



COUNTY OF NEVADA
COMMUNITY DEVELOPMENT AGENCY

NEVADA COUNTY SANITATION DISTRICT NO. 1

DATE: May 20, 2009

FILE: FM 09-001

TO: Jessica Hankins, Associate Planner

FROM: Gordon Plantenga, Wastewater Operations Manager

**SUBJECT: Supplemental Sanitation District Comments
On Proposed Rincon Del Rio Active Living Project**

This memo is intended to supplement the District's previous comments dated May 11, 2009, and attached.

Supplemental Comments:

Until this project has acquired the needed EDUs, there is no guarantee that sewer capacity will be available at the time this project is completed. There are currently projects that have been approved or are going through the planning process that could use up the available 500 EDUs that the District currently has available.

It is the District's intent when the number of unallocated EDUs has been reduced to approximately 200 that it will begin the planning process for the next EDU expansion at Lake of the Pines. The cost and funding for the next EDU expansion has not yet been identified. As such, this process could take three to five years to complete in order to provide additional sewer capacity beyond the current 500 unallocated EDUs. The completion of this future expansion may delay your project development if you have not yet acquired the needed sewer capacity.

If you have any questions or need additional information, please contact me at extension 7103.

GP:cn

Attachment

cc: Mark Miller
Amber Hazen
Department of Public Works, Attention: Steve Castleberry
County Surveyor: Tom Martin
Environmental Health, Attention: Kurtis Zumwalt
Nevada County LAFCo, Attention: S.R. Jones



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TO: Jessica Hankins, Associate Planner

FROM: Gordon Plantenga, Wastewater Operations Manager

SUBJECT: Sanitation District Comments
on Proposed Rincon Del Rio Active Living Project

Background:

The project site is located on the east side of Highway 49, at the intersection of Rincon Way, in the south part of Nevada County. The property is bordered on the north by the Lake of the Pines Ranchos and on the South by the Bear River.

This project proposes to divide approximately 215 acres (presently located on four parcels- APNs 57-240-17, 18, 19, and 57-130-13) into an age restricted active adult community. The proposed plan description identifies the project to be developed in phases with a total count of 312 dwelling units. The breakdown of the phases is as follows:

Phases 1 and 2 – (76 Dwelling Units)

16 Active Living (detached) Cottages (2 and 3 Bedroom Options)
34 Active Living/Assisted Living Duplex Units (2 Bedroom)
26 Unit Active Living/Assisted Living Building
Community Clubhouse

Phases 3 and 4 – (61 Dwelling Units)

37 Active Living (detached) Cottages (2 and 3 Bedroom Options)
20 Active Living/Assisted Living Duplex Units (2 Bedroom)
3 Active Living Group Homes (6 Bedrooms Each)
1 Memory Impaired Group Home (6 Bedrooms)
Neighborhood Clubhouse

Phases 5, 6, and 7 – (175 Dwelling Units)

12 Active Living/Assisted Living Duplex Units (2 Bedroom)
37 Active Living/Assisted Living Garden Apartments (2 Bedroom)
126 Unit Active Living/Assisted Living within Six Buildings
Community Admin/Retail Building

Comments:

Nevada County Sanitation District No. 1 will provide its comments based on the overall site plan and tentative map showing 312 units provided and attached to this memo. The applicant has requested consideration for 60 percent of an Equivalent Dwelling Unit (EDU) per dwelling unit. The District will want to see actual flow information provided for comparable units that are already in existence in order to make a determination as to the EDU allocation per dwelling unit. There needs to be an allowance identified for EDUs for the Community Clubhouse, Neighborhood Clubhouse, or Community Admin/Retail Building. There will also need to be an EDU allowance identified for staff to be provided for the Assisted Living Units, Assisted Living Unit Buildings, and Assisted Living Garden Apartments. If we assume two EDUs each for the two clubhouses and the admin/retail building; six EDUs for assisted living staff; and based on the applicants request for 60 percent of an EDU per dwelling unit (187 EDUs)- this could make the project need approximately 200 Equivalent Dwelling Units (EDUs).

The Northern boundary of the project is located approximately a mile south of the existing Lake of the Pines Wastewater Treatment Facility. The District's existing Lake of the Pines, Zone 2, sphere of influence is also located approximately a mile to the north and east of the project. In order for the proposed project to have sewer service provided by the District, it would require an amendment of the District's sphere of influence boundary; annexation into the District's Zone 2; and acquisition of approximately 200 EDUs of sewer capacity. In order to utilize this capacity, the proposed project would need to design and construct onsite and offsite sewer collection system along alignments satisfactory to the District and in accordance with District standards and ordinances. A copy of the District's Annexation Policy (Ordinance No. SD-65) is attached.

