

## SECTION 6.0

### RODEO SANITARY DISTRICT

### WASTEWATER SERVICE

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#### 6.1 Overview

The Rodeo Sanitary District (RSD) serves the unincorporated communities of Rodeo and Tormey adjacent to San Pablo Bay. The District's boundaries encompass approximately 1.4 square miles with an estimated population of 6,833 residents. The District provides wastewater collection, treatment, and disposal services, and contracts for solid waste collection service for Rodeo with the Richmond Sanitary Service. RSD is currently providing service to two areas outside its boundaries and its sphere of influence (SOI). The current SOI is coterminous with the District's boundaries.

RSD is an independent district, formed in 1939 pursuant to the Sanitary District Act of 1923 (Health & Safety Code §6400 et seq.). The District serves three non-contiguous service areas: an area of medium density single family residential, north of Willow Avenue; a small area designated for public use west of San Pablo Avenue; and an area primarily designated for heavy industrial use west of Crockett. RSD is also providing wastewater collection and treatment services to a large apartment complex located southeast of San Pablo Avenue and the Conoco Refinery. Also being serviced by RSD are a number of single family homes located north of the District's eastern boundary along Viewpoint Avenue. Adjacent wastewater service providers include the City of Hercules to the south and the Crockett Community Services District to the east. The area between the District's north and south service areas is the Conoco Phillips Refinery which operates its own private wastewater system. The City of Hercules sphere of influence lies to the southeast.

RSD's wastewater collection system consists of approximately 25 miles of pipeline with two force mains and two pump stations. The District's Water Pollution Control Plant (WPCP) has a design capacity of 1.14 million gallons per day (mgd) and average dry weather flow of 0.60 mgd. RSD, the City of Pinole, and the City of Hercules share discharge facilities to San Pablo Bay through a Joint Powers Agreement. In February 2008, RSD was recognized for its environmental stewardship by being awarded the Small Plant of the Year award from the California Water Environment Association's San Francisco Bay Section.

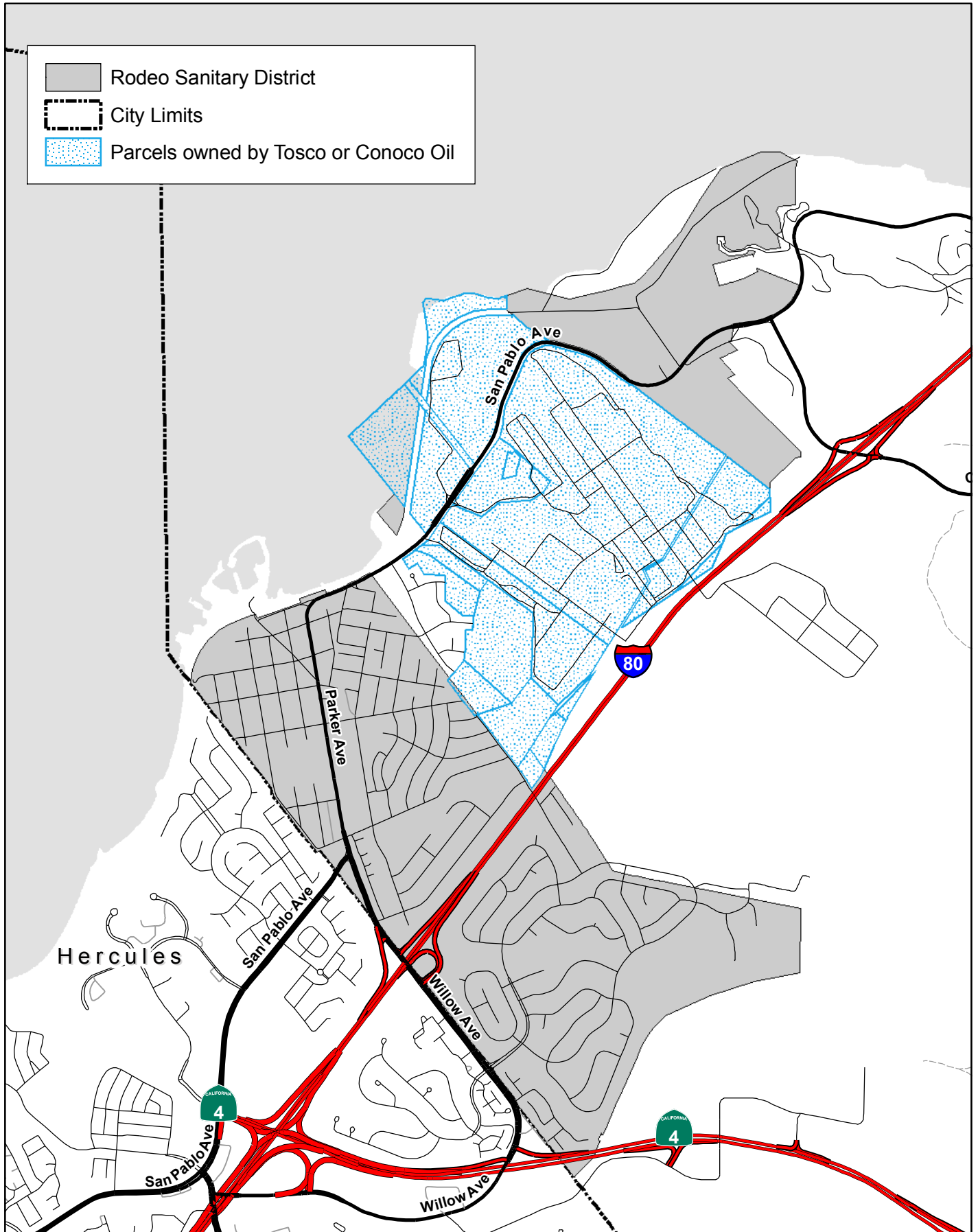
RSD's profile is shown in *Table 6.1* and a map of the District's boundary and current SOI are shown in *Figure 6.1*.

