

RESOLUTION NO. RES-2017-211

RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA ROSA APPROVING THE FIRST AMENDMENT TO THE AMENDED AND RESTATED AGREEMENT REGARDING SOUTH PARK COUNTY SANITATION DISTRICT OPERATIONS AND TRANSFER TO THE CITY OF SANTA ROSA

WHEREAS, the South Park County Sanitation District (SPCSD) was formed in 1972 and responsibility for SPCSD was transferred to the Sonoma County Water Agency in 1994 via state legislation; and

WHEREAS, the SPCSD and the City entered into the “Agreement for Dissolution of the South Park County Sanitation District and Transfer to the City of Santa Rosa” in February 1996; and

WHEREAS, the SPCSD and the City approved four amendments over the years for additional time extensions, to provide credit to SPCSD for pipe installations, and to address the Regional Water Quality Control Board’s Clean Up and Abatement Order No. R1-2007-0040 regarding a plume of halogenated volatile organic compounds in the SPCSD service area; and

WHEREAS, on June 26, 2012, SPCSD and the City entered into the “Amended and Restated Agreement Regarding South Park County Sanitation District Operations and Transfer to the City of Santa Rosa” (Amended and Restated Agreement) to address the unknown date of dissolution of SPCSD, provide for ongoing maintenance operations by the City, address current and any future debt payment obligations, define required infrastructure improvements, and set forth South Park’s obligations under Clean Up and Abatement Order No. R1-2007-0040; and

WHEREAS, in February 2013, the City Council directed development of a work plan for annexing the unincorporated Roseland area; and

WHEREAS, the Roseland Area Annexation consists of five unincorporated County islands in southwest Santa Rosa, and SPCSD serves approximately 50% of the Roseland Area Annexation, with the remaining portion of the District located within the unincorporated areas of Sonoma County; and

WHEREAS, annexation of the Roseland Area into the City will not allow for a dissolution of SPCSD because less than 70% of the property served by SPCSD will be within the City’s boundaries; and

WHEREAS, Water Agency and City staff, in consultation with Sonoma County Local Agency Formation Commission staff, reviewed various options for SPCSD in connection with the Roseland Area Annexation giving consideration to the financial viability of SPCSD and differences between SPCSD’s and the City’s sewer rate structures and based on these conditions determined that providing a transition period in relation to sewer rates and governance prior to transferring SPCSD to the City was the best available option; and

WHEREAS, Water Agency and City staff collaborated on the preparation of the proposed “First Amendment to the Amended and Restated Agreement” (First Amendment), which provides time for SPCSD to pursue rate restructuring towards volumetric rates that are more similar to the City’s sewer rates, addresses how City residents who will continue to be served by SPCSD will process development projects, and sets forth provisions for the future transfer of governance of SPCSD; and

WHEREAS, on August 2, 2017, Sonoma County Local Agency Formation Commission approved the Roseland Area Annexation subject to several conditions being met, including the requirement that the City and SPCSD address issues related to SPCSD through approval of a First Amendment to the Amended and Restated Agreement prior to the recordation of the Roseland Area Annexation on November 1, 2017; and

WHEREAS, on October 5, 2017, the Board of Public Utilities adopted a resolution recommending that the City Council approve the First Amendment to the Amended and Restated Agreement with the SPCSD.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Santa Rosa adopts a resolution approving the First Amendment to the Amended and Restated Agreement with the SPCSD, in substantially the form attached hereto as Exhibit A, subject to approval by the City Attorney, and made part of this Resolution.

IN COUNCIL DULY PASSED this 24th day of October, 2017.

AYES: (7) Mayor Coursey, Vice Mayor Tibbetts, Council Members Combs, Olivares, Rogers, Sawyer, Schwedhelm

NOES: (0)

ABSENT: (0)

ABSTAIN: (0)

ATTEST: _____ APPROVED: _____
City Clerk Mayor

APPROVED AS TO FORM:

City Attorney

Exhibit A – First Amendment to Amended and Restated Agreement Regarding South Park County Sanitation District Operations and Transfer to the City of Santa Rosa