

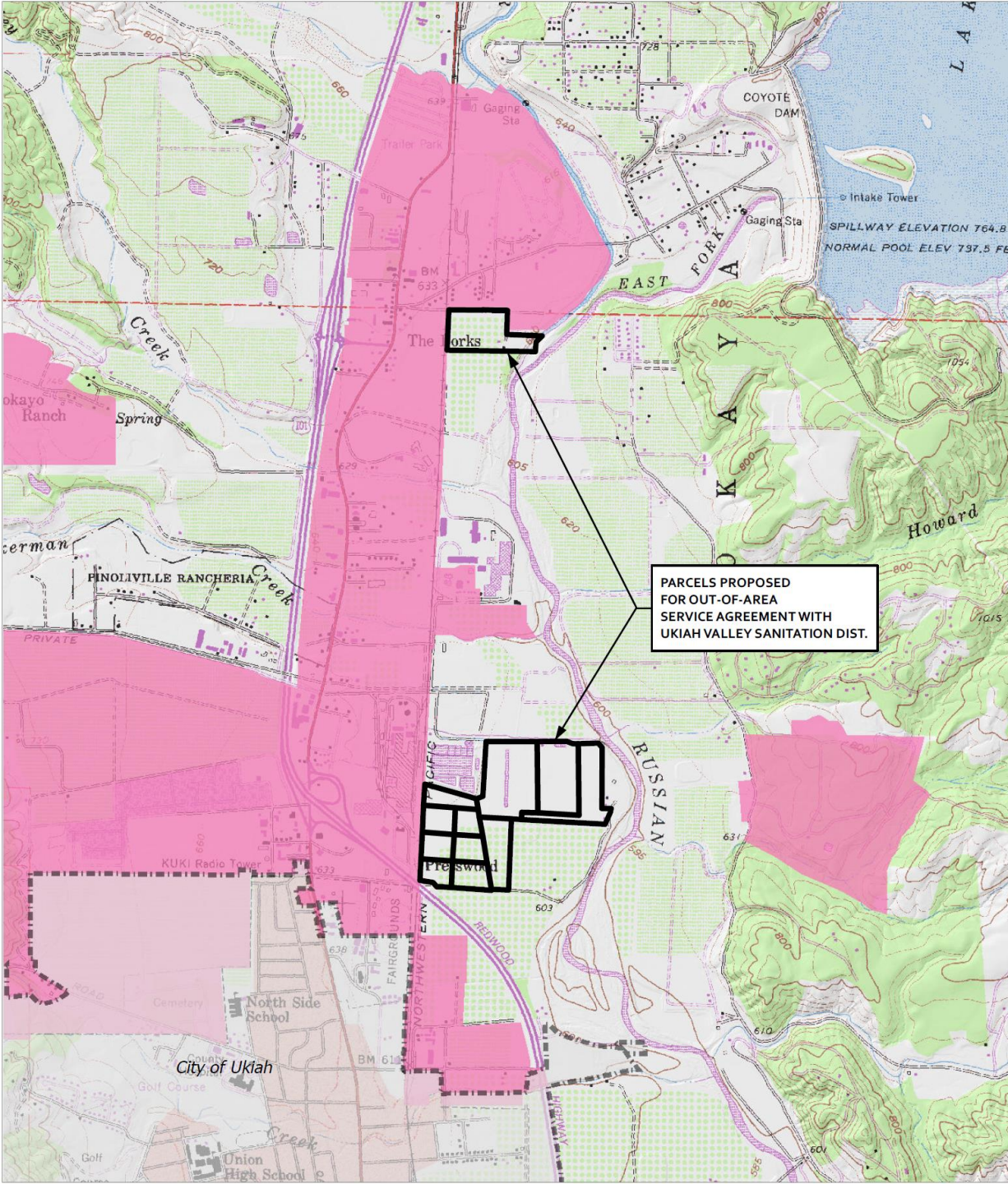
Item 5a:
PUBLIC HEARING

Ford Road, Kunzler Ranch Road, and Carter Lane
Out-of-Agency Services Agreement Area for
Wastewater Services from the City of Ukiah and
Ukiah Valley Sanitation District (File No. O-2022-03)
and Finding of Exemption Pursuant to the
California Environmental Quality Act