**Table 6.1  
Rodeo Sanitary District  
Wastewater Service Information**

<b>Service Area / Financial Summary</b>	
District Office	800 San Pablo Avenue Rodeo, CA 94572 (510) 799-2970 <a href="http://rodeosan.org">http://rodeosan.org</a>
Service Area:	1.4 square miles
Population:	6,833 (Year 2007) / 7,990 (Year 2030) Average Annual Growth Rate = 0.7%
Operating Budget (FY 2007-2008):	Revenues / Expenditures: \$1,929,166 / \$1,909,090 (forecast) Net Assets at June 30, 2007: \$4,879,829
<b>Wastewater Service Data</b>	
Services	Wastewater Collection, Treatment, Disposal Solid Waste Collection
Sewer Service Accounts	Approx. 2,500
Miles of Sewer Gravity Pipeline / Number of Pump Stations	25 miles / 2 pump stations
Average Age of Collection System	Approx. 50 years (1)
Avg. Dry Weather Flow / Avg. Wet Weather Flow	0.60 mgd / 0.75 mgd
Wastewater Treatment / Design Capacity	RSD Water Pollution Control Plant – 1.14 mgd
RWQCB Region	Region 2 – San Francisco Bay
Orders	Order No. R2-2006-0062 – Waste Discharge Requirements Order No. 2006-0003 – Statewide General Waste Discharge Requirements for Sanitary Sewer Systems

(1) No accurate records exist to accurately provide an average age. About half the system was built in 1969 – 1975. Age is only an estimation

# Rodeo Sanitary District



Legend:

- Rodeo Sanitary District
- City Limits
- Parcels owned by Tosco or Conoco Oil



## **6.2 Growth and Population Projections**

RSD serves an area of approximately 1.4 square miles that includes the unincorporated communities of Rodeo and Tormey. The current estimated population within the District's boundaries is 6,833 residents. Should RSD annex the two areas being served by RSD which are outside of the existing boundaries, the population estimates could increase significantly. Based on the Association of Bay Area Government's (ABAG) 2005 Census Tract Projection data, this is expected to reach 7,990 by 2030 with an average annual growth rate of 0.7 percent.

The primary land uses within the District's boundaries include single family high density residential and heavy industrial. The District's customers are approximately 90 percent residential and 10 percent commercial, with no industrial accounts. The District's boundaries are within the County Urban Limit Line approved by the voters in 2006.

The County's 2020 General Plan outlines policies for Rodeo that are intended to transform the community. Long-term projects include rehabilitation and revitalization of Old Rodeo, creating a more pedestrian and family-friendly waterfront, and developing Commercial Recreation businesses in the area. The District's waterfront facility has been identified as an end-point for a waterfront promenade, and it is not contemplated that the District would be asked to relocate its facilities.

The policies of the General Plan focus on rehabilitation and increasing open space opportunities. However, the policies also include intensifying development with live/work units in commercial areas and potential multi-family residential units along the waterfront.

Growth within RSD's service area will primarily occur through infill and redevelopment. There will be an increased need to provide cost-effective wastewater services given the urban development and increasingly stringent water quality standards. The District will need to continue to implement capital improvements to ensure adequate service levels for existing and new customers, including pipeline replacements, rehabilitation of the pump stations and force main, and treatment plant improvements.

## **6.3 Infrastructure Needs or Deficiencies**

RSD's infrastructure includes a wastewater collection and conveyance system; a secondary level treatment facility in Rodeo; and disposal facilities that are shared with the cities of Pinole and Hercules through a joint powers agreement. The District has been working to rehabilitate its infrastructure and maintain regulatory compliance following years of deferred maintenance that resulted in serious environmental issues. The success of this effort was recently recognized with

RSD receiving the Small Plant of the Year award from the California Water Environment Association’s San Francisco Bay Section. *Table 6.2* summarizes RSD’s facilities:

Table 6.2  
Rodeo Sanitary District  
Wastewater System Overview

	Quantity
Sewer Service Accounts	Approx. 2,500
Sewer Gravity Pipelines / Force Mains	25 miles gravity pipeline / 0.4 miles force main
Pump Stations	2
Average Age of Collection System	Estimated 50 years
Average Dry Weather Flow / Average Wet Weather Flow	0.60 mgd 0.75 mgd
Treatment Plant Design Capacity	1.14 mgd
Effluent Disposal	Discharged to San Pablo Bay

### 6.3.1 Collection and Conveyance System

RSD serves approximately 2,500 accounts, of which 90 percent are residential and 10 percent are commercial. The District operates and maintains sanitary sewer pipelines, a 2000-foot force main, an 8000-foot force / gravity main and two pumping stations that convey wastewater to the District-owned wastewater treatment plant in Rodeo.