The District has completed construction of an upgrade/expansion of the Lake of the Pines Wastewater Treatment Facility. Said project has added 500 EDUs of unallocated sewer capacity to the Lake of the Pines, Zone 2. The current charge for acquisition of an unallocated EDU of Zone 2 sewer capacity is \$14,700. Once connected each new EDU would pay an annual sewer service charge (currently \$810 per year). It is noted that the following projects are already approved or in the planning process and will need the EDU allocation shown from Lake of the Pines, Zone 2 in order for them to develop to their planned potential:

Higgins Village-	48 EDUs
Saddle Ridge- APNs 57-141-66, 67, & 73 (FM 04-004)	Approx. 21 EDUs
(This project has 70 EDUs, but may need approximately 21 more to complete)	
10-Unit Industrial Condominium Park- APN 21-780-15	3 EDUs
Industrial Parcel- APN 21-780-14	1 EDU
Combie Plaza- APN 57-141-68	5 EDUs
Bear River Plaza- APN 21-730-74 (PM 05-23)	Approx. 20 EDUs
(This project has 16 EDUs, but may need approximately 20 more to complete)	
Higgins Marketplace- First 5 Parcels- APN 57-260-17 (EIR 04-001)	Approx. 65 EDUs
(Approximately 84 additional future EDUs may be needed for last 4 parcels)	
DarkHorse-	Up to 317 EDUs
Crossroads Church- APNs 57-141-15, 16, & 17 (U09-003)	Unknown EDUs
(Actual amount of EDUs has not been identified, but we estimate approximately 20 to 40 EDUs)	

Total Approximately 500 to 604 EDUs

Jessica Hankins

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The District encourages projects to acquire their EDUs needed for development at \$14,700 per EDU from the existing pool of 500 unallocated EDUs in Lake of the Pines, Zone 2. There is no reservation process currently for the District's unallocated EDUs. Upon purchase EDUs are allocated to the respective parcel as evidenced by a resolution adopted by the Sanitation District Board of Directors. It is the District's intent when the number of unallocated EDUs has been reduced to approximately 200 that it will begin the planning process for the next EDU expansion at Lake of the Pines. The cost and funding for the next EDU expansion has not yet been identified.

If you have any questions or need additional information, please contact me at extension 7103.

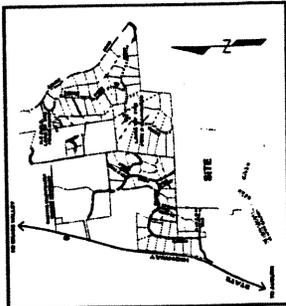
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Enclosure

cc: Mark Miller
Amber Hazen
Department of Public Works, Steve Castleberry
County Surveyor: Tom Martin
Environmental Health, Attention: Kurtis Zumwalt
Nevada County LAFCo, Attention: S.R. Jones

TENTATIVE MAP RINCON DEL RIO

BEING A PORTION OF THE SOUTH 1/2 SECTION 23, TOWNSHIP 14 NORTH, RANGE 8 EAST
AND THE NORTH 1/2 SECTION 4, TOWNSHIP 13 NORTH, RANGE 8 EAST, M.D.S. 11.1,
WITHIN INDIANA COUNTY, CALIFORNIA.



LINE TABLE:

LINE	NUMBER	LENGTH	AREA	PERCENTAGE	REMARKS
L1	100	1.25	0.0000	0.00	
L2	101	1.25	0.0000	0.00	
L3	102	1.25	0.0000	0.00	
L4	103	1.25	0.0000	0.00	
L5	104	1.25	0.0000	0.00	
L6	105	1.25	0.0000	0.00	
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ORDINANCE NO. SD- 65
OF THE BOARD OF DIRECTORS OF
NEVADA COUNTY SANITATION DISTRICT NO. 1

**AN ORDINANCE ADDING CHAPTER 8 TO THE SANITATION
DISTRICT CODE [ESTABLISHING AN ANNEXATION POLICY]**

THE BOARD OF DIRECTORS OF THE NEVADA COUNTY SANITATION
DISTRICT NO. 1 ORDAINS AS FOLLOWS:

SECTION I: PURPOSE AND INTENT OF ORDINANCE

The intent of the Annexation Policy is to minimize liability to the District, yet provide appropriately to the future development needs of the County. This Annexation Policy will serve to guide the development, construction, and annexation of new public wastewater systems within the District's jurisdiction. This policy is needed because the District Board of Directors recognizes that smaller decentralized wastewater systems may be proposed for annexation when regionalization and centralization cannot be achieved due to geographic and population factors. The Board of Directors also recognizes that given increasingly restrictive wastewater treatment requirements, it is essential to plan carefully in order to ensure the ongoing financial and operational viability of smaller wastewater systems. It is important for developers to have a predictable procedure in place so that they may properly evaluate the viability of their projects relative to the costs for constructing and operating a wastewater system while protecting the rights and interests of existing and future ratepayers.

