

Interim Report

Board Subcommittee on
Local Agency Formation

November 17, 2007

Background

- Sonoma County Water Agency (SCWA) suggests formation of Community Services District (CSD)
 - responsibility for sewers and wastewater treatment plants
- Water Company Capital Improvement Plan Funding \$10+ Million Requirement
 - Reduced Cost of Financing for Public Agencies

Background - 2

- Only a fraction of TSR taxes designated for fire services come back to the TSRVFD.
- CSD could have “powers” including:
 - Sewer & Septic services
 - Water services
 - Fire services
 - Emergency services
 - And more
- Initial Board Objectives
 - CSD electorate should be same as TSRA electorate
 - CSD Board should be identical in membership and term of office as TSRA Board

Background - 3

- Reality of a CSD per California Code
 - CSD Electorate: Voters registered at an address within the borders of the CSD.
 - CSD Board: Five members, elected for four year terms (staggered by two years).
 - Election managed by County Clerk, held in June of alternating years

Alternative Public Agencies

- County Water District
 - Water, Sewer, and Septic services
 - Electorate: Registered voters with boundary + non-resident property owners
 - Board: Five members, elected for four year terms.
- County Benefit (Enterprise) Zone
 - All services
 - Board = County Board of Supervisors
 - Operating Authority delegated to TSRA

Comparison Matrix

Status Quo

- **Water Company**
 - TSRA ownership, control of assets
 - PUC oversight, cost of private financing, water service only
- **Sewer/Septic**
 - County's responsibility (at users' cost)
 - No local control over planning & maintenance, limited control over operations
- **Fire Services**
 - Quality service within significant constraints

County Benefit Zone

- **Water Company**
 - No PUC oversight, public financing, all services, TSRA Board as advisory to BoS
 - Possible asset transfer to County, less TSR control, County control over rates/taxes, potential impact on costs, potential for BoS changes in arrangements
- **Sewer/Septic**
 - TSRA Board as advisory to BoS
 - County control over rates/taxes, potential impact on costs, potential for BoS changes in arrangements
- **Fire Services**
 - County control over rates/taxes, potential impact on costs, potential for BoS changes in arrangements

Bottom Line

Community Service District

- **Water Company**
 - No PUC oversight, public financing, CSD control over rates and taxes
 - Separate governing Board, electorate excludes non-resident owners, asset transfer to CSD, potential impact on costs
- **Sewer/Septic**
 - No County oversight, public financing, CSD control over rates and taxes, County asset transfer to CSD
 - Separate governing Board, electorate excludes non-resident owners, potential impact on costs
- **Fire Services**
 - More control over priorities
 - Separate governing Board, electorate excludes non-resident owners, potential impact on costs

County Water District (CWD)

- **Water Company**
 - No PUC oversight, public financing, CWD control over rates and taxes, electorate includes non-resident owners
 - Separate governing Board, asset transfer to CWD, potential impact on costs
- **Sewer/Septic**
 - No County oversight, public financing, CWD control over rates and taxes, County asset transfer to CWD
 - Separate governing Board, potential impact on costs
- **Fire Services**
 - Not applicable