The District has identified and is addressing issues associated with the collection system. The oldest portions of the system date back approximately 100 years to when the system was originally constructed and privately owned. The system was designed to drain to Rodeo Creek; treatment facilities were added in the 1950’s. Many of the older sewers are not well engineered or properly installed, and many were installed along the property lines of residential backyards with limited access. Pipes are undersized, and there were numerous lines that had insufficient manhole access. The District has addressed the manhole issue and have fixed most of the areas with insufficient access. Due to the condition of the system, infiltration and inflow is an issue, and many lines are surcharged during wet weather. RSD is implementing an in-house intensive smoke testing of two main sections of the collection system. These two areas are the likely source of significant I/I issues due to the many backyard sewer lines.

RSD is implementing a multi-phased collection system rehabilitation program. In the first phase, the District digitally mapped the system and developed a hydraulic model. Phase II is currently underway and includes correcting hydraulic deficiencies and addressing inflow and infiltration. The District also plans to develop an ordinance requiring property owners to correct structural deficiencies in private laterals. The third phase will continue replacement of deteriorated pipe segments and continue corrective actions for infiltration and inflow.

The force main was installed in the mid-1950s and is approaching the end of its useful life. Improvements to the main pump station have been done on an as needed basis. Significant refurbishments may be needed in the future. The District has been performing inspections of the main which have shown it to be in good shape. The District is also preparing to do a corrosivity analysis on the soil around the force main to provide additional information. A new access vault will be installed later this year which will provide access for more extensive inspections.

In its five-year Strategic Plan prepared in August 2006, the District has identified \$2.73 million in major capital projects for the collection and conveyance system, including \$1.28 million for the second and third phases of collection system rehabilitation program, and \$1.45 million for rehabilitation of the pump station and force main. For FY 2006-2007, the District approved \$534,000 for the second phase of the collection system rehabilitation project. The third phase of the collection system program and the pump station/force main rehabilitation are scheduled for FY 2008-2009.

The State Water Resources Control Board (SWRCB) maintains an online database, the California Integrated Water Quality System (CIWQS), where permit violations and sewer system overflows (SSOs) are reported. In 2006, the SWRCB adopted the Statewide General Waste Discharge Requirements for Sanitary Sewer Systems (WQO No. 2006-003-DWQ) and RSD (as part of the San Francisco Region) must now report all SSOs to the CIWQS. According to the online database, the District had one major SSO that occurred in January 2008. The District cleaned the line and had all downstream sewer lines inspected to identify capacity issues.

RSD is preparing its Sewer System Management Plan (SSMP) in accordance with the requirements of the SWRCB's General Waste Discharge Requirements for Sanitary Sewer Systems (Order No. 2006-0003-DWQ). The Plan includes a Fats, Oils and Grease Control Program, which is expected to reduce the number of blockages and retain capacity within the sewer system. RSD has an Overflow Emergency Response Plan and has an action plan in place in the event of a force main break.

### **6.3.2 Treatment Plant**

RSD's Water Pollution Control Plant (WPCP) is located at 800 San Pablo Avenue in Rodeo. The plant has a permitted capacity of 1.14 mgd; the current average dry weather flows are approximately 0.60 mgd with average wet weather flows of 0.75 mgd. The wastewater receives secondary treatment and is discharged to San Pablo Bay. In January 2008, the District was assessed \$45,000 in Mandatory Minimum Penalties by the San Francisco Regional Water Quality Control Board (RWQCB) due to numerous violations of the effluent limits in its NPDES permit between December 2002 and December 2006. However, the Regional Board staff notes that the District has made a number of upgrades and modifications to its treatment facilities and

the compliance history is greatly improved since the start of 2006. The RWQCB approved a Supplemental Environmental Project (SEP) for RSD to spend \$30,000 of the fine money. This project includes the development and implementation of an ordinance that establishes requirements to inspect and repair/replace a sewer lateral during the sale of a home or when a major building permit is pulled. Additionally the SEP will develop and implement a grant program for voluntary sewer lateral replacement.

In 2005, the District replaced the aeration delivery equipment for the biological reactors, decreasing power consumption by nearly 30 percent (estimated 240,000 lbs of CO<sub>2</sub> removed from the atmosphere). The District also replaced the chemical storage and feed systems for disinfection and dechlorination. This has also reduced chemical usage by approximately 35%.

The District is installing a Supervisory Control and Data Acquisition (SCADA) system in order to improve system performance and allow for immediate response to critical systems.