March 6, 2023

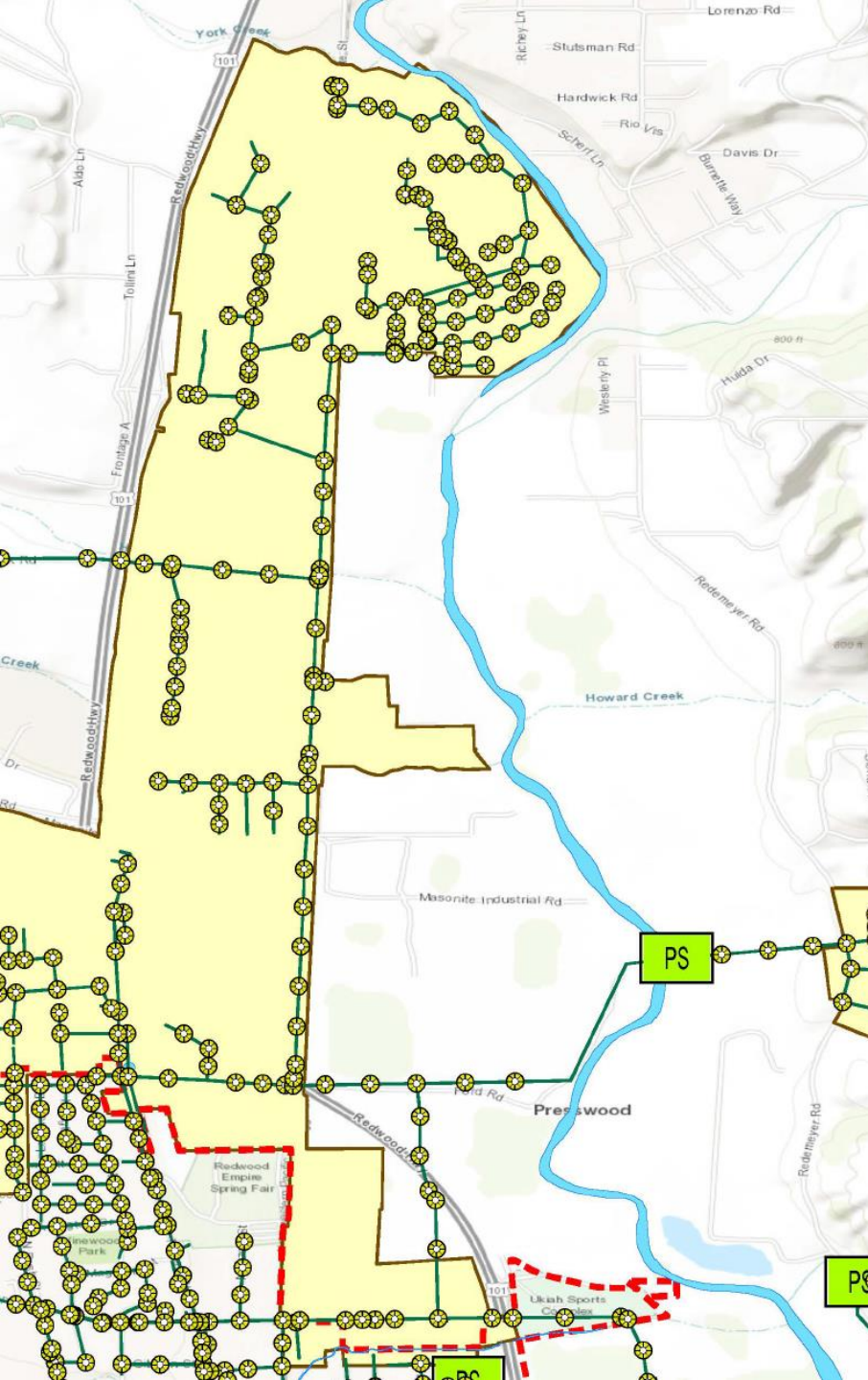
Out-of-Agency Services Agreement (OASA) Application