SECTION II:

Chapter 8 is hereby added to the Sanitation District Code to read as follows:

Sec. 8.1 General Policies

This Annexation Policy shall be interpreted in the context of broader development policies contained in the County General Plan, the County Land Use and Development Code, and in the County's Sewage Disposal Ordinance. Another general policy is that each zone in the Sanitation District must be

financially solvent, with adequate and prudent reserves, as an independent administrative entity, except where the Board of Directors has authorized sharing of assets between zones or uniform service charges. The Board is highly aware that the financial insolvency of any particular zone can adversely affect the legal and financial position of the District as a whole.

For Reference, See Below the Related Policies in the County of Nevada 1995 General Plan:

Policy 3.5 Within Community Regions with existing public sewer and water systems, all new residential land divisions shall be required to connect to public sanitary sewer and water systems. Temporary use of private on-site systems may be allowed where public systems are not yet available but where a specific improvement plan and funding mechanisms are in place. A legally binding mechanism shall be required to insure that the development will connect to the public systems when available, and that the private systems will be discontinued.

Policy 3.15 The County shall encourage and may require, where appropriate and feasible, that mechanisms be provided as a condition of discretionary project approval to facilitate the funding of public improvements which are attributable to that project. Such mechanisms may include, but not be limited to, creation of an independent or dependent entity (independent district, dependent district, county service area, community service district).

Policy 3.16 Where community sewer or water systems are installed or required as a condition of development, there shall be a contract, development agreement, formation of an area service district, or other legally enforceable mechanism to insure long term maintenance of the community system.

Policy 3.17 The use of community sewer and/or water systems are encouraged where such systems are economically feasible for the intended service area.

Sec. 8.2 Annexation Into an Existing Entity

It shall be the preferred service arrangement for a proposed new public wastewater system (PWS) to annex into

any existing city, agency, or District zone that is proximately located such that connecting pipelines are feasible. As to District zones, the sphere of influence may already encompass the proposed PWS, or the sphere may need to be amended. If annexation and/or connection of a PWS into an existing city, agency, or District zone are not initially feasible, financial provision to the satisfaction of the District shall be made by the project applicant, to provide for future connection and annexation.

Sec. 8.3 Annexation as a New Zone

The following steps shall be a guide as to how a proposed PWS may annex into the District as a new zone after approval by LAFCo (Local Agency Formation Commission) and acceptance by the District. A PWS will not be accepted into the District unless findings of financial, operational, and technical viability can be made. All costs associated with planning, design, environmental review, plan review, annexation, mitigation payments, construction, and construction inspection shall be paid solely by the project applicant.

- A. Capacity. The project applicant shall identify the number of Equivalent Dwelling Units (EDUs) of sewer capacity needed. An EDU is the amount of sewer capacity needed by a single-family residence per day.
- B. Evaluation. Evaluation and selection of the proposed PWS (collection, treatment, and disposal facilities) must be done early in the development process to ensure a proper environmental review under CEQA (California Environmental Quality Act). Documentation shall be shared with the District as soon as possible, and contacts shall be made with the County Environmental Health Department, the State Central Valley Regional Water Quality Control Board (RWQCB), and LAFCO. The District will meet with proponents for a project as early as possible to provide initial feedback regarding the viability of the system and process for approval.
- C. Permit To Discharge. A permit to discharge will be needed from the RWQCB and/or from the County Environmental Health Department. A copy must be provided to the District as soon as possible to identify the ongoing monitoring and reporting requirements and costs.

D. Request for Annexation. A letter requesting annexation shall be submitted to the District along with supporting information and justification for the annexation. The supporting information shall include all of the following:

1. Completed LAFCo Application with Project Maps
2. Legal Description
3. Adopted CEQA Documentation
4. Proposed Design and Plans for Sewage Collection, Treatment, and Disposal Facilities
5. Proposed Plan for Operations and Maintenance
6. Report of Waste Discharge (from the RWQCB)
7. Project Schedule
8. Financial Plan

E. Pre-Construction. For review prior to construction, the project applicant shall provide improvement plans and specifications for the onsite wastewater collection system and treatment and disposal facilities in accordance with the District's standards and ordinances. The system shall be designed to accommodate increasing peak flows, as the system ages, from infiltration and inflow ("I&I") from the gravity laterals and leaky faucets/toilets, etc. The system and all its facilities shall be subject to approval by the RWQCB and/or County Environmental Health Department. All plan review costs shall be paid for by the applicant.