RSD has identified \$2.87 million in major capital projects for the treatment facility in its five-year Strategic Plan (August 2006). This includes the second and third phases of the SCADA system, and other equipment replacement. The major expense is for a new redundant primary clarifier estimated at \$1.15 million; this project is planned for FY 2010-2011. For FY 2006-2007, the District approved \$95,000 to replace the primary clarifier mechanism which has been completed.

In February 2008, RSD was awarded the Small Plant of the Year award from the California Water Environment Association's San Francisco Bay Section. This award recognizes environmental stewardship and affirms the significant progress the District has made in improving its infrastructure and managing operations.

### **6.3.3 Disposal Facilities**

In 1977, RSD, the City of Hercules, and the City of Pinole entered into a joint powers agreement for the purpose of providing deepwater disposal facilities. Treated wastewater from the RSD WPCP and the Pinole-Hercules WPCP is discharged through a combined deep-water outfall into San Pablo Bay. Increasingly stringent water quality standards for San Pablo Bay will require that RSD and the two cities continue to implement improvements to their treatment processes and carry out preventive programs to avoid wastewater loading that requires additional treatment.

### **6.3.4 Summary**

RSD's infrastructure consists of a wastewater collection and conveyance system and treatment facilities. The disposal facilities are jointly owned by RSD and the cities of Pinole and Hercules.

RSD’s infrastructure is in fair condition; the District is working to correct issues stemming from years of deferred maintenance and delayed capital improvements. The District has identified infrastructure needs in its five-year Strategic Plan prepared in August 2006, and uses the Plan for capital improvement planning. In order to meet regulatory requirements and ensure adequate service for existing and new customers, the District will need to continue to implement capital projects for the collection and conveyance system as well as the treatment facilities. The District has made significant progress in the past several years to address deficiencies and achieve regulatory compliance.

## 6.4 Financing Constraints and Opportunities

RSD’s primary source of operating revenue is sewer service charges. The District also receives a portion of the one percent property tax and franchise fees from solid waste collection services. Additional revenue is derived from interest income on investments and connection fees.

*Table 6.3* summarizes the financial history of the District.

Table 6.3  
Rodeo Sanitary District  
Financial Summary

	FY 2004/2005 Actual	FY 2005/2006 Actual	FY 2006/2007 Actual	FY 2007/2008 Budgeted
Operating Revenues	\$1,476,274	\$1,611,905	\$1,887,520	\$1,929,166
Operating Expenses	\$1,674,080	\$1,811,919	\$1,947,446	\$1,909,090 (forecast)
Net Non-operating Revenues / (Expenses)	\$206,706	\$139,611	\$296,240	Not available until 1 July 2008.
Contributions				
Change in Net Assets	\$8,900	(\$60,403)	\$(131,548)	Not available – 1/7/08
Net Assets, Beg of Year	\$3,797,378	\$3,806,278	\$3,745,875	\$3,879,417
Net Assets, End of Year	\$3,806,278	\$3,745,875	\$3,879,471	Not available – 1/7/08

RSD has limited reserves due to management decisions in the 1980’s and 1990’s, as well as the significant capital needs it has been addressing over the past several years. However, the District is planning to build reserves going forward.

In 2003, the District obtained a ten-year loan of \$1,500,000 with an interest rate of 3.76 percent. At June 30, 2007 the outstanding balance was \$966,037. In 2006, the District entered into a lease purchase agreement in the amount of \$534,937 to fund the collection system rehabilitation project. The ten-year note has an interest rate of 4.65 percent. At June 30, 2007 the outstanding balance was \$513,624. Both loans are secured by the net revenue of the system. Annual debt service is approximately \$214,000.



RSD has increased its annual wastewater service rates from \$383 in FY 2002-2003 to \$558.31 in FY 2007-2008. Per the terms of the loans the District must maintain adequate net revenues to meet debt service requirements. The District notes that it is increasingly challenging to meet regulatory requirements, and the ability to increase rates is limited due to the low per capita income within their service area. The District pursues grants and low interest loans where feasible.

## **6.5 Cost Avoidance Opportunities**

RSD is avoiding power costs through infrastructure improvements for its treatment facility. In addition, treatment system improvements have reduced the amount of chemicals needed, providing an additional cost savings.

It should be noted that RSD has made significant progress in improving its infrastructure, which will reduce the risk of future violations and penalties. RSD plans to develop an ordinance that will require property owners to repair private sewer laterals, reducing the impact on District-owned infrastructure. The District is also addressing infiltration and inflow issues, which will reduce the amount of wastewater that must be treated.

## **6.6 Opportunities for Rate Restructuring**

RSD reviews its service charges annually. The District charges an annual service charge for residential customers. The 2007-08 rate of \$558.31 per year reflects a \$17.31 increase over 2006-07 rates; the previous rate increase was in July 2002. The annual sewer service charge is collected through the property tax roll. As noted above in *Section 6.3*, the District's ability to increase rates is limited due to the low per capita income within the RSD service area.