- Joint application from City of Ukiah & Ukiah Valley Sanitation District (File No. O-2022-03)
- Provide wastewater services to 12 parcels
- 9 parcels on Ford Road, 2 parcels on Kunzler Ranch Road, and 1 parcel on Carter Lane
- 10 parcels - vacant
- 1 parcel – underutilized
- 1 parcel – developed with an agricultural supply business
- 11 Industrial and 1 Mixed-Use land use designations



Application Overview

- OASA area is facing considerable development pressure.
- City-District milestone agreement to provide coordinated sewer services in the interim period before City annexation of the area.
- District to extend services from nearby sewer main lines and prevent installing septic systems in a floodplain.
- Ensure that expected growth under the zoning and General Plan can be supported by appropriate infrastructure.
- Create environmental protection benefits and prevent a future threat to public health and safety.



Capacity and Infrastructure

- Based on recent MSRs, the City/District have sufficient capacity to serve the OASA area at current zoning and density without adversely affecting existing service levels.
- The OASA area served by an extension of existing District infrastructure (Ford Road & Carter Lane).
- The OASA properties would become interim District customers and would be subject to District fee schedules, policies, and requirements.

Milestone Agreement

- The interrelated nature of the City/District sewer collection, treatment, and disposal systems support merging of the agencies.
- The agencies have developed a plan for the interim and long-term provision of services to areas around the City seeking to develop.
- The City-District Agreement conditions a delay in detaching existing and future overlap areas between the agencies until minimum thresholds are met, after which the District would cease to be independent and separate from the City, through a LAFCo application process.

Basis for Approval (56133 & Policy 12.2.2)

- Anticipation of later annexation met by:

- 1) Location of the OASA area within the City's recently adopted Sphere of Influence boundary.
- 2) Commitment for orderly annexation of the area to the City per the interim services agreement.
- 3) Standard requirement for the Annexation Consent Agreement and Covenant for each parcel.

Basis for Approval (56133 & Policy 12.2.2)

- Extraordinary circumstances met by:

- 1) Unprecedented interagency cooperation represented by the milestone interim services agreement resolving the long history of conflict between the City and District and duplication of service providers.
- 2) High pressure for development to occur sooner than the annexation process can be completed.
- 3) Preventing future public health and safety issues from development of multiple potentially large-scale septic systems in a floodplain area.

Basis for Approval (56133 & Policy 12.2.2)

- Applying strict limitations met by:

- 1) Approval is not anticipated to induce growth or create a significant change in buildout potential since the OASA Area is expected to develop with septic systems in the absence of sewer connections.
- 2) Conditional approval withdrawn if the milestone agreement is terminated, except for properties already connected or that have commenced the sewer line construction process.

Terms and Conditions

Approval is conditioned upon:

- Receiving annual written updates on development and annexation progress.
- Continued cooperation between the City and District, as represented by the City-District Interim Service Agreement.
- Receipt of the LAFCo Annexation Consent Agreement and Covenant document for each property consenting to future annexation to the City.

Notice/Comments/CEQA

- Public Hearing Notice was properly published and posted by Monday, February 13, 2023.
- No public comments have been received to date.
- General Rule CEQA Exemption applies since the application seeks to extend sewer services to parcels that will otherwise develop with the installation of septic systems and may have an environmental benefit by avoiding the need for the development of multiple septic systems in a floodplain area.

Recommendations

- 1) Find the Ford Road, Kunzler Ranch Road, and Carter Lane Out-of-Agency Services Agreement Area for Wastewater Services from the City of Ukiah and Ukiah Valley Sanitation District is exempt from the California Environmental Quality Act (CEQA) under the General Rule Exemption pursuant to Title 14 of the California Code of Regulations (14 CCR) §15061(b)(3), and approve the Notice of Exemption for filing; and
- 2) Adopt LAFCo Resolution 2022-23-09, conditionally approving the Ford Road, Kunzler Ranch Road, and Carter Lane Out-of-Agency Services Agreement Area for Wastewater Services from the City of Ukiah and Ukiah Valley Sanitation District (File No. O-2022-03).