If the PWS is an existing system, the project applicant shall provide "as built" drawings along with operating documentation that demonstrates that ongoing preventative maintenance has been performed on the facilities. The District will require television inspection of the pipelines and testing of the existing facilities to determine existing condition of facilities. The system shall have all facilities and areas required for disposal on land owned fee simple

located within the development served, and title to be turned over to the District prior to acceptance of the PWS. All inspection costs shall be paid for by the applicant.

- F. Finances. The District will prepare (at applicant's cost) a financial analysis identifying estimated administration, operation, and maintenance costs. The analysis shall identify an amortization and funding of the capital improvements over the life of the discharge permit, but not less than 10 years, in order to provide adequate funds to address significant repairs, replacements, or upgrades. The analysis shall include the projected annual sewer or standby charge per EDU based on projected build-out of the project. It shall also identify estimated costs of administration, operation, and maintenance, as well as amortization of the capital improvements.

If the PWS is a new system, the District will require the project applicant to provide 50 percent of the amortization of the capital improvements as a payment prior to completing annexation. If the PWS is an existing system, the District will require the project applicant to provide from 50 percent to 100 percent of the amortization of the capital improvements as a payment prior to completing the annexation depending on the age of the facilities. The projected annual sewer and standby charges are to be set by the District at a level that ensures the new PWS does not have any negative financial impacts on the District. These charges will include a Consumer Price Index mechanism to automatically increase charges over time. There will also be a need for additional charges to cover repair/replacement costs not covered by amortization. The financial analysis shall accommodate future rate increases and the restrictions of the Proposition 218 process. The projected annual treatment and standby charges are to be approved to accommodate the above and to ensure no negative financial impacts on the District.

As a condition of LAFCo approval, or anytime prior to District acceptance of the PWS, the schedule of service charges (connected EDUs) and standby charges (unconnected EDUs) must be adopted for the new zone. The charges are added to the property tax bill for each

parcel of land, and are collected annually with County property taxes.

- G. Mitigation Fee. The project applicant shall pay a development mitigation fee for the PWS that includes five months of expenses for administration, operation and maintenance in order to ensure cash flow for the zone. In addition, an equity "buy-in" is required for the new zone's share of the District's property that is shared with all other zones (vehicles, equipment, buildings); this shall be calculated proportionately by the ratio of new EDUs to the total number of District EDUs existing prior to the new zone.
- H. Construction. The improvements referred to in Paragraph E, above, shall be constructed subject to periodic inspection by the District, which retains sole discretion over final approval and acceptance. "As built" improvement plans shall be provided. A test period for operation and baseline performance shall be required, along with assignment of equipment warranties to the District. These conditions apply to both new PWS construction and existing PWS facilities. All inspections costs shall be paid for by the applicant.
- I. Operation and Maintenance (O&M). A manual for O&M of the collection system shall be provided to the District. A Sanitary Sewer Overflow Prevention and Response Plan shall be prepared, and shall be approved by the District and the RWQCB with copies distributed to both. Copies of an O&M manual for the treatment and disposal facilities shall be provided to the District. These conditions apply to both new PWS construction and existing PWS facilities.
- J. Acceptance by District. After the steps in the above paragraphs are complete and assuming satisfaction of all conditions of LAFCo approval, the PWS is ready to be offered to the District for acceptance. All appropriate deeds and easements for real property, and fixtures thereon, which are necessary for proper functioning of the PWS, shall be conveyed to the District. The annexation shall not be completed until all conditions of the District's adopted Resolution of Application to LAFCo have been satisfied. All fees and costs described in this Chapter shall have been paid by the applicant.

Sec. 8.4 Reservation of Right to Decline Annexation

The District reserves its rights to decline, for any reason and in the sole discretion of the District Board of Directors, the annexation of a new zone. Such rights shall be exercised responsibly at the appropriate stage in the development process in order to not cause delay or disruption to projects involving either new or existing developments.

SECTION III:

This Ordinance shall be effective at the expiration of thirty (30) days from and after its passage, and it shall become operative on the 28th day of May, 2009, and before the expiration of fifteen (15) days after its passage a summary shall be published once with the names of the Directors voting for and against same in The Union, a newspaper of general circulation printed and published in the County of Nevada.

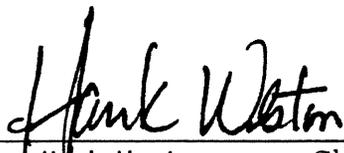
PASSED AND ADOPTED by the Board of Directions of the Nevada County Sanitation District No. 1 at a regular meeting of said Board held on the 28th day of April, 2009, by the following vote of said Board:

Ayes: Nate Beason, Ed Scofield, Hank Weston & Ted S. Owens.

Noes: None.

Absent: John Spencer.

Abstain None.



Hank Weston, Chair
Board of Directors

ATTEST:
CATHY R. THOMPSON
Clerk of the Board of Directors

By: 