Commercial customers pay the same service charge as residential accounts. The District should consider the benefits of a commercial/industrial rate structure that is based on actual wastewater flows and wastewater loading. A flat rate structure for residential sewer service is common. Although rates based on actual wastewater flows (or winter water usage) would ensure that the cost for service is borne by the user, the cost to implement and maintain this type of rate structure generally outweighs the benefits for residential accounts.

A portion of the one percent property tax collected on property within the RSD boundaries accrues to the District.

The current wastewater service rates are summarized in *Table 6.4*.

Table 6.4  
Rodeo Sanitary District Service Area  
2007-08 Wastewater Service Charge

Type	Rate
Single Family Residential	\$46.53/month (\$558.31/yr)
Commercial	\$46.53/month (\$558.31/yr)

RSD’s current connection fee for residential and commercial units is \$5,000. Given the increasingly stringent regulatory requirements, impacts of new service on the collection and conveyance system, and the likely need for enhanced treatment processes in order to meet future regulations, the District should evaluate the connection fee to ensure that it is adequate.

### **6.7 Opportunities for Shared Facilities**

RSD currently shares disposal facilities with the cities of Pinole and Hercules. The three entities share in the cost to operate and maintain the facilities, based on their proportional share of wastewater flows.

In its response to this MSR, RSD noted the potential opportunity for the District to provide treatment services for a portion of Hercules. The District identified two subdivisions adjacent to the District’s boundaries – Fox Boro and Victoria by the Bay – that could be connected to the RSD system. This would free up capacity at the Pinole-Hercules WPCP, which is currently operating at capacity. No studies have been conducted to evaluate this opportunity; however, Pinole, Hercules, and the West County Wastewater District (WCWD) are currently working on two parallel studies to evaluate the potential for wastewater from Pinole and Hercules to be treated at the WCWD WPCP.

### **6.8 Evaluation of Management Efficiencies**

RSD operates under the direction of the District Engineer-Manager and oversight of a five-member elected Board of Directors. In 2006, the District prepared a five-year Strategic and Financial Requirements Plan that described the condition of the infrastructure and the capital projects needed, as well as the staffing requirements to effectively manage and operate the district’s facilities. The District operates with minimal staff, and contracts for some services such as engineering consulting and surveying. The District uses its strategic planning and capital and operations budgets to guide district operations.

## 6.9 Government Structure Options

RSD provides wastewater collection, treatment and disposal services for the unincorporated communities of Rodeo and Tormey. The District is serving two areas which are outside its current boundaries. There will be an increased need for cost-effective wastewater services within western Contra Costa County given current urban land uses, aging wastewater infrastructure, and increasingly stringent water quality standards. The District has planned for service needs through its five-year Strategic Plan.

The Crockett Community Services District (CCSD) provides wastewater service to the east of RSD's northern service area. CCSD was formed in 2006 through the reorganization of three special districts: Crockett-Valona Sanitary District, County Sanitation District No. 5 (Port Costa), and County Service Area P-1. The area is served by a treatment plant operated by C&H Sugar with discharge to the Carquinez Strait. Formation of CCSD was approved by the voters after an extensive stakeholder process that evaluated a number of service alternatives. A reorganization with RSD is not considered a viable alternative at this time.

Three government structure options were identified:

- Maintain the status quo
- Consolidate sanitary sewer service with a portion of the City of Hercules
- Amend the SOI and annex the two areas currently being served by RSD

***Maintain the status quo:*** RSD is currently providing wastewater collection, treatment and disposal services for residences and businesses within its boundaries. The District is providing adequate service, maintains its infrastructure, and is financially stable. The District is rehabilitating its infrastructure and is implementing programs and practices that improve cost efficiency. The benefits of this option are continuation of service and economies that benefit ratepayers.

***Consolidate sanitary sewer service with a portion of Hercules:*** The City of Hercules provides wastewater services within its corporate boundaries to the south of RSD. Currently, the City operates the collection system and the wastewater is directed to the Pinole-Hercules WPCP which is operated by the City of Pinole. The Pinole-Hercules WPCP is reaching capacity and the cities are exploring alternatives with the West County Wastewater District to the south. RSD noted that there may be opportunity for RSD to provide treatment for two subdivisions within the northern portion of the City. The RSD WPCP has a permitted design flow capacity of 1.14 mgd, although the District notes that a study conducted indicates capacity may be 1.5 mgd (Rodeo Sanitary District Wastewater Treatment Plant Capacity Study – January 2006). Current average dry weather flows are 0.60 mgd. However, the RSD collection system has significant infiltration

and inflow issues that increase wet weather flows to 0.75 mgd. Under this option, RSD would provide service to the Fox Boro and Victoria by the Bay subdivisions; this service could be limited to treatment and disposal or could include the District owning and operating the local collection system. Further study would be required to determine the benefits and costs of this approach, including the capacity of the RSD WPCP, the condition of the collection system within the Hercules subdivisions, and the ability for RSD to receive RWQCB approval for an increase in capacity. The advantages of consolidation may include economies of scale due to operational efficiencies for ratepayers in RSD and Hercules. However, a consolidation could result in increased costs, loss of efficiency, and loss of local control over capital improvements.

