors of the County of San Luis Obispo ordains as follows:

SECTION 1: FINDINGS. The Board of Supervisors of the County of San Luis Obispo does hereby find, determine and declare as follows:

- A. The County currently holds a Waste Discharge Order (“WDO”) from the California Regional Water Quality Control Board (“RWQCB”) issued December 7, 2001, for County Service Area 7 (“CSA 7”) to discharge domestic sanitary wastewater up to a maximum average daily flow to 100,000 gallons per day, averaged over each month;
- B. CSA 7A constitutes a zone of benefit within CSA 7 which includes Tracts 378-381, and Phase 1 of Tract 2162;
- C. CSA 7A currently has approximately 580 existing homes and at build out 913 homes;
- D. The CSA 7A average daily flow for peak month has reached as high as 93,255 gallons per day in May 2005;
- E. An amended WDO has been needed to provide sewer service to any properties of CSA 7 outside the current boundary of CSA 7A since the at least August 5, 2003;
- F. As used herein, the term “will-serve letter” refers to any written representation, statement, or agreement that sewer service will be provided to any particular property or development;
- G. Issuance of sanitary sewer “will-serve letters” to portions of CSA 7 outside of CSA 7A under the current WDO is not consistent with the intent of the WDO, could result in increased wastewater discharges in excess of the WDO, and may result in a threat to the public health and safety of the people within CSA 7.

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- H. It is in the best interest of the public health, safety and welfare that no additional will serve letters be issued to any property within CSA 7 outside the current boundary of CSA 7 A until the following conditions are satisfied:
- a. The property owners seeking a “will-serve letter” provide preliminary engineering and financial reports, and environmental documents satisfactory to the Director of Public Works describing the required sanitary sewer treatment and disposal facilities required to serve such property; and
 - b. Such properties have been included in a zone of benefit of CSA 7 that provides wastewater service; and
 - c. The County has applied to the RWQCB for an amendment to the December 7, 2001 WDO which would provide for the inclusion of the increased treatment and disposal capacity to service such property; and
 - d. The property owner fully bonds for the cost of construction of such facilities. The license and rating of the bonding company and the bond shall be at a level approved by the Director of Public Works; and
 - e. The County Board of Supervisors approves the terms and conditions under which sanitary sewer service will be made available to said property.
- I. The issuance of any further “will-serve letters” to any areas within CSA 7 outside the scope of CSA 7A would be contrary to the best interests of the public’s health, safety and welfare unless the conditions of this Ordinance are satisfied;

SECTION 2: MORATORIUM ON SEWER SERVICE WILL SERVE LETTERS: The County shall not issue sewer service will serve letters to any properties within CSA 7 outside the boundary of CSA 7A until the following conditions are satisfied:

- A. The property owners seeking a “will-serve letter” provide preliminary engineering, financial reports, and environmental documents satisfactory to the Director of Public Works describing the required sanitary sewer treatment and disposal facilities required to serve such property; and
- B. Such properties have been included in a zone of benefit of CSA 7 that provides wastewater service; and

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- C. The County has applied to the RWQCB for an amendment to the December 7, 2001 WDO which would provide for the inclusion of the increased treatment and disposal capacity to service such property; and
- D. The property owner fully bonds for the cost of construction of such facilities. The license and rating of the bonding company and the bond shall be at a level approved by the Director of Public Works; and
- E. The County Board of Supervisors approves the terms and conditions under which sanitary sewer service will be made available to said property.

SECTION 3: DISCRETION TO NOT ISSUE WILL SERVE LETTERS: Nothing in this Ordinance limits the discretion of the County Board of Supervisors or the Director Public Works to not issue a will serve letter or provide sanitary sewer service to any property when such issuance or provision would be contrary to the public health , safety and/or welfare.

SECTION 4: DURATION OF ORDINANCE: The provisions of this ordinance shall remain in effect until the sooner of either of the following: 1) five years from the effective date of this ordinance; or 2) such date as this ordinance is repealed.

SECTION 5 SEVEREABILITY: If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held to be invalid or unconstitutional by a Court of competent jurisdiction, such decision shall not affect the validity or constitutionality of the remaining portions of this Ordinance. The Board of Supervisors hereby declares that it would have passed the Ordinance and each section, subsection, sentence, clause, phrase or portion thereof irrespective of the fact that any one or more , subsections, sentences, clauses, phrases or portions be declared invalid or unconstitutional.

EFFECTIVE DATE: This ordinance shall take effect and be in full force on and after 30 days from the date of its passage hereof. Before the expiration of 15 days after the adoption of this Ordinance, a display advertisement describing this Ordinance shall be published once in the Telegram Tribune, a newspaper of general circulation published in the County of San Luis Obispo, State of California, together with the names of the members of the Board of Supervisors voting for and against the Ordinance.

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INTRODUCED: at a regular meeting of the Board of Supervisors held on the _____ day of _____, 2006, and PASSED AND ADOPTED BY THE Board of Supervisors of the County of San Luis Obispo, State of California, on the _____ day of _____, 2006, by the following roll call vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAINING:

Chairperson of the Board of Supervisors
of the County of San Luis Obispo,
State of California

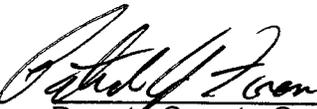
ATTEST:

County Clerk and Ex-Officio Clerk
of the Board of Supervisors, County of
San Luis Obispo, State of California

[SEAL]

ORDINANCE CODE PROVISION APPROVED
AS TO FORM AND CODIFICATION:

JAMES B. LINDHOLM, JR.
County Counsel
County of San Luis Obispo

By: 
Deputy County Counsel

Date: 7/14/06

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