***Amend the SOI and Annex the areas currently being served by RSD:*** RSD is presently providing wastewater collection and treatment services to two areas which the District thought was annexed into the District. No records could be found by the District, by LAFCO, or by any county agency to support either of these areas being annexed into RSD. One of the areas, the Bayo Vista development consists of an apartment complex. The second area, referred to as Viewpoint after one of the major street in the community, Viewpoint Blvd., consist of single family homes. It is the consultants recommendation that since RSD is already providing services into these areas, the District should pursue annexation of these two areas so that the residents of those areas have the opportunity of full participation with the District.

## **6.10 Local Accountability and Governance**

RSD operates under the oversight and guidance of a five-member Board of Directors elected at large by voters within the district. The District’s governance is summarized in *Table 6.5* below.

Table 6.5  
Rodeo Sanitary District Governance

Date Formed:	December 18, 1939		
Statutory Authorization:	Sanitary District Act of 1923 (Health and Safety Code §6400 et seq.)		
Board Meetings:	District Office, 2 <sup>nd</sup> Tuesday of each month at 6:00 pm		
Member	Title	Term Expires	Compensation*
Barbara Russey	President	2008	\$100/Board meeting +
Alan Leal	Vice President	2010	
Mike Carlson	Secretary	2008	
Chris Brooks	Director	2008	
Robert Russey	Director	2010	

\* *Directors receive no benefits.*

Meeting notices and agendas are posted at least 72 hours in advance at the District office. District meetings are open and accessible to the public. The District is developing a website

(<http://rodeosan.org>) that will be used to provide public information. The website has been under construction for several months, and the District should consider making it a priority to complete the project.

## 6.11 Sphere of Influence Recommendations

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires that LAFCO review and update the sphere of influence (SOI) for each of the special districts and cities within the county.<sup>1</sup>

RSD provides wastewater collection, treatment and disposal services for the unincorporated communities of Rodeo and Tormey. The District's SOI is coterminous with its boundaries. RSD is currently providing service to two inhabited areas that are outside of the current SOI and boundaries of the District.

There will be an increased need for cost-effective wastewater services within the RSD service area given current urban land uses and increasingly stringent water quality standards. The District has planned for service needs through its five-year Strategic Plan.

The District shares boundaries with adjacent wastewater service providers, including the Crockett Community Services District and the City of Hercules. As discussed in *Section 6.9*, further study would be needed to determine whether operational efficiencies, costs savings, and other benefits would be achieved through consolidating sanitary sewer service with a portion of Hercules.

Given the considerations outlined above, five options are identified for the RSD SOI:

- **Retain the existing SOI:** If LAFCO determines that the existing government structure is appropriate, then the existing SOI should be retained. The District would continue to include the areas within its boundaries in its long-term facilities and capacity planning based on the adopted land uses.
- **Reduce the SOI:** If LAFCO determines that an area or community should be served by an agency other than RSD (such as the City of Hercules or the Crockett Community Services District) then reducing the District's SOI (and expanding the SOI of the other agency) would be appropriate. This would not change current service to those areas, but would result in the affected agencies adjusting capital and long-term operational planning.

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<sup>1</sup> State of California Government Code Section 56425 et seq.

- **Expand the SOI due to service provider change:** If LAFCO determines that an area or community should be served by RSD rather than the current service provider, then expanding the District's SOI (and reducing the SOI of the other agency, such as CCSD) would be appropriate. If RSD were authorized to serve additional area in Hercules, it would not require a change in the SOI of the city.
- **Adjust the SOI to be consistent with the adopted Urban Limit Line (ULL) within western Contra Costa County:** If LAFCO determines that RSD has the capacity to serve the area within the ULL, then adjusting the District's SOI would be appropriate. This option would expand the District's SOI to include areas within the ULL that may need wastewater services from RSD in the future. Depending on the boundaries chosen for any SOI expansion, this option would add significant amounts of territory to the District's SOI. This may include upwards of several square miles of territory.
- **Expand the SOI to include areas currently being served by RSD:** The Commission may wish to expand the District's SOI to include both the Bayo Vista apartments and the Viewpoint Blvd. subdivision, to which the District is providing services. Because both of these areas are inhabited, and because both of these individual areas are large, any SOI amendment to include them within RSD's SOI would require extensive CEQA review. RSD should pursue, at the earliest date practical, filing an application with LAFCO for a concurrent SOI amendment and annexation of both these areas. Contra Costa LAFCO requires two separate applications, one for each action, the SOI amendment and the annexation. This action would be consistent with earlier District combined SOI /annexation applications.

#### *SOI Recommendation*

It is recommended that LAFCO retain the District's existing SOI. RSD is providing and has been providing services to two inhabited areas outside of the existing SOI for many years. The District was under impression that these two areas were annexed into the District many years before. No Certificate of Completion, application or other documentation could be located to support that these two areas were annexed into RSD. The Commission could recommend that the SOI be amended to include these areas, however, such action would require extensive CEQA review, which this MSR does not provide. The consultant recommends that the District prepare the appropriate applications to submit to LAFCO which would amend the SOI of the District and annex the territory. Several past annexation applications with LAFCO included concurrent SOI amendments and this course of action would be consistent with those prior actions.

The District is providing adequate service, is maintaining its infrastructure, and has the capacity to serve the existing areas within its boundaries, given current and planned land uses. However,

the District has limited financial resources and is still working to correct infrastructure issues with its collection and conveyance system. There are currently no plans to expand capacity at the treatment plant.

The analysis of SOI issues is included in *Table 6.6* below.

**Table 6.6  
Rodeo Sanitary District  
SOI Issue Analysis**

Issue	Comments
SOI Update Recommendation	Retain the existing SOI
Services authorized to provide	Wastewater collection, treatment and disposal; solid waste collection
Existing and Planned Land Uses and Policies	The District has no land use authority for the area where it provides wastewater services. County plans include land uses and population growth that will need increased wastewater services. County policies support the provision of adequate wastewater service for residents and businesses.
Potential effects on agricultural and open space lands	Although there are some open space lands within the District's SOI and boundaries, wastewater services do not by themselves induce growth on open space lands. No Williamson Act contracts would be affected.
Opportunity for Infill Development rather than SOI expansion	The District has no land use authority and has no control over the location of infill development.
Projected Growth in the Affected Area	Population is expected to increase by 17% over the next 23 years to 7,990 residents. There will be an increased need for wastewater services.
Services to be Provided to any areas added to the SOI	No areas are proposed to be added. The District is providing service to two inhabited communities outside of existing SOI. District should consider future application with LAFCO to add these areas to SOI and annexation.
Service Capacity and Adequacy	The District is providing adequate service, is financially stable although with limited financial resources, and has the capacity to continue to provide services within its boundaries. The District has planned for capital needs based on the condition of the infrastructure and is implementing projects to rehabilitate infrastructure.
Location of Facilities, Infrastructure and Natural Features like rivers and ridgelines	The District provides services within the unincorporated communities of Rodeo and Tormey. The District's offices and treatment plant are located in Rodeo. The District discharges treated wastewater into the San Pablo Bay.
Effects on Other Agencies	Retaining RSD's existing SOI would have no effect on other agencies.
Potential for Consolidations or other Reorganizations when Boundaries Divide communities	RSD's current boundaries do not divide any communities. Consolidating service with Hercules for the Fox Boro and Victoria by the Bay subdivisions would require additional study.

**Table 6.6  
Rodeo Sanitary District  
SOI Issue Analysis**

Issue	Comments
Social or economic communities of interest in the area	The District was formed in 1939. The District collects service charges from existing users and fees for new connections; the District also receives a portion of the 1% property tax. Property owners within the area and ratepayers have an economic interest in receiving services from this investment.
Willingness to serve	The District wishes to continue to provide services within its boundaries; furthermore, the District noted that it believes it could provide treatment and disposal services for a portion of northern Hercules.

## **6.12 Determinations**

### **6.12.1 Growth and Population**

*Purpose: To evaluate service needs based upon existing and anticipated growth patterns and population projections.*

RSD serves an area of approximately 1.4 square miles within the unincorporated communities of Rodeo and Tormey adjacent to San Pablo Bay. The current estimated population within the District’s boundaries is 6,833 residents; this is expected to reach 7,990 by 2030 with an average annual growth rate of 0.7 percent.

Growth within RSD’s service area will primarily occur through infill and redevelopment. There will be an increased need to provide cost-effective wastewater services given the urban development and increasingly stringent water quality standards. The District will need to continue to implement capital improvements to ensure adequate service levels for existing and new customers, including pipeline replacements, rehabilitation of the pump stations and force main, and treatment plant improvements.

### **6.12.2 Infrastructure Needs or Deficiencies**

*Purpose: To evaluate the infrastructure needs and deficiencies in terms of supply, capacity, condition of facilities, and service quality.*

RSD provides wastewater collection, treatment and disposal services for residential, commercial, and industrial customers. The infrastructure consists of approximately 25 miles of sewer gravity pipeline, two force mains, and 2 pump stations. The wastewater receives secondary treatment at the RSD Water Pollution Control Plant in Rodeo and is discharged to San Pablo Bay. The disposal facilities are jointly owned by RSD and the cities of Pinole and Hercules.



RSD's infrastructure is in fair condition; the District is working to correct issues stemming from years of deferred maintenance and delayed capital improvements. The District has identified infrastructure needs in its five-year Strategic Plan prepared in August 2006 and uses the Plan for capital improvement planning. In order to meet regulatory requirements and ensure adequate service for existing and new customers, the District will need to continue to implement capital projects for the collection and conveyance system as well as the treatment facilities. The District has made significant progress in the past several years to address deficiencies and achieve regulatory compliance.

### **6.12.3 Financing Constraints and Opportunities**

*Purpose: To evaluate a jurisdiction's capacity to finance needed improvements and services.*

RSD's primary source of revenue is sewer service charges. The District also receives some property tax revenue as well as franchise fees on the solid waste collection service. RSD has limited reserves due to management decisions in the 1980's and 1990's, and the significant capital needs it has been addressing over the past several years.

RSD has increased its annual wastewater service rates and uses long-term debt to finance capital projects. The District pursues grants and low interest loans where feasible. The District should be encouraged to build reserves going forward.

### **6.12.4 Cost Avoidance Opportunities**

*Purpose: To identify practices or opportunities that may help eliminate unnecessary costs.*

RSD has made significant progress in improving its infrastructure, which will reduce the risk of future violations and penalties. RSD plans to develop an ordinance that will require property owners to repair private sewer laterals. The District is also addressing infiltration and inflow issues, which will reduce the amount of wastewater that must be treated. RSD is avoiding power costs through infrastructure improvements for its treatment facility. In addition, treatment system improvements have reduced the amount of chemicals needed, providing an additional cost savings.

### **6.12.5 Opportunities for Rate Restructuring**

*Purpose: To identify opportunities to impact rates positively without decreasing service levels.*

RSD uses a flat rate structure for both residential and non-residential customers. The District uses a commercial/industrial rate structure that is based on actual wastewater flows and wastewater loading. Given the increasingly stringent regulatory requirements, impacts of new service on the collection and conveyance system, and the likely need for enhanced treatment

processes in order to meet future regulations, the District should evaluate its connection fee to ensure that it is adequate.

#### **6.12.6 Opportunities for Shared Facilities**

*Purpose: To evaluate the opportunities for a jurisdiction to share facilities and resources to develop more efficient service delivery systems.*

RSD shares disposal facilities with the cities of Pinole and Hercules. There may be an opportunity for RSD to provide treatment services for the Fox Boro and Victoria by the Bay subdivisions within northern Hercules. This would free up capacity at the Pinole-Hercules WPCP, which is currently operating at capacity. No studies have been conducted to evaluate this opportunity.

#### **6.12.7 Evaluation of Management Efficiencies**

*Purpose: To evaluate management efficiencies of the jurisdiction.*

RSD operates with minimal staff, and contracts for some services such as engineering consulting and surveying. The District uses five-year strategic plan and capital and operations budget to guide district operations.

#### **6.12.8 Government Structure Options**

*Purpose: To consider the advantages and disadvantages of various government structures to provide public services.*

RSD provides wastewater collection, treatment and disposal services for the unincorporated communities of Rodeo and Tormey. Three government structure options were identified:

- Maintain the status quo
- Consolidate sanitary sewer service with a portion of the City of Hercules
- Amend the SOI and Annex the two inhabited areas currently being service by RSD

***Maintain the status quo:*** RSD is currently providing wastewater collection, treatment and disposal services for residences and businesses within its boundaries. The District is providing adequate service, maintains its infrastructure, and is financially stable. The District is rehabilitating its infrastructure and is implementing programs and practices that improve cost efficiency. The benefits of this option are continuation of service and economies that benefit ratepayers.

***Consolidate sanitary sewer service with a portion of Hercules:*** The City of Hercules provides wastewater services within its corporate boundaries to the south of RSD. Currently, the City operates the collection system and the wastewater is directed to the Pinole-Hercules WPCP

which is operated by the City of Pinole. There may be an opportunity for RSD to provide treatment for two subdivisions within the northern portion of the city. Further study would be required to determine the benefits and costs of this approach, including the capacity of the RSD WPCP, the condition of the collection system within the Hercules subdivisions, and the ability for RSD to receive RWQCB approval for an increase in capacity. The advantages of consolidation may include economies of scale due to operational efficiencies for ratepayers in RSD and Hercules. However, a consolidation could result in increased costs, loss of efficiency, and loss of local control over capital improvements.

***Amend the SOI and Annex the two areas currently being served by RSD:*** RSD is presently providing wastewater collection and treatment services to two areas which the District thought was annexed into the District. No records could be found by the District, by LAFCO, or by any county agency to support either of these areas being annexed into RSD. One of the areas, the Bayo Vista development consists of an apartment complex. The second area, referred to as Viewpoint after the major street in the community, Viewpoint Blvd., consist of single family detached homes. It is the consultant's recommendation that since RSD is already providing services into these areas, the District should pursue annexation of these two areas so that the residents of those areas have the opportunity of full participation with the District.

#### **6.12.9 Local Accountability and Governance**

*Purpose: To evaluate the accessibility and levels of public participation associated with the agency's decision-making and management process.*

The Rodeo Sanitary District is governed by a five-member Board of Directors elected at large by voters within the District. District meetings are open to the public. The District is developing a website (<http://rodeosan.org>) that will be used to provide public information and should consider making it a priority to complete the project so that information is readily available.

The District is providing services into two inhabited areas, future annexation of those areas would afford the residents of those communities the opportunity to vote on issues of representation and also on any issues which may affect their services or cost. It would also afford the residents of those communities the opportunity to serve on the board of directors.